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The effect of financial literacy, financial experience, financial self-efficacy on consumption behavior with financial technology as a mediating variable in the millennial generation

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Abstract
Purpose: This study aims to examine the Influence of Financial Literacy, Financial Experience, Financial Self Efficacy on Consumption Behavior with Financial Technology as a Mediating Variable in the Millennial Generation.
Research Methodology: The population determined in this study are all individuals who are active e-commerce users who are accustomed to online transactions. The sample will be taken using a purposive sampling technique. In this study, data collection was carried out by means of a survey through the distribution of questionnaire surveys (questionnaires) distributed to respondents to be filled in. The data analysis technique in this study uses the Warp PLS (Partial Least Square) structural equation model. Hypothesis testing is used to explain the direction of the relationship between independent variables and dependent variables. SmartPLS 3.0 program.
Results: Based on the results of the Effect Size (F-Square) test, the results of the study obtained on Financial Literacy (X1) on Consumption Behavior (Y) obtained a value of 0.171, so that these results can identify that it has a Medium influence, because the value is greater than 0.15. Financial Experience (X2) on Consumption Behavior (Y) obtained a value of 0.191, so with these results it can be identified as having a Medium influence, because its value is greater than 0.15. Financial Experience (X2) mediated by Financial Technology (Z) obtained a value of 0.208, so with these results it can be identified as having a Medium influence, because its value is greater than 0.15. Financial Self Efficacy (X3) on Consumption Behavior (Y) obtained a value of 0.373, so with these results it can be identified as having a Large influence, because its value is greater than 0.35. Financial Self Efficacy (X3) mediated by Financial Technology (Z) obtained a value of 0.496, so with these results it can be identified as having a Large influence, because its value is greater than 0.35. Financial Technology (Z) which mediates Consumption Behavior (Y) obtained a value of 0.244, so with these results it can be identified as having a Medium influence, because its value is greater than 0.15.
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1. Introduction

The development of increasingly sophisticated technology provides many benefits, such as features that make human work easier, namely financial technology. Financial technology or known as fintech is the replacement of cash with non-cash using applications. Financial technology is the latest phenomenon that has shaken the world of finance today. Facilities that offer various access that is very easy for the community. Financial technology continues to develop until now. The banking industry and financial sector use technological advances to meet the needs and habits of individuals in the digital era of financial technology has changed the way we make payments. Financial technology is one of the innovations in technological developments in the field of financial services (Marini et al., 2020).

The fintech trend will be a promising innovation and opportunity where people are literate in digital technology. Digital payment applications such as E-Wallet (digital wallet) Mobile banking, virtual credit and debit cards, QR code payments and digital banking applications offer faster and easier payments, even via mobile devices. Previously, payments had to be face-to-face and use a certain amount of cash, but now you can transact remotely without taking a long time. Financial Technology also has the potential to increase financial access. Through digital banking products and online lending services, people who previously did not have access to traditional banking can now easily access bank accounts and additional sources of funds.

The level of financial literacy is greatly influenced by the demographics of the individual. Women, minorities and low-income groups tend to have low levels of financial literacy (Amari & Jarboui, 2015; de Bassa Scheresberg, 2013). Likewise, age greatly determines people's perspectives on something. Generation Y is the generation born between 1981-1996. The millennial generation has been in their productive age for longer and has more experience in managing finances including facing financial challenges such as debt, investment, or savings. Generation Z, as a younger group, is still financially dependent on their parents and is not yet fully independent and is still in the early stages of their financial journey.

Generation Y or commonly called millennials have a more measured consumption pattern because they are already at a more stable stage of life, such as building a family or pursuing certain financial goals. have direct experience in making complex financial decisions, such as home loans, investments, or insurance. Generation Y grew up with the birth of computers and the internet so it can be said that they have natural intelligence and skills in using new technology (Carrasco-Gallego, 2017). According to the survey report of the Indonesian Fintech Association (Aftech), in the second quarter of 2023, when viewed by age, the majority or 70.8% of fintech user respondents came from the 26–35-year age group. Then users with an age range of 36-50 years were 23.1%, and the 18–25-year age group was only 6.1%. The highest data on fintech users came from the 26–35-year age group, which is generally the millennial generation. Fintech adoption is higher in groups that are financially independent and have a fixed income.

Financial Literacy includes knowledge and understanding of financial concepts and products, encouraging individuals to make decisions in saving, investing, and borrowing (Jumady, Alam, Hasbiyadi, Fajriah, & Anggraini, 2024). By having high financial literacy, people will think long-term rather than short-term in managing their finances. Based on previous research (Dewi, 2022), having financial literacy is fundamental to having a prosperous life. supported by good financial literacy and proper financial management, of course, and it is hoped that people will be wiser in improving their welfare.

Financial experience plays a very important role in influencing consumption behavior. Those who have experience in managing personal finances are very capable of making good and correct financial decisions. Positive experiences can help individuals avoid detrimental mistakes in financial management (Lusardi & Mitchell, 2011, 2014). A person who has financial knowledge tends to carry out recommended financial management, such as paying bills on time, recording finances every month and setting aside money for emergency funds and shopping according to needs, not being tempted by discounts or promos, thus someone has better finances.

In addition to financial literacy, financial self-efficacy also influences credit usage behavior (Liu & Zhang, 2021). Financial self-efficacy can be defined as a person's level of confidence in their ability to access and use financial products or services, make financial decisions, and deal with complicated or complex financial situations (Amatucci & Crawley, 2011). Financial self-efficacy refers to an individual's belief in their ability to achieve financial goals. Individuals with high levels of self-efficacy tend to have greater confidence in managing their finances, thus encouraging better management and avoiding unnecessary consumptive behavior (Bandura, 1997). Individuals who have higher financial self-efficacy will have greater confidence in deciding something compared to someone who has low financial self-efficacy. Financial self-efficacy can be interpreted as a positive belief in a person's ability to achieve their financial goals, in this case each individual certainly has confidence in their ability to manage their finances.

