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Factors Influencing Gen Z Saving Behavior in Surabaya: Moderating Each with Attitude Toward Saving

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Abstract

This quantitative study examined the impact of family influence, peer influence, social influence, subjective norm, financial literacy, and attitude toward saving on the saving behavior of 216 Gen Z respondents in Surabaya, employing Structural Equation Modeling (SEM) and Moderated Regression Analysis using AMOS & SPSS 26. The findings reveal that family influence, peer influence, financial literacy, and attitude toward saving significantly impact saving behavior. However, contrary to expectations, social influence and subjective norm did not exhibit a significant relationship with saving behavior. Additionally, the moderation analysis indicated that there was a quasi-moderating effect on the variables of family influence, peer influence, social influence, and financial literacy, while attitude toward saving emerged as a predictor in the relationship between subjective norm and saving behavior. These results underscore the significant role of family influence, peer influence, financial literacy, and attitude toward saving in shaping Gen Z's saving behavior. Furthermore, although social influence and subjective norm did not directly affect saving behavior, the interaction between attitude toward saving and social factors proved crucial in shaping saving habits within this demographic. This research highlights the complexity of factors influencing saving behavior among Gen Z, particularly the financial aspects influenced by the environment and the way individual perceptions and attitudes respond.

Keywords: *Family Influence; Peer Influence; Social Influence; Financial Literacy; Subjective Norms; Saving Behaviour; Attitude Toward Saving*

Introduction

Effective saving behavior is paramount for any nation. The ability to save contributes significantly to economic growth acceleration. Harrod and Domar, as cited in Ming Thung et al. (2012), assert that high savings rates boost investment, consequently propelling economic growth. Sukirno (2004), posits that a nation's real national income measures its economic growth, utilizing savings—income that remains after deducting expenditures or consumption within a specific period (Samuelson & Nordhaus, 2001). Keynes & Schumpeter (1936), define saving within a small community (such as a family) as a surefire method to safeguard and augment wealth. They argue that enhancing saving behavior within families yields similar results on a national scale. Despite this perspective, saving hasn't become a prevalent habit among various Indonesian demographics, coupled with low awareness about saving (Hendra & Afrizal, 2020).

However, on a national scale, a survey conducted by YouGov and reported by Lidwina (2021) through Databoks Katadata indicated a shift. Approximately 54% of Indonesian respondents prioritized saving for unexpected difficulties within the following year. This percentage surpassed other financial priorities like meeting regular financial commitments (38%) and generating income from investments (37%). While the survey reflects a positive shift in national saving behaviors, it lacks specific demographic insights, notably based on generations. Survey data from Katadata Insight Centre (2021), segmented by generation highlights that a majority of Gen Z tend to save sporadically or not at all from the outset (56.6%). Gen Z also prioritizes purchasing necessities over fixed mandatory expenses compared to Gen Y or Millennials. Moreover, 59.4% of Gen Z demonstrate higher expenditures than income, surpassing other generations significantly.

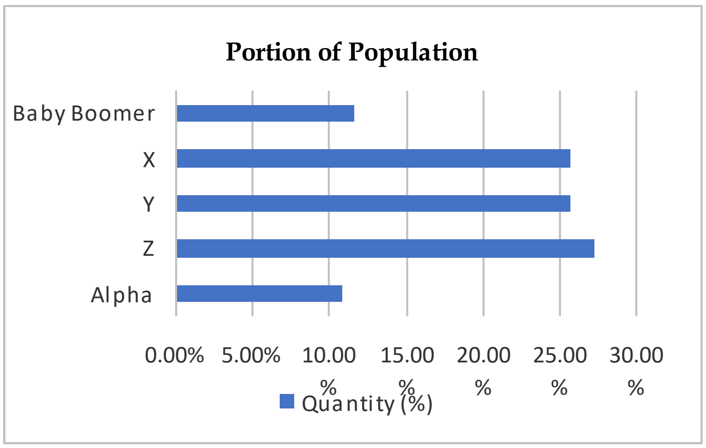

Figure 1 Portion of Generation Population in Indonesia

Analysis of consumption behavior unveiled by Jayani (2022), through Katadata Insight Center and Zigi portrays spending trends among Indonesian Gen Z. While not directly linked to saving, these expenditure patterns offer insight into their spending priorities. Most Gen Z allocate funds for communication needs like phone credit and internet (72.9%), routine food expenses (51.2%), fuel (34.9%), regular bills such as home and vehicle installments (32.3%), and eating out (31.4%). Entertainment and vacations hold a lower proportion, standing at 13.4% and 9.3%, respectively.

The term 'Gen Z' denotes the Generation Z cohort, one of five categorized generations based on birth years (Yustisia, 2016). These generations—Baby Boomers (1946 - 1964), Generation X (1965 - 1980), Generation Y (1981 - 1996), Generation Z (1997 - 2012), and Generation Alpha (2013 - 2025)—represent distinct characteristics due to evolving eras compared to their predecessors. Citing Jayani (2020) from Databoks Katadata, Gen Z constitutes the largest demographic in Indonesian society. This demographic, alongside Generation Alpha, will continue growing due to birth rates while earlier generations decline due to mortality. Consequently, Gen Z will replace much of the current behavioral data interpretations held by Gen X and Y, including saving behaviors.

