Financial Self-Efficacy, Lifestyle, and Peer Influence on Credit Decisions: The Mediating Role of Financial Control in Gen Z

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ABSTRAK

Penelitian ini menguji pengaruh efikasi diri keuangan (FSE), gaya hidup hedonis (HL), dan pengaruh teman sebaya (PI) terhadap kontrol diri keuangan (FSC), dengan kontrol keuangan (FC) sebagai variabel mediasi di antara Generasi Z. Di tengah semakin kompleksnya pengambilan keputusan keuangan di era digital, penelitian ini menyoroti interaksi antara faktor psikologis dan sosial dalam membentuk perilaku keuangan pribadi. Dengan menggunakan pendekatan kuantitatif dan Partial Least Squares Structural Equation Modeling (PLS-SEM), data dikumpulkan dari 124 responden berusia 20-35 tahun yang memiliki pengalaman dalam pengambilan keputusan keuangan. Hasil penelitian menunjukkan bahwa FSE memiliki dampak positif yang signifikan terhadap FC, dan FC secara signifikan mempengaruhi FSC. Namun, FSE tidak secara langsung mempengaruhi FSC tetapi memberikan pengaruh tidak langsung yang signifikan melalui FC. HL tidak secara langsung mempengaruhi FSC tetapi berpengaruh negatif terhadap FC, yang mengindikasikan bahwa gaya hidup hedonis merusak kontrol keuangan praktis. Meskipun pengaruh tidak langsung HL terhadap FSC adalah negatif, namun secara statistik tidak signifikan. Sebaliknya, PI secara signifikan mempengaruhi FC dan FSC secara langsung, meskipun mediasinya melalui FC tidak signifikan. Temuan ini menggarisbawahi peran mediasi yang penting dari pengendalian keuangan. Program pendidikan keuangan praktis harus membahas tidak hanya pengetahuan tetapi juga kepercayaan diri psikologis dan pengaruh sosial untuk meningkatkan pengaturan diri keuangan pada orang dewasa muda.

Keyword: Financial Self-Efficacy; Financial Control; Hedonistic Lifestyle; Peer Influence; Financial Self-Control

ABSTRACT

This study examines the influence of financial self-efficacy (FSE), hedonic lifestyle (HL), and peer influence (PI) on financial self-control (FSC), with financial control (FC) as a mediating variable among Generation Z. Amid the increasing complexity of financial decision-making in the digital age, this research highlights the interplay between psychological and social factors in shaping personal financial behavior. Utilizing a quantitative approach and Partial Least Squares Structural Equation Modeling (PLS-SEM), data were collected from 124 respondents aged 20–35 with financial decision-making experience. Results show that FSE has a significant positive impact on FC, and FC significantly affects FSC. However, FSE does not directly influence FSC but exerts a significant indirect effect through FC. HL does not directly impact FSC but negatively affects FC, indicating that a hedonistic lifestyle undermines practical financial control. While the indirect effect of HL on FSC is negative, it is statistically insignificant. Conversely, PI significantly influences both FC and FSC directly, although its mediation via FC is not significant. These findings underscore the critical mediating role of financial control. Practical financial education programs should address not only knowledge but also psychological confidence and social influences to enhance financial self-regulation in young adults.

Keyword: Digital Literacy; Creativity; Tolerance for Ambiguity; Growth Mindset; Entrepreneurial Attitude

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1. INTRODUCTION

The decision to purchase credit involves a complex interaction of factors, including information search, risk aversion, pricing strategy, and procedural efficiency. Consumers often rely on limited information and prioritise interest rates when choosing credit products, while risk aversion and financial concerns drive the purchase of credit insurance. In addition, the efficiency of credit procedures and the availability of integrated credit decision platforms can significantly influence consumer decisions. These elements collectively shape the credit purchase decision-making process.

Consumers typically do not invest considerable time in gathering information for credit decisions, often relying on information provided by retailers and assessing a limited range of alternatives. Interest rates are an important factor in choosing credit products and providers, with decision-making often involving compensation rules for product selection and lexicographic heuristics for provider selection (Alves et al., 2024). The provision of explicit consumer credit information, such as total cost and duration, can significantly reduce the propensity to purchase on credit, highlighting the importance of information provision in influencing credit decisions (Pulk & Riitsalu, 2024).