Based on the background that has been stated previously, to improve financial literacy in the community, so that they can use Fintech services correctly and appropriately. And the community can avoid financial problems caused by unplanned consumer behavior. Previously, research in Indonesia only focused on measuring the financial literacy index of individuals in various professions, such as students (Imeltiana & Hwihanus, 2023) lecturers, employees (Sobaya, Hidayanto, & Safitri, 2016) and MSME actors (Muna & Kartini, 2023) and most focus on generation Z (Andiani & Maria, 2023). Financial literacy research that focuses on a specific population, namely the millennial generation, is still very limited. This study uses the financial literacy index of the opinions conveyed by Chen and Volpe (1998), namely: (1) General financial knowledge; (2) Savings and loans; (3) Insurance; (4) Investment. Based on the background that has been explained above, this study aims to test the influence of financial literacy, financial experience, financial self-efficacy on consumption behavior with financial technology as a mediating variable in the millennial generation.

2. Literature Review

2.1 Financial Literacy

Financial literacy is the ability to distinguish financial options, discuss money and financial issues without discomfort, plan for the future, and respond competently to life events that affect daily financial decisions, including events in the economy. Financial literacy is when a person has a set of skills and abilities that can utilize existing resources to achieve goals. The increasing complexity of the economy, individual needs and financial products, individuals must have financial literacy to manage their personal finances. The financial knowledge they have can help individuals in making decisions in determining financial products that can optimize their financial decisions. Knowledge about finance is very important for individuals so that they do not make mistakes in making financial decisions later (Margaretha & Pambudhi, 2015).

If the financial knowledge they have is lacking, it will result in losses for the individual, due to inflation or economic decline in Indonesia. Low financial knowledge causes many people to experience financial losses, as a result of wasteful spending and consumption, being unwise in using credit cards, and calculating the difference between consumer credit and bank loans. Lusardi and Mitchell (2014) stated that financial literacy consists of a number of abilities and knowledge about finances that a person has to be able to manage or use a certain amount of money to improve their standard of living and aim to achieve prosperity. Financial literacy is related to behavior, habits and the influence of external factors.

2.2 Financial Experience

Financial experience refers to an individual's experience in using and interacting with financial products or services, including experiences in transacting, saving, managing debt, and investing. This experience plays an important role in shaping a person's financial skills and decision-making patterns. An individual's financial experience refers to the events they experience in managing their finances over a certain period (Anoke, 2023; Smith, 2019). This financial experience is not only important for future survival, but also as a learning opportunity in managing daily finances so that financial decisions become wiser. An individual's financial experience comes from personal experience, the influence of the social environment, and attitudes towards saving (Purwidianti & Tubastuvi, 2019). This experience can improve an individual's financial management and help in making better investment decisions (Afrin, Sehreen, Polas, & Sharin, 2020; Suhuyini, Akwotajie, & Yahaya, 2024).

Financial experience is obtained through direct learning processes, such as making financial transactions or managing investments, as well as through indirect experiences, such as observing other people's financial behavior or getting information from the media (Huston, 2010). Financial experience also has an impact on an individual's level of confidence in managing their finances. Research by Farrell (1957) showed that those who have financial experience tend to have higher financial self-efficacy. This high self-efficacy allows individuals to feel more confident in managing expenses which ultimately affects their consumption decisions. Financial experience not only increases knowledge but also provides confidence in dealing with various financial conditions. Therefore, financial experience can increase a person's financial literacy, which then has an impact on their consumption behavior. Individuals who have previous transaction or investment experience tend to be more aware of the importance of effective financial management, so they are more careful in spending money.

2.3 Financial Self Efficacy

Bandura (1997) was the first person to introduce Self-efficacy or Self Efficacy, Albert Bandura stated that self-efficacy is an individual's belief in their ability to organize and carry out an action or action to display certain skills. People who believe they can do something have the potential to change events in their environment. Ormrod (2009) also explained that self-efficacy is a person's assessment of their own ability to carry out certain behaviors to achieve certain goals. Someone who has high self-efficacy will have more confidence in acting compared to someone who has low self-efficacy. Based on the above understanding, it can be concluded that self-efficacy is a person's belief in their ability to do something that aims to achieve certain goals. Self-efficacy in this case, if associated with finance, can be interpreted that financial self-efficacy is a belief in the skills they have to manage finances well (Ebuka, Nzewi, Gerald, & Ezinne, 2020; Nimtur, Kusa, & Olanrewaju, 2023).

Financial self-efficacy indicators the dimensions of financial self-efficacy that influence financial behavior can be associated with the dimensions of self-efficacy in general, namely: level (magnitude), strength, and generality (Bandura, 1997). Based on the indicators that have been described above, this study will use indicators from Lown (2011) which include: ability in planning financial expenditures, ability to achieve financial goals, ability to make decisions when unexpected events occur, ability to face financial challenges, confidence in financial management, confidence in financial conditions in the future (Sarker, Sarker, Shaha, Saha, & Sarker, 2024).

2.4 Financial Technology

Financial technology in the community provides benefits and advantages and has a significant impact on their financial condition. Technological innovation in the field of financial services requires opportunities to continue to develop in Indonesia. Buratti, Parola, and Satta (2018) quoted the book The Future of Fintech in research Noor, Fibriyanita, and Subhan (2024) defining Financial Technology, which says that the financial technology ecosystem consists of more than just start-up businesses. Due to the use of modern digital technology for financial services, the word "Fintech" is often associated with this company. However, some businesses have experienced long-term corporate changes by offering digital-based financial services.