According to data from the Ministry of Internal Affairs (Kemendagri) cited in Widi (2022), Indonesia's Gen Z population aged 10-24 numbered 68,662,815 by December 31, 2021. The highest concentration of Gen Z resides in West Java (11,886,058 individuals), followed by East Java (9,252,385 individuals). Specifically, in Surabaya, as per Jawa Pos (2021), Gen Z constitutes 25.79% of the city's total population of 2,874,314, amounting to 724,258 individuals. Millennials or Gen Y occupy the second position with 719,728 individuals or 25.04%. Being the majority demographic in Indonesia, Gen Z exemplifies the true behaviors, habits, and characteristics of the Indonesian populace. Thus, this data holds significant relevance for policy decisions until the majority demographic shifts to the next generation (Generation Alpha). Consequently, this research focuses on understanding saving behavior among Gen Z in Indonesia, particularly in Surabaya.

The primary goal of this quantitative study is to explore the impact of family influence, peer influence, social influence, subjective norms, and financial literacy on saving behavior among Gen Z individuals in Surabaya. The research aims to analyze a dataset comprising 221 respondents from the Gen Z demographic in Surabaya. Employing Structural Equation Modeling (SEM) through Analysis of Moment Structures (AMOS) and Moderated Regression Analysis, this study seeks to ascertain the interconnectedness and individual influence of these factors on the saving behaviors of Gen Z. Additionally, it aims to investigate how attitudes toward saving might moderate or influence the relationship between these variables, providing comprehensive insights into the intricacies of saving behaviors among the Gen Z population in Surabaya.

Theory of Planned Behaviour

The Theory of Planned Behavior (TPB) is a theoretical framework widely used in research to understand and explain human behavior. Developed by Ajzen (1991), TPB extends the earlier Theory of Reasoned Action. According to TPB, human behavior is influenced by three main factors: attitude, subjective norms, and perceived behavioral control. This theory serves as a grand theory and forms the basis for the variables used in this research, including family influence, peer influence, social influence, subjective norm, and attitude toward saving in shaping individual saving behavior.

Family Influence

The concept of family encompasses both the nuclear and extended units. The nuclear family typically comprises spouses and their children, whereas the extended family involves interactive and supportive individuals, including relatives and non-family members across different generations residing together or in related households. Adolescents' perception of financial values is notably shaped by social agents within their social environments, with parents serving as primary influencers (Conger et al., 2010). Similarly, Firmansyah (2013) regards the family as an individual's initial environment and primary educator.

Choi (2017) emphasizes that parental teaching methods and communication significantly impact the family's influence. Parents, being the foremost educators (Firmansyah, 2013), wield substantial influence due to the family's close-knit and frequently interactive nature. Hence, familial behavior and perceptions could plausibly affect an individual's behavior, particularly in the context of savings practices. Firmansyah, (2013)study highlights a positive correlation between family influence, especially parental support, and saving behavior. This finding aligns with research by Dangol & Maharjan (2018) and Ling, (2021), both asserting a positive relationship between parental teaching or influence and saving behavior. Drawing from prior research, the researcher assumes a significant relationship between family influence and saving behavior. Consequently, the first hypothesis proposed in this study is as follow.

H1: Peer Influence does affect on Saving Behavior among Gen Z in Surabaya

Peer Influence

Peer influence, a concept developed in sociology and psychology, encompasses various theories. According to the Cambridge Dictionary (2022), a peer refers to someone of the same age or social status within a group. Building on this, Jamal et al. (2015) as cited in Komalasari et al. (2021) define peer influence as the power of a group or individuals of the same age or social standing to change others' behavior. The effect of peer influence involves the spread of information about peers' behaviors, potentially convincing individuals to adopt those behaviors (Ling, 2021). This suggests that an individual's saving behavior might be influenced by the saving habits of their peers. In essence, an individual's saving behavior tends to improve if their peers exhibit better saving habits, indicating the impact of peer influence. Research by Dangol & Maharjan (2018), Ling, (2021), and Riana (2022) demonstrates a significant influence of peer influence on saving behavior. While previous studies, it leads researchers to assume that peer influence should indeed affect saving behavior. Consequently, the second hypothesis proposed in this study is as follows.

H2: Peer Influence does affect on Saving Behavior among Gen Z in Surabaya

Social Influence

Social influence encompasses the use of social power by an individual or organization to steer the attitudes and activities of individuals or groups toward a specific direction (Franzoi, 2006) in Mpaata et al. (2021). It represents a broader social environment, inclusive of family influence and peer influence. Unlike family influence, which is confined to the familial sphere, and peer influence, which is constrained by similarities in characteristics such as age, culture, and social status, social influence consists of a more extensive and diverse group.

Saving behavior in individuals is not an instantaneous development but rather a result of influences from family, peers, and colleagues, involving nurturing, guidance, and the sharing of financial management practices (Fang et al., 2017). While social influence propels saving behavior, it does not inherently guarantee appropriate conduct. Family influence is limited to the immediate influence environment, peer influence is constrained by the age of peers, whereas social influence extends to a broader environmental scope and is not restricted by peer age. Research by Mpaata et al. (2020) and Mpaata et al. (2021) demonstrates the significance of social influence on saving behavior. Based on these studies, a third hypothesis is proposed for this research.