According to Peter and Olson (2013) in general consumer behavior is divided into 2 categories, namely rational consumer behavior and irrational consumer behavior. Rational consumer behavior is a consumer behavior that in purchasing goods or services prioritizes general consumer factors or aspects, such as the level of need required, primary needs, and the usefulness of the product itself for the consumer who buys it. Irrational consumer behavior is a consumer behavior that is easily tempted by a promotion, discount or other marketing strategy for a product without considering the aspects of need or interest.

2.5 Hypothesis Development

2.5.1 The influence of financial literacy on consumption behavior (H1)

Financial literacy is often associated with a person's knowledge or insight regarding financial management. For human survival, financial literacy is one of the important things that they must have because it can influence financial decisions and management. A person with good financial literacy tends to have good financial management as well. This is because with good financial literacy, a person will use their finances more carefully and more rationally, especially to avoid consumptive behavior. According to Lusardi and Mitchell (2014), people who do not understand the concept of finance will spend their income on transactions, take out loans and pay high interest on loans. Meanwhile, according to (Gunawan et al., 2020).

The phenomenon that occurs in society is that consumption decisions in society such as the use of credit cards or pay letters without considering the ability to pay off even though people or individuals are literate in technology often do not understand responsible financial management. To reduce the low financial literacy in society, various financial education has been developed. Financial education changes people's mindsets and increases understanding that has an impact on changing consumption behavior patterns. Effective education can help people in financial planning, avoiding excessive debt, and implementing a culture of saving or investment. Based on the explanation above, researchers have the desire to re-examine the influence of financial literacy on financial management. The results of Amanita's research (2017) that financial literacy has a positive effect on consumption behavior, as well as the results of B's research, so researchers formulate a hypothesis:
H1: Financial literacy has a positive influence on consumption behavior.

2.5.2 The influence of financial experience on consumption behavior (H2)

Financial experience plays an important role in shaping responsible consumption behavior. A person's financial experience forms certain values about money, how to use money, how to get money. A person with good financial experience has a good level of stress about money. Good money management habits such as saving or investing will make wise shopping decisions based on the priority scale of needs tend to have clear financial goals and strive to achieve their financial goals. A person with good financial experience is usually more careful in managing money and avoiding unnecessary expenses. Conversely, those who have little or no financial experience often exhibit wasteful consumption behavior. Therefore, understanding the consequences of bad financial decisions, which are often only learned through direct experience (Lusardi & Mitchell, 2014).

This financial experience is not only important for future survival, but also as a learning opportunity in managing daily finances so that financial decisions become wiser. Individual financial experience comes from personal experience, the influence of the social environment, and attitudes towards saving (Purwidianti & Tubastuvi, 2019). In addition, a person's income level affects purchasing power and consumption. The more experience you have, the better you are at making wise financial decisions. Financial experience can help someone achieve short-term and long-term financial goals. Financial experience has an influence on consumption behavior. Based on the explanation above, researchers have a desire to re-examine the influence of Financial Experience on financial management. The hypothesis in this study is:
H2: Financial Experience has a positive influence on consumption behavior.

2.5.3 The influence of financial self-efficacy on consumption behavior (H3)

Self-Efficacy is the level of individual confidence in their ability to access, use financial products or services, make financial decisions, and handle complex financial situations (Amatucci & Crawley, 2011 Ghosh and Vinod, 2017). Financial Self Efficacy is related to social cognitive theory, which states that the perception of self-Efficacy affects every aspect of an individual's life including their goals, choices, and determination in achieving tasks, positive or negative mindsets, and the measure of their persistence in dealing with problems. In addition, an individual's recognition of self-Efficacy affects the way they act, think, feel, and motivate themselves (A. Bandura, 1991 Indonesian: 2005). It can be observed that over the years the variable self-Efficacy actually mediates the relationship between several variables and the implementation of desired actions in a particular domain. Because self-Efficacy because of its greater predictive power influences the individual's tasks or choices directly when it is domain specific and to see positive outcomes indirectly that individuals often expect.

Furthermore, individuals with adequate financial knowledge and information feel confident in their ability to make successful transactions. In addition, self-efficacy also indirectly plays a role that helps in the cognitive thinking process to achieve the desired action driven by strong will in addition to the skills possessed by the individual (Hejazi et al., 2008). Based on the opinion above, it can be concluded that if someone has high self-confidence in managing their finances, the better the person will be in controlling their spending and consumption behavior.
H3: Financial Self Efficacy has a positive influence on consumption behaviour.

2.5.4 Financial Technology Mediates the Influence of Financial Literacy on Consumption Behavior (H4)

Financial Technology is a software and modern technology-based business that provides financial services. The term FinTech or financial technology is a combination of financial management using a technology system that has become a public concern because this service provides many service features to make it easier from the financial side such as being used in cooperative financial institutions, banking and insurance (Winarto, 2020). fintech provides financial solutions that are more accessible, fast, affordable, and by the wider community. The presence of fintech provides convenience in transactions and allows users to access financial services without geographical and time limitations. Financial technology functions as a mediator.

Perceived usefulness or benefits and perceived ease of use are fundamental determinants of attitudes toward usage intentions when using a particular technology. Therefore, perceived usefulness and perceived ease of use can be used as indicators of financial technology (Kamel and Hasan, 2003). With the help of technology, someone with high financial literacy knows how to understand and utilize fintech applications, such as digital wallets, loan services, and investment platforms, wisely. Financial literacy helps someone use fintech for more appropriate consumption decisions. Fintech allows people who understand finances to take financial actions easily and quickly, such as money transfers, investments, and planned purchases. People who understand finances can use this technology to avoid unplanned shopping.
H4: Financial Technology Mediates the Influence of Financial Literacy on Consumption Behavior.