H3: Social Influence does affect on Saving Behavior among Gen Z in Surabaya

Subjective Norms

Subjective norms within the Theory of Planned Behavior (Ajzen, 1991) refer to individuals' perceptions of how social norms and expectations from others influence their behavior. Subjective norms reflect an individual's beliefs regarding whether significant people in their lives (such as family, friends, or colleagues) support or oppose certain behaviors. Within the context of the Theory of Planned Behavior, subjective norms encompass two main components: normative and descriptive norms. Both these norms involve an individual's beliefs about whether they are expected to perform or refrain from an action, as well as whether this behavior receives approval or disapproval from others. Furthermore, descriptive norms are linked to an individual's belief about how much others are actually engaged in a specific behavior. This includes their perception of how common or rare it is for others to engage in the same action. Descriptive norms can influence an individual's perception of what is considered acceptable or customary behavior. Subjective norms are considered crucial in influencing individual intentions and planned behavior. If someone believes that important people in their life support or endorse a particular behavior, it can enhance their intention to act accordingly. Conversely, if individuals feel that these significant others oppose or do not support such behavior, it can diminish their intention.

The concept of Subjective Norm underscores how an individual's behavior is shaped by the normative perspective within their environment. In the realm of Saving Behavior research, this implies that an individual's behavior can also be shaped solely by their own perspective. Hence, the stronger one's perspective on saving behavior, the better their financial management. Satsios & Hadjidakis (2018) study not only identified Subjective Norm as the strongest predictor of Intention but also found its significant indirect impact on Saving Behavior. Thus, considering the previous studies, researchers propose the continuation of this investigation by introducing the fourth hypothesis as follows.

H4: Subjective Norm does affect on Saving Behavior among Gen Z in Surabaya

Financial Literacy

Financial literacy, as Dolphin, T. (2012) highlighted in Komalasari et al. (2021), constitutes the ability of an individual to employ their understanding of financial mechanisms in making informed and effective financial decisions. Potrich et al. (2016) posit that possessing financial knowledge alone does not qualify someone as financially literate; rather, the ability to apply this knowledge in decision-making is crucial. Simply having financial information does not guarantee proficient financial management.

An adept comprehension of financial assets, forming a mindset, and fostering awareness prompt individuals to exhibit prudent saving behaviors. Ming Thung et al. (2012) emphasized in Widjaja et al. (2020) study that financial literacy serves as a pivotal catalyst in shaping these saving behaviors. Further support from Widyastuti et al., (2020), Peiris (2021), and Riana (2022) corroborated that financial literacy significantly influences saving behavior. Drawing from prior research findings, the hypothesis posited fifth is as follows:

H5: Financial Literacy does affect on Saving Behavior among Gen Z in Surabaya.

Attitude Toward Saving

Attitude Towards Saving based from attitude which one of 3 construct of TPB, where came from study by Ajzen (1991), refers to an individual's stance or perspective on the importance of saving. In the context of this research, the pivotal role of Attitude Towards Saving emerges as it moderates the impact of Family Influence on individual saving behavior.

Family Influence stands as a significant factor shaping an individual's saving habits. The family, being the primary environment in which an individual matures, plays a crucial role in shaping norms and values associated with financial management. Meanwhile, Attitude Towards Saving mirrors the extent to which an individual perceives the positivity and significance of saving practices. Consequently, the role of Attitude Towards Saving becomes highly relevant in controlling the influence of Family Influence on saving behavior. However, it's important to underscore that the influence of Attitude Towards Saving isn't always uniform and can fluctuate depending on individual characteristics. Some individuals may possess a strong and positive Attitude Towards Saving, enabling them to better adhere to the guidelines and values taught by their families. Conversely, others might exhibit a weaker Attitude Towards Saving, potentially resulting in a less pronounced impact of Family Influence on their saving behavior compared to their counterparts. Therefore, further research is necessary to better comprehend how Attitude Towards Saving moderates the relationship between Family Influence and Saving Behavior. Thus, the researchers decide on the following sixth hypothesis.

H6: Attitude Towards Saving moderates the relationship between Family Influence and Saving Behavior.

Attitude Towards Saving significantly influences the moderation level of Peer Influence on saving behavior. Peer Influence refers to the impact of peers or other individuals within one's social network on financial decisions, including saving. The influence of peers often holds significant sway over an individual's financial choices, thereby affecting their saving behavior.

This raises the question of how individuals with a strong Attitude Towards Saving might better resist negative pressures or influences from peers, which may otherwise encourage consumptive behavior or disregard the importance of saving. Understanding the interplay between Attitude Towards Saving, Peer Influence, and Saving Behavior, researchers formulated a seventh hypothesis:

H7: Attitude Towards Saving moderates the relationship between Peer Influence and Saving Behavior.

The concept of Attitude Towards Saving reflects an individual's valuation of the significance of saving in their lives. Within this framework, Attitude Towards Saving plays a prominent role in moderating the impact of Social Influence on Saving Behavior. If someone holds a positive attitude towards saving, they are more likely to conform to social norms that encourage saving. Conversely, individuals with a negative attitude towards saving might be less influenced by social pressure to engage in saving activities.

The moderating role of Attitude Towards Saving can vary significantly among individuals. Some may strongly favor saving and be more susceptible to social pressures, whereas others may adopt a firmer stance in their financial approach, being less affected by social norms. An individual's attitude towards saving acts as a moderating factor that influences the extent to which social pressure affects their saving behavior. Consequently, further research in this domain can offer deeper insights into the factors shaping individual financial decisions. Thus, researchers have formulated the following hypothesis:

H8: Attitude Towards Saving moderates the relationship between Social Influence and Saving Behavior.