2.5.5 Financial Technology Mediates the Influence of Financial Experience on Consumption Behavior (H5)

This experience teaches practical skills that make people smarter in making decisions about consumption. Financial technology helps in managing expenses easily. With financial technology, people who have financial experience can more easily control their expenses because financial technology provides tools and information that are directly connected in real time. Financial technology (fintech) is increasingly playing an important role in mediating the relationship between financial experience and consumption behavior, where fintech provides tools that make it easier to manage daily expenses (Gomber et al., 2018). People who have financial experience are better able to utilize fintech services to manage expenses more wisely, maximizing the benefits of technology in managing consumption (Arner, Barberis, & Buckley, 2015). Financial experience describes how often a person is directly involved in managing their finances, such as managing expenses, saving, or investing.

A simple explanation of this relationship is that people who are experienced in finance are usually more familiar with financial services, so they find it easier to understand and utilize fintech well. They understand how to use fintech features for specific needs, such as managing a budget or investing.
H5: Financial Technology Mediates the Influence of Financial Experience on Consumption Behavior.

2.5.6 Financial Technology Mediates the Influence of Financial Self Efficacy on Consumption Behavior (H6)

Financial self-efficacy is a person's belief in their ability to manage and control their money. People who are confident in financial matters tend to be better at managing their money and making the right financial decisions. This is because of their high self-confidence in their financial abilities. The concept of self-efficacy was first developed by (Bandura 1997). According to Albert Bandura, self-efficacy is a person's belief in their ability to plan and carry out an activity or action to demonstrate a certain skill and achieve a desired goal. results. A person who has higher financial self-efficacy will have greater confidence in doing or deciding something compared to someone who has low financial self-efficacy.

According to Forbes and Kara (2010) financial self-efficacy is an individual's belief in their ability to achieve financial goals and is influenced by various factors including financial skills, personality, social and other factors. Meanwhile, according to Brandon and Smith (2009) financial self-efficacy is a positive belief in the ability to manage finances well. So, someone with good financial self-efficacy will also be better at managing finances properly. The role of financial technology mediates. Self-efficacy is related to self-confidence in the ability to achieve financial goals (Buana & Patrisia, 2021). This means that people will be smarter in managing their spending. In short, financial technology increases the influence of financial self-confidence on consumption behavior by providing tools and features that make it easier for individuals to manage their money.
H6: Financial Technology Mediates the Influence of Financial Self Efficacy on Consumption Behavior.

2.5.7 Financial Technology Affects Consumption Behavior (H7)
Financial technology (fintech) has become one of the main innovations in the financial sector that is able to change people's consumption behavior. The use of fintech facilitates access to financial services, such as digital payments, investments, and personal financial management. In this case, fintech not only provides convenience, but also influences how individuals organize and prioritize their spending.

According to Nizar (2017), financial technology has a positive influence on a person's financial behavior. Through the ease of access and flexibility offered by fintech, individuals become more careful in choosing financial products or services, and are able to diversify investment risks according to their needs. This has an impact on more planned consumption management.

In other words, financial technology not only affects how individuals manage their finances, but also how they consume goods and services more intelligently and efficiently. Therefore, fintech has a significant influence on consumption behavior, both in the context of transaction efficiency and increasing accessibility of financial services.

3 Research Methodology
3.1. Subjects and Objects of Research
Subject of research in this study This study is a causality study using quantitative data analysis techniques The data used is primary data, obtained directly from Ecommerce users. Data collection using online questionnaire media distributed through Whatsapp groups, Instagram stories, and Fintech groups on the Telegram application. The questionnaire in this study uses a measurement scale, namely a Likert scale consisting of 5 scores, with a score of 5 for very positive answers and a score of 1 for very negative answers. Respondents in the distribution of this research questionnaire are those who have used and utilized one or more Ecommerce services, for at least one year with an age range of 18-65 years have a high school education or equivalent who have an understanding of digital financial services.

While the object of the study is Consumption Behavior influenced by Financial Literacy, Financial Experience and Financial Self Efficacy mediated by Financial Technology in the Millennial Generation.

3.2. Population and sample
The population determined in this study is all individuals who are active e-commerce users who are accustomed to online transactions. The sample will be taken using a purposive sampling technique, where respondents are selected based on certain criteria, namely individuals who have used Ecommerce services for at least one year and have basic knowledge of financial literacy.

3.3. Operational Variables

Table 1. Operational Variable Table.

No	Variables	Variable Types	Definition	Indicator (*Proxy)*	Measurement Scale
1	*Financial Literacy*	Independent	The ability of individuals to understand and use relevant financial information in decision making (Atkinson & Messy, 2012).	-Knowledge of financial products -Ability to make financial plans -Understanding of investment risks -Experience in saving or investing for specific purposes. -Ability to manage debt or loans wisely.	Likert
2	*Financial Experience*	Independent	The experience a person has in managing finances and engaging in financial activities (Robb & Woodyard, 2011).	-Previous investment experience -Experience in financial planning -Experience managing investment risks -ability to manage debt or loans wisely -experience facing financial challenges such as inflation or changes in income.	Likert
3	*Financial Self-Efficacy*	Independent	Individual self-confidence in the ability to manage and plan finances effectively (Lown, 2011).	-Confidence in achieving financial goals -Ability to overcome financial problems -Confidence in making financial decisions -Ability to manage expenses with discipline.	Likert

				-Ability to face financial risks with the right solutions.	
4	*Financial Technology*	Mediation	The use of digital technology for access to financial services and ease of online transactions (Gomber et al., 2018).	- Use of e-wallet applications -Ease of access to financial information -Security of financial transactions -Frequency of use of digital financial applications -Utilization of fintech features for budget or investment management. -Ease of use of fintech applications for transactions.	Likert
5	Consumption Behavior	Dependent	A person's action in spending money on goods and services (Kotler & Keller, 2016).	-Tendency of impulsive buying -Large expenditure for consumption -Consumption decision making based on needs, not wants. -Balanced personal financial management between consumption and savings -Planned and structured shopping habits.	Likert

Source: Processed Data, 2025.