The significance of Attitude Towards Saving in shaping Saving Behavior has been underscored in Widjaja et al.'s (2020) research. Moreover, their study demonstrated the moderating influence of Attitude Towards Saving on Subjective Norm concerning Saving Behavior. Prior to this moderation, Subjective Norm yielded non-significant outcomes. Consequently, the researchers aim to employ the Subjective Norm variable moderated by Attitude Towards Saving to ascertain whether similar outcomes will arise among diverse subjects. Hence, the ninth hypothesis posited by researcher as follow.

H9: Attitude Towards Saving moderates the relationship between Subjective Norm and Saving Behavior.

The concept of Attitude Towards Saving reflects an individual's perspective on the significance of saving and the extent to which they feel inclined to do so. On the other hand, financial literacy encompasses an individual's knowledge and comprehension of financial concepts, including money management and investments.

Within the interplay of these three variables, the influence of Attitude Towards Saving can serve as a significant moderating factor. Individuals holding a positive attitude toward saving may be more predisposed to apply their financial knowledge into tangible actions, such as planning prudent savings and investments. A strong inclination towards saving can also assist individuals in overcoming various psychological barriers that might arise during financial decision-making processes. Researchers proceeded with an assumption through the tenth hypothesis of this study.

H10: Attitude Towards Saving moderates the relationship between Financial Literacy and Saving Behavior.

Method

This study employed a quantitative approach utilizing primary data obtained through Likert-scale questionnaire responses. The research targeted the Gen Z population in Surabaya, encompassing a total of 216 respondents. The sampling technique employed was purposive sampling, combining random selection with specific criteria. Data analysis was conducted using Structural Equation Modeling (SEM) with SPSS AMOS 24. The analytical process involved validity testing, reliability assessment, normality testing, outlier analysis, goodness of fit evaluation, t-tests, determination coefficients, and moderated regression analysis (MRA). The utilization of Likert-scale responses enabled a comprehensive understanding of the targeted demographic's perspectives and opinions, facilitating a robust analysis via SEM.

The purposive sampling method ensured a representative sample aligning with predefined criteria, enhancing the study's accuracy and relevance to the Gen Z cohort in Surabaya. Employing SEM via SPSS AMOS 24 allowed for a rigorous examination of relationships among variables, offering a deeper insight into the underlying constructs. This methodological approach not only validated the questionnaire but also scrutinized the data for outliers and assessed the model fit, ensuring the robustness and reliability of the findings.

Furthermore, the analysis encompassed various statistical tests, such as validity and reliability assessments, which verified the consistency and accuracy of the measurement tools employed in this study. The inclusion of moderated regression analysis (MRA) enabled the exploration of potential moderating variables affecting the relationship between the variables under study. Overall, this study's methodological framework, encompassing a rigorous analytical process and diverse statistical tests, provided a comprehensive understanding of the targeted demographic's perceptions and behavioral patterns.

Results

Based on a minimum total sample of 216 respondents, this study categorizes their characteristics according to several factors, encompassing age, highest level of education attained, residential location, source of income, and income bracket. The following details provide a comprehensive overview of the respondents' characteristics.

Age Portion of Respondents

Age	**Total**	**Percentage**
16	13	6.02%
17	8	3.70%
18	14	6.48%
19	36	16.67%
20	33	15.28%
21	23	10.65%
22	36	16.67%
23	23	10.65%
24	14	6.48%
25	7	3.24%
26	9	4.17%
Total	216	100,00%

The research conducted on the Generation Z cohort for this study did not include respondents aged between 11 and 15 years. The questionnaire outcomes meeting the research criteria consisted of 216 respondents aged approximately between 16 and 26 years.

Characteristics of Respondents

No	Characteristic	Total	Percentage
	Educations		
1	High School	37	17.13%
2	Associate Degree	38	17.59%
3	Bachelor	130	60.19%
4	Master	11	5.09%
	Income's Sources		
1	Allowance / Pocket Money	153	70.83%
2	Wages	45	20.83%
3	Business Profit	18	8.33%
	Income's Level		
1	Low	156	71.95%
2	Average	32	14.93%
3	High	12	5.88%
4	Very High	15	7.24%
	Domicile		
1	Center Surabaya	25	11.57%
2	North Surabaya	43	19.91%
3	East Surabaya	58	26.85%
4	South Surabaya	54	25.00%
5	West Surabaya	36	16.67%

Table above illustrates the distribution of survey results based on the respondents' educational backgrounds. Among the participants, 37 (17.13%) held qualifications equivalent to high school education, 38 (17.59%) had completed associate degree, 130 (60.19%) possessed a Bachelor's degree, and 11 (5.09%) held a Master's degree. Regarding their primary sources of income, table's data reveals that 153 individuals (71.95%) relied on allowances (pocket money), 45 respondents (20.83%) derived their income from employment, while the remaining 18 (8.33%) reported income through entrepreneurial endeavors.

Furthermore, the analysis based on table indicates that 156 respondents (71.95%) fell within the low-income category, 32 (14.93%) were categorized as medium-income earners, 12 (5.88%) were classified as high-income individuals, and the remaining 15 respondents (7.24%) belonged to the very high-income category. These findings are derived from the pool of 221 respondents involved in this study. Geographically, the distribution of respondents from Surabaya delineates that 25 (11.57%) were from Central Surabaya, 43 (19.91%) from North Surabaya, 58 (26.85%) from East Surabaya, 54 (25%) from South Surabaya, and 37 (16.67%) from West Surabaya.

Descriptive

The mean index values across various variables show a consistent pattern. Family influence, peer influence, social influence, subjective norm, and financial literacy all fall into the "moderate" category, with mean values of 151.28, 158, 156, 161.84, and 151.88, respectively. Attitude toward saving, as a moderating variable, is also categorized as "moderate" with a mean value of 138.96, and saving behavior, as the dependent variable, is categorized as "moderate" with a mean value of 161.76. The differences in values from the descriptive analysis will be used to explain the relationship between each variable and the hypothesis results based on respondents' answer tendencies.

Validity and Reliability Test Results

The validity test was conducted through the distribution of a small preliminary sample, consisting of 30 samples. In the validity test, each item was assessed by comparing its correlation coefficient with a critical value (Sugiyono, 2013). Items on the variable were considered valid and eligible for further sampling only if the correlation coefficient exceeded the critical value. For this test with 30 samples, the critical value at a 5% significance level with degrees of freedom (df) of n-2 is 0.361.

For reliability test, According to Sugiyono, (2018), an instrument is considered reliable only if its reliability coefficient exceeds 0.6. Conversely, if the Cronbach's Alpha value of the measurement instrument is less than 0.6, the instrument is deemed unreliable.

The validity tests conducted using SPSS 26, revealed compelling results across each variable. For the family influence variable (FI1-FI5), the computed r-values ranged from 0.732 to 0.877, surpassing the critical threshold of 0.361, establishing their validity. Similarly, the peer influence variable (PI1-PI5) exhibited computed r-values between 0.649 and 0.850, all exceeding the critical value. The social influence variable (SI1-SI5) showcased computed r-values from 0.672 to 0.814, also surpassing the critical threshold. Furthermore, the financial literacy variable (FL1-FL5) displayed computed r-values ranging from 0.688 to 0.782, all exceeding the critical value. The Subjective Norm variable (SN1-SN5) demonstrated computed r-values between 0.712 and 0.857, surpassing the critical threshold. Additionally, the attitude toward saving variable (ATS1-ATS5) exhibited computed r-values ranging from 0.831 to 0.884, all surpassing the critical value. Finally, for the saving behavior variable (SB1-SB5), the computed r-values ranged from 0.663 to 0.841, all surpassing the critical threshold. These results, observed and confirmed the validity of each item within the variables. Therefore, based on the SPSS 26 findings, no replacements or eliminations of items within these variables were necessary.

Reliability Test

	Variabel					
	FI	**PI**	**SI**	**SN**	**FL**	**ATS**
Cronbach's Alpha	.879	.814	.814	.855	.791	.904

The study utilized the Cronbach's alpha approach to gauge the reliability of its variables. Upon conducting the Cronbach's alpha reliability test on several constructs—namely family influence (α = 0.879), peer influence (α = 0.814), social influence (α = 0.814), subjective norm (α = 0.855), financial literacy (α = 0.791), attitude toward saving (α = 0.904), and saving behavior (α = 0.841)—all variables exhibited values surpassing 0.6. This signifies a substantial level of reliability for these constructs, thereby not necessitating any specific corrective actions concerning their reliability.

Assumption Test Results

The study employed AMOS for assessing normality, with the evaluation observable through the "Assessment of Normality" section in AMOS output. In statistical analysis using the AMOS software, the critical ratio (CR) was utilized. The CR values fell within the range of $-2.58 < CR < 2.58$, with a significance level of 0.05 (5% p-value). Based on the assessment outcomes of normality, both univariate and multivariate analyses displayed skewness and critical ratios within the range of -2.58 to 2.58, indicating conformity to the criteria for data to be considered normally distributed (within ±2.58). Consequently, the data used in this study, as per the assessment outcomes of normality, were deemed to exhibit normal distribution characteristics, both in univariate and multivariate contexts.

The detection of outliers involved employing Mahalanobis distance values compared against the inverse-chi-squared distribution, where the Mahalanobis distance values needed to be lower than the inverse-chi-squared value. In this research, the inverse-chi-squared value was determined as 62.48722. Considering the Mahalanobis distance values obtained in this study, the maximum value recorded was merely 57.473, significantly below the threshold of the inverse-chi-squared value of 62.48722.

Goodness-of-Fit Test Results

Goodness-of-fit tests are useful to find out whether the proposed model is in accordance with theory. Based on Table 5, there are several cut off values that have moderate fit values, the feasibility test of the model in this study has reached the criteria, namely a minimum of four cut off values must be above the standard Ghozali (2017). It can be concluded that the analysis model is good and can proceed to hypothesis testing.

Goodness-of-Fit Test

Goodness of fit	**Cut-off Value**	**Hitung**	**Kesimpulan**
Chi-square	Suggested low	561.608	*Good Fit*
Significance Probability	≥ 0.05	0,54	*Good Fit*
GFI	≥ 0.9	0,909	*Good fit*
AGFI	≥ 0.9	0,852	*Marginal Fit*
CMIN/DF	≥ 2.00	0,992	*Good Fit*
RMSEA	≥ 0.08	0,000	*Good Fit*
CFI	≥ 0.95	0,974	*Good Fit*

In the feasibility assessment, the model constructed in this study meets 7 out of the 8 criteria for Good Fit and only falls short on 1 criterion, which is considered marginal fit. This observation indicates that the model is currently in an acceptable state, thus warranting progression to the hypothesis testing phase.

Hypothesis Test Results

When testing hypotheses, the standard influence criterion applied involves observing the Alpha value or P-value. Essentially, H0 can be rejected if $P \leq 0.05$, indicating that the exogenous (independent) variable significantly affects the endogenous (dependent) variable.