3.4. Data Collection Techniques

In this study, data collection was carried out by means of a survey through the distribution of questionnaire surveys (surveys) distributed to respondents to be filled in. The type of questionnaire used is a closed type, namely a questionnaire that has provided alternative answers for respondents with the aim of making it easier to fill in so that it is faster and clearer (Sugiyono, 2016). In this study, the questionnaire was distributed online to active e-commerce users who were accustomed to online transactions. The questionnaire in this study contained questions consisting of 2 variables with 21 indicators. The Likert scale in this study has five levels as its measurement value, the categories are:

Table 2. Likert Scale

STS	Strongly disagree
TS	Disagree
N	Neutral
S	Agree
SS	Strongly agree

Source: (Sugiyono, 2016)

3.5. Data analysis techniques

The data analysis technique in this study used the Warp PLS (Partial Least Square) structural equation model.

3.5.1. Hypothesis Testing

Hypothesis testing is used to explain the direction of the relationship between independent variables and dependent variables. The SmartPLS 3.0 program can simultaneously test complex structural models, so that the results of path analysis can be known in one regression analysis. The level of significance used in this study is 10%. The value of the acceptance or rejection criteria for the hypothesis is Ha is accepted and H0 is rejected when the t-statistic is >1.96 and to reject and accept the hypothesis using profitability, Ha is accepted if the p-value is <0.1.

3.5.2. Direct Effect Test

This direct test is through path analysis using the Warpls 7.0 program to test the direct influence between independent variables on dependent variables with mediating variables. In this test, the bootstrapping method is used between independent variables and dependent variables.

3.5.3. Indirect Effect Test (Mediation Test)

Mediation testing is carried out to see the magnitude of the indirect influence value between variables. This test uses the Warpls 7.0 program with the bootstrapping method in this study there is an intervening variable, namely the ownership structure. This intervening variable can be said to be able to mediate the influence of the independent variable on the dependent variable if the T statistic value is greater than the T table and the P value is smaller than the level of significance used (10%).

4 Results and Discussions

4.1 Data Analysis

The number of samples used in this study was 200 respondents selected randomly (Random Sampling). The selection of this sample was carried out using the following inclusion criteria: Aged 29 - 44 years, have a fixed and non-fixed income, have knowledge in managing personal finances such as saving, investing, and using digital financial products, willing to follow the entire questionnaire process. Demographic Characteristics. The details of the sampling applied in this study are described in the following table:

Table 3. Research Criteria

Characteristics	Frequency	Percentage (%)
Gender		
Male	115	57,5%
Female	85	42,5%
Age		

29 – 34 Years	112	56%
35 – 39 Years	61	30,5%
40 – 44 Years	27	13,5%
Education		
Strata 2 (S2)	18	9%
Strata 1 (S1)	121	60,5%
Diploma	36	18%
High School/Equivalent	25	12,5%

Source: Processed data, 2025.

4.2 Convergent Validity Results

Convergent validity can be seen from the correlation coefficient value between each indicator with exogenous and endogenous variables. If the correlation coefficient value (loadings factor) is greater than 0.30, it meets the convergent validity criteria, while if the correlation coefficient value (loadings factor) > cross loading value, it can be said to meet the discriminant validity criteria.

Table 4. Results of Convergent Validity Structure loadings and cross-loadings

Indicator	X1	X2	X3	Y	Z	Description
x1p1	0.717	-0.316	-0.136	-0.095	0.696	Valid
x1p2	0.850	-0.112	-0.299	0.180	-0.115	Valid
x1p3	0.832	-0.276	-0.099	0.185	0.299	Valid
x1p4	0.903	0.116	0.301	-0.236	-0.375	Valid
x1p5	0.399	1.119	0.405	-0.063	-0.781	**Invalid**
x2p1	0.043	0.832	0.009	0.222	-0.453	Valid
x2p2	0.080	0.660	-0.639	-0.239	1.120	Valid
x2p3	-0.318	0.672	-0.414	0.211	0.494	Valid
x2p4	0.158	0.629	0.609	-0.192	-0.155	Valid
x2p5	0.033	0.764	0.405	-0.063	-0.781	Valid
x3p1	-0.178	0.115	0.755	-0.347	0.918	Valid
x3p2	0.018	0.093	0.828	0.232	-0.586	Valid
x3p3	0.122	-0.273	0.861	0.120	0.124	Valid
x3p4	-0.168	0.501	0.676	0.297	-0.757	Valid
x3p5	0.159	-0.330	0.808	-0.290	0.243	Valid

Source: Processed data, 2025

Table 3 shows the loading factor values of the indicators. Most indicators have loading factor values > 0.7, indicating good validity. Indicator x1p5 has a low loading factor (0.399), so it is not valid and needs to be evaluated further.