Hypothesis Test

			Estimate	S.E.	C.R.	P
SB	<---	ATS	0.101	0.045	2.269	0.023
SB	<---	FL	0.228	0.076	2.982	0.003
SB	<---	SN	-0.226	0.158	-1.43	0.153
SB	<---	SI	0.161	0.144	1.119	0.263
SB	<---	PI	0.29	0.117	2.468	0.014
SB	<---	FI	0.271	0.096	2.817	0.005

The study reveals significant findings from the hypothesis tests. In examining saving behavior, several variables demonstrate notable results: family influence, peer influence, financial literacy, and attitude toward saving, with p-values of 0.005, 0.014, 0.003, and 0.023, respectively, all below the significance threshold of 0.05. Conversely, social influence and subjective norm, with p-values of 0.263 and 0.153, respectively, exceed the threshold of 0.05.

Coefficient of Determination

	Estimate
SB	.504

The coefficient of determination estimates a value of 0.504 or 50.4 percent. This indicates that the combined influence of family influence, peer influence, social influence, financial literacy, subjective norm, and attitude toward saving accounts for 50.4% of the variance in saving behavior.

Moderated Regression Analysis

			Estimate	S.E.	C.R.	P
SB	<---	MODERASI_FI	0.006	0.002	4.067	***
SB	<---	MODERASI_PI	0.006	0.001	3.871	***
SB	<---	MODERASI_SI	0.003	0.002	2.195	0.028
SB	<---	MODERASI_FL	0.008	0.002	4.239	***
SB	<---	MODERASI_SN	0	0.002	0.283	0.777

The study demonstrates that the attitude toward saving (ATS) successfully moderates the relationship between family influence, peer influence, social influence, and financial literacy on saving behavior. This is evidenced by the analysis results, which show that the coefficients for ATS (b2) and the interaction terms (b3) have p-values well below 0.05. This indicates that the moderation in these relationships is of a quasi-moderator nature. Conversely, ATS does not moderate the relationship between subjective norm and saving behavior. This is because the p-value of the ATS coefficient (b2) is less than 0.05, while the p-value for the interaction term of subjective norm (b3) is greater than 0.05, indicating that the moderation in this relationship is of a predictor moderator nature.

Discussions

The Effect of Family Influence on Saving Behavior

Based on observations and data analysis in this study, it was found that family influence significantly affects saving behavior. The role of the family, including parents' saving habits, financial education within the family, and values related to saving, shapes the saving behavior of Gen Z. This finding aligns with Choi (2017), who stated that parental teaching methods and communication are crucial factors influencing saving behavior. This study employs the Theory of Planned Behaviour (TPB) developed by Ajzen (1991), which posits that human behavior is influenced by attitude, subjective norm, and perceived behavioral control. Gen Z's attitude toward saving is shaped by their beliefs about the benefits of saving, formed through observing their parents' saving habits. The subjective norm indicates that social support from family, especially parents, encourages Gen Z to save. Perceived behavioral control is enhanced when Gen Z observes concrete saving actions within their family.

The study also found that parents' saving habits have the greatest impact on Gen Z's saving behavior, with scores above average, whereas financial education has the least impact with scores below average. This indicates that Gen Z more readily accepts positive influence when they see real examples of saving by their parents, rather than just receiving verbal financial education. This research supports the findings of Firmansyah (2013) and (Dangol & Maharjan, 2018), and is explained through theory of planned behaviour which provides a theoretical framework for understanding how attitude, subjective norm, and perceived behavioral control influence saving behavior in Gen Z.

Furthermore, based on the results of the Moderated Regression Analysis (MRA), it was found that the coefficients b1, b2, and b3 between family influence and saving behavior are statistically significant. This indicates that Gen Z's attitude toward saving, such as cognitive, affective, and conative aspects, can moderate the relationship between family influence and saving behavior. A deeper analysis reveals that cognitive aspects, involving financial understanding and knowledge, play a role in moderating this relationship. Another factor may be the financial knowledge Gen Z gains from family influence, which significantly alters how they respond to saving prompts. Affective aspects, which include feelings or emotions related to finance, also contribute significantly to moderating the relationship between family influence and saving behavior. Family influence can create specific feelings related to saving behavior, affecting Gen Z's level of engagement in saving. Additionally, conative aspects, encompassing intentions and desires to act in a financial context, show a significant ability to moderate this relationship. Gen Z with a strong intention to save finds it easier to receive financial education, particularly regarding saving behavior from family influence. Based on the combined significance of coefficients b2 and b3, it can be concluded that the type of moderation between family influence and saving behavior is a quasi-moderator. These findings indicate that Gen Z's attitude towards saving play a crucial role in strengthening the influence of family on their saving behavior.

The Effect of Peer Influence on Saving Behavior

Based on various observations and data processing in this study, it was found that peer influence plays a significant role in saving behavior among Gen Z. The knowledge, behavior, and perceptions regarding peers can shape their saving habits. These findings align with Ling, (2021), who stated that the effect of peer influence can impact an individual through the dissemination of information about peers' behaviors, in this case, saving behavior.

This study is also explained through the framework of the Theory of Planned Behavior (TPB) developed by Ajzen (1991), which includes three main factors: attitude, subjective norm, and perceived behavioral control. First, Gen Z's attitude toward saving is influenced by their beliefs about the benefits and consequences of saving, largely shaped by peer influence. Second, the subjective norm indicates that social support from peers encourages saving behavior. Third, perceived behavioral control increases when Gen Z sees that their peers are successfully saving, making them feel more capable of doing it themselves.

Further analysis shows that peer knowledge scores highest in influencing Gen Z's saving behavior, while the perception norm scores the lowest. This means that peer financial knowledge has a more substantial impact compared to the social expectations expected from peers. The study found that the better the financial knowledge of peers, the better the saving behavior of Gen Z.

Based on the results of the Moderated Regression Analysis (MRA), it was found that the coefficients b1, b2, and b3 for peer influence, attitude toward saving, and saving behavior were all statistically significant. Therefore, it can be concluded that Gen Z's attitude toward saving, which involves cognitive, affective, and conative aspects, can moderate the relationship between peer influence and saving behavior. The cognitive aspect explains beliefs and thoughts about finance, which can substantially influence how Gen Z responds to peer influence on saving habits. A strong belief in the value of saving or a deep understanding of financial stability can strengthen the positive impact of peer influence on saving behavior.

Additionally, the affective dimension, which includes emotional responses related to finance, also plays a significant role. How Gen Z feels, whether motivated or negatively influenced by peers in a financial context, can be affected by their emotional responses to the topic. On the other hand, the conative dimension, which includes actual actions or willingness to act, can moderate the extent to which peer influence truly encourages Gen Z to change their saving behavior. This study found that the cognitive indicator contributes the most to the attitude toward saving, namely strong beliefs and thoughts about finance. In other words, peer influence on Gen Z's saving behavior will be stronger when Gen Z internally holds strong financial beliefs and thoughts. The analysis results indicate that the attitude toward saving can moderate the relationship between peer influence and saving behavior, with coefficients b2 and b3 jointly showing statistically significant results, classifying this type of moderation as a quasi-moderator.

The Effect of Social Influence on Saving Behavior

In this study, it was found that social influence did not have a statistically significant impact on the saving behavior of Gen Z, this finding align with Saber (2022). Despite the supportive indicators such as injunctive norms and descriptive norms proposed to explain social influence on saving habits, data analysis revealed that these variables did not consistently affect the saving tendencies of the current young generation. The study considers that observing the attitude toward saving within the social environment, whether from family, peers, or the general community, did not result in significant differences in shaping or changing the saving behavior of Gen Z. Descriptive analysis also showed that the contribution of injunctive norms and descriptive norms to saving behavior was low, indicating that this influence might not have a meaningful impact in this context. These findings contrast with previous research highlighting the importance of social influence in shaping individual financial behavior.

The insignificant impact of social influence on the saving behavior of Gen Z can also be explained through the perspective of the Theory of Planned Behavior (TPB). According to TPB, human behavior is influenced by attitudes, subjective norms, and perceived behavioral control. Although injunctive norms and descriptive norms from the social environment may emphasize the importance of saving, individual attitudes toward this behavior do not always reflect a significant influence on actual saving actions. Gen Z may have positive attitudes toward saving, but social influence does not directly convert attitudes into concrete actions. Although there are expectations from the social environment to save, these subjective norms do not always significantly influence Gen Z in changing their saving behavior. This is supported by the finding that the contribution of subjective norms to saving behavior among Gen Z tends to be low in the descriptive analysis of this study. Additionally, social influence in the form of injunctive norms and descriptive norms may not provide sufficient perceived behavioral control for Gen Z to change their saving behavior. Thus, although theories such as TPB highlight the importance of social influence in shaping behavior, the findings of this study indicate that in the context of saving behavior, social factors do not play a significant role in altering the saving behavior of Gen Z.

Based on the results of the MRA, it was found that the coefficient b1 between social influence and saving behavior was statistically significant, as was the coefficient b2 for attitude toward saving. The same result was observed in the interaction coefficient b3, indicating a statistically significant relationship. Therefore, it can be stated that Gen Z's internal financial attitudes, such as cognitive, affective, and conative aspects, can moderate, weaken, or strengthen the relationship between social influence and saving behavior. Gen Z's internal financial attitudes, involving cognitive, affective, and conative aspects, play an important role in moderating the relationship between social influence and saving behavior.

The cognitive aspect, which includes understanding and knowledge of finance, allows Gen Z to process information received from their social environment. If their understanding is strong, social influence can be more effective, or vice versa. The affective aspect, related to feelings and emotions toward finance, can influence the extent to which social influence can motivate or inhibit saving behavior. The final aspect, conative, which includes commitment and tangible actions toward finance, is key in responding to social influence. If Gen Z has a high level of commitment to saving policies, social influence may further strengthen this behavior. Conversely, a lack of commitment can make social influence less effective. Therefore, through the balance and interaction of these aspects, Gen Z's internal financial attitudes provide a complex dimension in understanding how they respond to and shape their saving behavior based on social influences. In other words, the impact of social influence on saving behavior can be strengthened or weakened depending on Gen Z's financial beliefs or cognitive abilities. Based on the coefficient b2 results indicating that attitude toward saving is not significant for saving behavior and the coefficient b3 indicating that the interaction value of social influence is significant for saving behavior, it can be stated that attitude toward saving can moderate the relationship between social influence and saving behavior, with the type of moderation being quasi-moderator.