4.3 Discriminant Validity Results

The results of Discriminant Validity in this study, the results can be stated as valid because the correlation between indicators and their constructs is higher than the correlation with other constructs explained according to Haryono (2017). The results of Discriminant Validity can be seen in Table 4 as follows:

Table 5. Discriminant Validity Results

Construct	X1 (AVE=0.581)	X2 (AVE=0.512)	X3 (AVE=0.621)	Y (AVE=0.596)	Z (AVE=0.611)
X1	**0.762**				
X2	0.623	**0.715**			
X3	0.661	0.456	**0.788**		
Y	0.747	0.553	0.800	**0.772**	
Z	0.694	0.525	0.804	0.823	**0.782**

Source: Processed Data, 2025

Based on the results of Discriminant Validity in Table 4 above, the results show that the relationship between the variable construct and the variable itself is higher compared to other variables and constructs. This shows that discriminant validity is met for all constructs.

4.4 Average Variance Extracted (AVE)

Convergent Validity is conducted with the intention of measuring whether the data obtained is valid data or not. Validity testing is conducted on questionnaire question item data using AVE (Average Variance Extracted). Data is declared valid if the AVE (Average Variance Extracted) value. The following is the result of the validity test for each question item from each variable.

Table 6. Table of Validity Test Results AVE (Average Variance Extracted)

	Average Variance Extracted (AVE)
Financial Literacy	0,581
Financial Experience	0,512
Financial Self Eficacy	0,621
Consumption Behavior	0,596
	0,611

Source: Processed Data 2025.

From the validity test results table for all variables; above it can be seen that all question items are valid and can be used in research, because the AVE value of all these variables is greater than the standard value of 0.5. indicating that more than 50% of the indicator variance can be explained by the latent construct.

4.5 Composite Reliability

Reliability testing in this study uses Alpha Cronbach Alpha which is used to measure whether a questionnaire item data is reliable or not. Data is declared reliable if the Cronbach Alpha value of the question item is greater than 0.5. (Basuki and Prawoto, 2016). The following are the results of the reliability test of all variables.

Table 7. Results of Variable Reliability Test

	Cronbach's Alpha	Kriteria (≥ 0.5)
Financial Literacy	0,800	Valid

Financial Experience	0,757	Valid
Financial Self Eficacy	0,846	Valid
Consumption Behavior	0,829	Valid
Financial Technology	0,837	Valid

Source: Processed Data 2025

From the reliability test results table for all variables; above it can be seen that all question items are reliable and can be used in research, because the Cronbach Alpha value of all these variables is greater than the standard value, namely 0.5.

4.6 Outer Loadings

Outer Loadings is a test used to determine whether a question item specifically supports a variable. Data is declared valid if the Outer Loadings value is greater than 0.5 (Ghozali, 2018).

Table 8. Outer Loadings Results

	X1	X2	X3	Y	Z
x1p1	0.717				
x1p2	0.850				
x1p3	0.832				
x1p4	0.903				
x1p5	0.399				
x2p1		0.832			
x2p2		0.660			
x2p3		0.672			
x2p4		0.629			
x2p5		0.764			
x3p1			0.755		
x3p2			0.828		
x3p3			0.861		
x3p4			0.676		
x3p5			0.808		
y1p1				0.831	
y2p2				0.806	
y3p3				0.814	
y4p4				0.716	
y5p5				0.681	
M1					0.737
M2					0.809
M3					0.912
M4					0.749
M5					0.682

Source: Processed Data 2025

Based on the table above, it can be seen that the expected loading factor should be > 0.7, or at least > 0.5, for the variables measured, 1 indicator is classified as invalid, namely X1P5 has a loading factor value of 0.399 < 0.5, this indicator is declared invalid and cannot be included as an indicator.

4.7 R-Square Results

The R-Square test is conducted to test the value of the independent variable against the dependent variable. The criteria used are as follows:

- Substantial (strong) model with a value of 0.75
- Moderate (medium) model with a value of 0.50
- A value of 0.25 can be said to be a weak model

The results of the R-Square test can be seen in Table 8 as follows:

Table 9. R Square Results

	R Square	***R Square Adj***
Consumption Behavior	0,771	0,767
Financial Technology	0,721	0,717

Source: Processed Data 2025.

Based on Table 8, it is known that the Financial Literacy and Financial Experience, Financial Self Efficacy variables influence Consumption Behavior by 77% and the rest is influenced by variables that are not studied. The Financial Literacy and Financial Experience, Financial Self Efficacy variables mediated by Financial Technology influence consumption behavior by 72%, the rest is influenced by variables that are not studied.

4.8 Effect Size Results (F-Square)

To see the results of the Effect Size (F-Square) analysis in this study, the Effect Size (F-Square) value of 0.02, identified that the predictor variable has a weak influence and 0.15 identified the latent variable predictor has a moderate or medium influence, and 0.35 identified the latent variable predictor has a large influence Ghozali and Latan (2015). The results of the Effect Size (F-Square) test can be seen in Table 9 as follows:

Table 10. Effect Size Results (F-Square)

	***Financial Literacy* (X1)**	***Financial Experience* (X2)**	***Financial Self Efficacy* (X3)**	***Consumption Behavior* (Y)**	***Financial Technology* (Z)**
Y	0.171	0.191	0.373		0.244
Z		0.208	0.496		

Source: Processed Data, 2025.

Based on the results of the Effect Size (F-Square) test in Table 9 above, the following research results were obtained, as follows:

1. The Effect Size (F-Square) results on Financial Literacy (X1) on Consumption Behavior (Y) obtained a value of 0.171, so with these results it can be identified as having a Medium influence, because the value is greater than 0.15.
2. The Effect Size (F-Square) results on Financial Experience (X2) on Consumption Behavior (Y) obtained a value of 0.191, so with these results it can be identified as having a Medium influence, because the value is greater than 0.15.
3. The Effect Size (F-Square) results on Financial Experience (X2) mediated by Financial Technology (Z) obtained a value of 0.208, so with these results it can be identified as having a Medium influence, because the value is greater than 0.15.
4. The Effect Size (F-Square) results on Financial Self Efficacy (X3) on Consumption Behavior (Y) obtained a value of 0.373, so with these results it can be identified as having a Large influence, because the value is greater than 0.35.
5. The Effect Size (F-Square) results on Financial Self Efficacy (X3) mediated by Financial Technology (Z) obtained a value of 0.496, so with these results it can be identified as having a Large influence, because the value is greater than 0.35.

6. The Effect Size (F-Square) results on Financial Technology (Z) mediating Consumption Behavior (Y) obtained a value of 0.244 so with these results it can be identified as having a Medium influence, because the value is greater than 0.15.

4.9 Prediction Relevance Results (Q-Square)

Inner model analysis can be done by further calculating the Q-square value as follows:

Table 11. Q Square

Financial Literacy (X1)	Financial Experience (X2)	Financial Self Efficacy (X3)	Consumption Behavior (Y)	Financial Technology (Z)
			0,769	0,695

Source: Processed Data, 2025.

Based on the results of the Q-Square formula calculation, a value of 0.769 or 76% was obtained, which can be explained as much as 76% with these results being able to identify that it has a large influence because the value is greater than 0.35, the rest are other factors that are not related to the research conducted in this study.

4.10 Path Analysis

Path analysis is used to see the direct effect and indirect effect of the research variables of the Effect of Financial Literacy (X1), Financial Experience (X2), Financial Self Efficacy (X3) on Consumption Behavior with Financial Technology as a Mediating Variable. The direct effect is shown in the test of each Hypothesis between the influence of the independent variable and the dependent variable on the Probability Value (P-Value). Meanwhile, the indirect effect is carried out with a mediation test according to the method carried out by (Baron & Kenny, 1986). The results of the path analysis in this study can be seen in the following Figure:

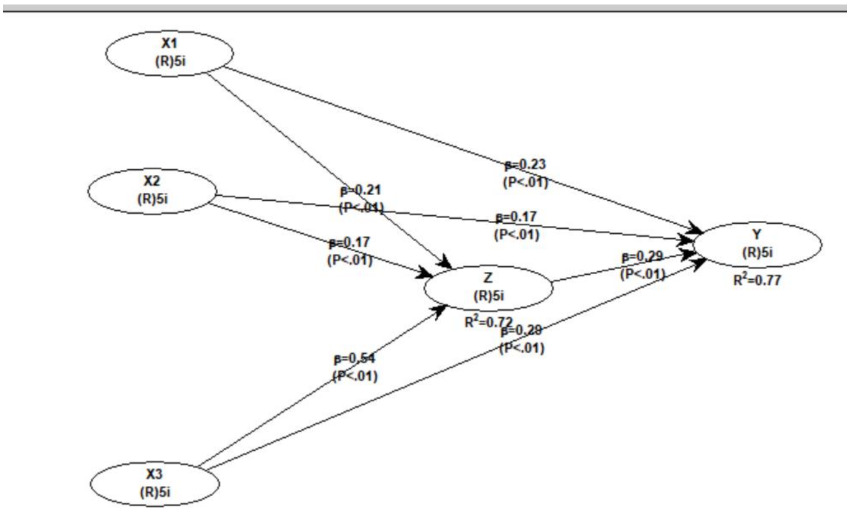

Figure 1. Path Analysis
Source: Processed data, 2025.

Table 12. Path Analysis Results

Relationship Between Variables	Path Coefficient (β)	p-Value	Description
X1 → Y	0.23	< 0.01	Positive
X2 → Y	0.21	< 0.01	Positive
X3 → Y	0.29	< 0.01	Positive
X1 → Z	0.21	< 0.01	Positive

X2 → Z	0.17	< 0.01	Positive
X3 → Z	0.54	< 0.01	Positive
Z → Y	0.29	< 0.01	Positive

Source: Processed Data, 2025.

Based on the results of the analysis above, the path in the table can be explained as follows:

1. Hypothesis 1: The Influence of Financial Literacy on Consumption Behavior (H1)
   The hypothesis in this relationship states that the Influence of Financial Literacy (X1) has a positive influence on consumption behavior (Y). The test results show a path coefficient value (β) of 0.23 with a P-Value <0.01, where the value is less than 0.05. This shows that Financial Literacy (X1) has a positive and significant influence on consumption behavior (Y) which is acceptable.
2. Hypothesis 2: The Influence of Financial Experience on Consumption Behavior (H2)
   The hypothesis in this relationship states that the Influence of Financial Experience (X2) has a positive influence on consumption behavior (Y). The test results show a path coefficient value (β) of 0.21 with a P-Value <0.01, where the value is less than 0.05. This shows that Financial Experience (X2) has a positive and significant influence on consumption behavior (Y) which is acceptable.
3. Hypothesis 3: The Influence of Financial Self Efficacy on Consumption Behavior (H3)
   The hypothesis in this relationship states that the Influence of Financial Self Efficacy (X3) has a positive influence on consumption behavior (Y). The test results show a path coefficient value (β) of 0.29 with a P-Value <0.01, where the value is less than 0.05. This indicates that Financial Self Efficacy (X3) has a positive and significant influence on consumption behavior (Y) which is acceptable.
4. Hypothesis 4: The Influence of Financial Literacy on Financial Technology (H4)
   The hypothesis in this relationship states that the Influence of Financial Literacy (Y) has a positive influence on Financial Technology (Y). The test results show a path coefficient value (β) of 0.21 with a P-Value <0.01, where the value is less than 0.05. This indicates that Financial Self Efficacy (X3) has a positive and significant influence on Financial Technology which is acceptable.
5. Hypothesis 5: The Influence of Financial Experience on Financial Technology (H5)
   The hypothesis in this relationship states that the Influence of Financial Experience (X2) has a positive influence on Financial Technology (M). The test results show a path coefficient value (β) of 0.17 with a P-Value <0.01, where the value is less than 0.05. This shows that Financial Experience (X2) has a positive and significant influence on Financial Technology that can be accepted.
6. Hypothesis 6: The Influence of Financial Self Efficacy on Financial Technology (H6)
   The hypothesis in this relationship states that the Influence of Financial Self Efficacy (X3) has a positive influence on Financial Technology (M). The test results show a path coefficient value (β) of 0.54 with a P-Value <0.01, where the value is less than 0.05. This shows that Financial Self Efficacy (X3) has a positive and significant influence on Financial Technology that can be accepted.
7. Hypothesis 7: The Influence of Consumption Behavior on Financial Technology (H7)
   The hypothesis in this relationship states that the Influence of Consumption Behavior has a positive influence on Financial Technology (M). The test results show a path coefficient value (β) of 0.29 with a P-Value <0.01, where the value is less than 0.05. This shows that Consumption Behavior has a positive and significant influence on Financial Technology which can be accepted.