The Effect of Subjective Norm on Saving Behavior

Based on the observations and data analysis in this study, it was found that subjective norm does not affect saving behavior among Gen Z, this finding align with Widjaja et al. (2020) which stated that, positive subjective norms, such as encouragement from friends and family, cannot encourage a person to have saving behavior. This suggests that normative belief and motivation to comply do not play a role in shaping saving behavior within this group. For instance, Gen Z does not perceive pressure from family, peers, or the community to save. Further analysis reveals that the indicator for motivation to comply has the highest score compared to the average, while normative belief scores are below average. This indicates that the pressure from the expectations of significant others, such as parents, does not sufficiently influence Gen Z's saving behavior.

Conversely, Gen Z's willingness to meet the expectations of individuals or groups they deem important, such as family and peers, exerts a more dominant influence than normative belief. Although motivation to comply demonstrates greater dominance, this indicator is not relevant to Gen Z's saving behavior within the context of subjective norm.

Furthermore, the results of multiple regression analysis (MRA) reveal that coefficients b1, b2, and b3 collectively indicate no significant relationship. This suggests that Gen Z's internal financial attitudes—including cognitive, affective, and conative aspects—do not moderate the relationship between subjective norm and saving behavior. In other words, these internal financial attitudes do not influence the strength of the relationship between subjective norm and saving behavior. High cognitive understanding of saving concepts does not enhance the impact of subjective norm on saving behavior, and affective factors reflecting emotions and feelings towards saving do not play a significant role in moderating this relationship.

Additionally, the study finds that the most influential indicator of attitude toward saving is the cognitive aspect, such as Gen Z’s financial beliefs and thoughts. This implies that although understanding and confidence in financial matters should theoretically strengthen the relationship between subjective norm and saving behavior, none of the indicators of attitude toward saving effectively moderate this relationship. The non-significant results for coefficients b2 and b3 lead to the conclusion that attitude toward saving (ATS) does not function as a moderator in the relationship between subjective norm and saving behavior, with the identified type of moderation being predictor moderation

The Effect of Financial Literacy on Saving Behavior

Based on the data analysis in this study, there is significant evidence that financial literacy affects saving behavior among Gen Z, this finding align with Alshebami & Aldhyani (2022), Komalasari et al. (2021), Ling, (2021), Peiris (2021,)Riana (2022), Widjaja et al. (2020), and Widyastuti et al. (2020). A comprehensive understanding of financial concepts, financial products, and financial management skills plays a crucial role in shaping positive saving behaviors within this demographic. Descriptive analysis reveals that financial literacy in this group falls into the "moderate" category, indicating a direct relationship between the level of financial knowledge and the propensity to save. These findings underscore the importance of enhancing financial literacy to encourage better saving behaviors among Gen Z.

Further analysis using Moderated Regression Analysis (MRA) indicates that the relationship between financial literacy and saving behavior is statistically significant. However, while financial literacy is found to influence saving behavior, the attitude toward saving does not moderate the relationship between financial literacy and saving behavior. This outcome may be attributed to the moderate average score of financial literacy, which affects the interplay between these variables and saving behavior among Gen Z. Internal financial attitudes, encompassing cognitive, affective, and conative dimensions, have the potential to moderate the relationship between financial literacy and saving behavior. From a cognitive perspective, even with moderate financial literacy, a solid understanding of financial concepts can impact saving behavior through emotional and motivational factors. Affective attitudes towards finances may modulate the impact of financial literacy on saving behavior, with awareness and positive feelings about the importance of saving playing a role. Additionally, conative dimensions or the ability to translate attitudes into actions suggest that supportive financial attitudes can enhance the moderating role of the attitude toward saving in the relationship between financial literacy and saving behavior. Therefore, a more favorable attitude toward saving among Gen Z improves the effectiveness of this variable in moderating the relationship between financial literacy and saving behavior. The coefficients b1, b2, and b3, each demonstrating significance, indicate that the attitude toward saving functions as a quasi-moderator in the relationship between financial literacy and saving behavior.

Conclusion

The findings of this study reveal that family influence significantly impacts saving behavior among Generation Z. Specifically, the saving habits of parents have the most substantial effect, whereas financial education within the family has a comparatively lesser impact. Attitudes toward saving, encompassing cognitive, affective, and conative aspects, moderate the relationship between family influence and saving behavior, with cognitive and affective aspects playing a crucial role in strengthening this relationship.

Conversely, peer influence is also found to be a significant factor in shaping the saving behavior of Gen Z. The financial knowledge of peers exerts a more considerable influence than social expectations from peers. The moderation of attitudes toward saving significantly affects this relationship, particularly through cognitive and affective dimensions, where strong beliefs in the value of saving enhance the positive impact of peer influence.

In contrast, social influence does not show a statistically significant impact on saving behavior among Gen Z. Despite the presence of injunctive and descriptive norms, social influence does not consistently affect saving habits. Attitudes toward saving moderate this relationship with a quasi-moderator effect, indicating that internal financial attitudes influence how social influence affects saving behavior, although social influence itself is not significant.

Subjective norms also do not significantly affect saving behavior among Gen Z. The pressure from family or social groups is insufficient to motivate Gen Z to save. Attitudes toward saving do not function as a significant moderator in this context, suggesting that while financial attitudes may affect responses to subjective norms, the norms themselves do not significantly influence saving behavior.

Finally, financial literacy is found to have a significant impact on saving behavior among Gen Z. A comprehensive understanding of financial concepts and management skills directly correlates with the propensity to save. Attitudes toward saving act as a quasi-moderator in this relationship, where a favorable attitude towards saving enhances the effectiveness of financial literacy in influencing saving behavior, particularly through cognitive and affective dimensions.

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