4.11 Mediation Test Results

Furthermore, to be able to see the results of the mediation test through the Specific Indirect Effect in this study, according to Ghozali (2013) to conduct a mediation test can be accepted if the statistical value is greater than 1.96 and the value of the P-Value is less than <0.1. The results of the mediation test through the Specific Indirect Effect can be seen in Table 12 as follows:

Table 13. Mediation Test Results.

Mediation Path	Original Sample (O)	*Mean (M)*	*Standard Deviation (STDEV)*	*T Statistics (|O/STDEV|)*	*P-Values*	Conclusion
X1 → Z → Y	0.062	0.064	0.049	1.265	0.104	Not Significant
X2 → Z → Y	0.051	0.053	0.05	1.02	0.151	Not Significant
X3 → Z → Y	0.159	0.161	0.048	3.313	<0.001	Significant

Source: Processed Data, 2025.

From the results of hypothesis testing through Path Coefficients in Table 12 above, then about Financial literacy on consumption behavior does not mediate Financial Technology, because the results show a t-statistic of 1.265 and a P-Value of 0.104 so that it shows that the value is smaller than the t-statistic which is >1.96, and the P-Value value is smaller than <0.1.

From the results of hypothesis testing through Path Coefficients in Table 12 above, then about Financial Experience on consumption behavior does not mediate Financial Technology, because the results show a T-statistic of 1.02 and a P-Value of 0.151 so that it shows that the value is smaller than the t-statistic which is >1.96, and but with a P-Value value smaller than <0.1.

From the results of hypothesis testing through Path Coefficients in Table 12 above, it is about Financial Self Efficacy towards consumption behavior mediating Financial Technology, because the results show a t-statistic of 0.313 and a P-Value of 0.001 so that it shows that the value is smaller than the t-statistic which is >1.96, and the P-Value is smaller than <0.1.

5. Conclusion

5.1 Conclusion

The results of the analysis and discussion of the hypothesis testing that has been done previously have led the research to the following conclusions:

1. Financial literacy has a positive influence on Consumption Behavior Financial literacy is the basis for someone to know what investment means, credit loans, the use of saving, and insight into money control. This is closely related to increasing literacy, so someone will gain confidence and belief in the finances of the millennial generation.
2. Financial Experience has a positive influence on Consumption Behavior. Practical experience in using financial technology, such as e-wallets and investment applications, increases an individual's ability to understand the risks and benefits of managing the finances of the Millennial Generation.
3. Financial Self Efficacy has a positive influence on Consumption Behavior. Confidence in financial management can have a positive impact on the management of consumption of the Millennial Generation.
4. Financial Literacy on Consumption Behavior mediated by Financial Technology has an insignificant effect. that although in general we hope that the higher a person's financial literacy, the better their consumption behavior, in research there is less strong evidence to support this relationship when mediated by financial technology in the millennial generation.
5. Financial Experience on Consumption Behavior mediated by Financial Technology has an insignificant effect. Although financial experience is considered important in managing money, in the context of using fintech, this experience does not always guarantee better consumption behavior in the generation
6. Financial Self-Efficacy on Consumption Behavior mediated by Financial Technology has a significant effect. the importance of the role of self-confidence in managing finances in the digital era. By understanding the relationship between financial self-efficacy, fintech, and consumption behavior, we can develop more effective strategies to improve the financial well-being of the millennial generation.
7. Financial Technology has less mediation of Financial literacy, Financial Experience and Financial Efficacy on consumption behavior in the millennial generation. except for the relationship with Financial Self-Efficacy.

3.6. Suggestions
The following are suggestions that can be contributed based on research that has been conducted, namely:

3.6.1. Theoretical

For further research that is interested in developing and expanding the discussion of topics and problems in this research, it is hoped that further researchers can develop the model by adding moderating variables, such as trust in financial technology or intensity of technology use to understand the factors that influence.

3.6.2. Practical Advice

1. For the Community, Optimizing Financial Technology through educational, personalization, and security features can increase its effectiveness in supporting wise consumption behavior in the millennial generation.
2. For the Government, It is necessary to play an active role in education, regulation, and increasing access to financial technology to ensure that the community, especially the millennial generation, can utilize fintech optimally and safely.

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