Risk aversion and concerns about health or financial stability motivate consumers to purchase credit insurance and debt protection products. These products are designed to extinguish debt or suspend payments in events such as death or disability, and their purchase is usually not driven by coercion but by genuine consumer concern (Durkin & Elliehausen, n.d.) (Durkin & Elliehausen, 2017). Competitive price levels and efficient credit procedures significantly influence home purchase decisions. These factors increase purchase intention, which mediates the relationship between pricing strategy, credit facilitation and actual purchase behaviour (Lowu, 2024). Offering credit periods can attract more buyers and increase market demand, although it also poses default risks for suppliers. Sellers must balance these factors to optimise the credit period and purchase amount (Shah et al., 2015).

The influence of financial self-efficacy, hedonic lifestyle and peer influence on credit purchase behaviour among Generation Z is a complex issue that reflects the interaction between psychological, social and behavioural factors. Financial self-efficacy refers to an individual's level of belief in their ability to manage and make financial decisions independently. Individuals with high levels of financial self-efficacy tend to be better able to set financial goals, budget, and make rational financial decisions. This results in a lower propensity to make impulsive credit purchases because individuals feel confident in managing their financial resources and considering the long-term risks of consumptive debt.

Conversely, a hedonic lifestyle, characterised by an orientation towards instant gratification, consumptive wish fulfilment and a tendency to prioritise emotional experiences over rational considerations, has the potential to increase credit-based purchasing behaviour. Generation Z affected by this lifestyle tends to be more easily tempted to buy goods or services for instant gratification, without calculating their ability to pay or the long-term financial impact. Similarly, peer influence has significant social power in shaping financial behaviour, especially at a young age where they are heavily influenced by group norms. A social environment that is permissive towards consumptive purchases or credit financing may encourage individuals to emulate such behaviour, even if it goes against their personal financial awareness or capabilities.

In this context, financial control acts as a crucial intervention variable. Financial control refers to an individual's ability to monitor, plan and control their financial inflows and outflows in a disciplined manner. Individuals with good financial control tend to have stronger self-control mechanisms in the face of consumption temptation or social pressure from peers. In other words, while hedonic lifestyles and peer influences may encourage credit purchases, an individual's ability to control and strategically manage their finances may mitigate such risks. Moreover, financial control can be a channel that bridges the positive effects of financial self-efficacy to wiser financial decisions. Thus, an in-depth understanding of the interaction between the three main factors-self-efficacy, hedonic lifestyle, and social influence-as well as the mediating role of financial control, is important in designing educational interventions and financial policies aimed at the younger generation. Financial education that strengthens confidence in managing finances, while instilling the value of self-control in spending, is key in reducing reliance on unplanned credit-based purchases among Generation Z.

2. LITERATURE REVIEW

A. Financial Self-Efficacy

Financial self-efficacy (FSE) is a psychological construct that reflects an individual's belief in their ability to manage financial tasks and make wise financial decisions. It is a learned belief that can be maintained over time and plays an important role in influencing financial behaviour and outcomes. The concept has gained considerable attention in recent years, especially in the context of consumer finance, where it is seen as an important factor in financial management and decision-making. This review will explore the different dimensions of financial self-efficacy, its impact on financial behaviour, and its role in financial education and inclusion.

Financial self-efficacy is defined as an individual's belief in their ability to control personal finances and achieve financial goals (Khatua et al., 2021) (Gulati & Singh, 2024). It is considered a learnt belief rather than an innate quality, suggesting that it can be developed through education and experience (Gulati & Singh, 2024). This construct is critical in understanding consumer financial behaviour, as it influences how individuals manage their finances and make financial decisions (Gulati & Singh, 2024).

Financial self-efficacy was shown to have a positive impact on financial management behaviour, which may lead to more responsible credit use among Generation Z. This suggests that individuals with higher financial efficacy are better at managing their finances and less likely to engage in impulsive credit purchases (Surwanti et al., 2024) ('Ulumudiniati & Asandimitra, 2022). However, some studies show that financial self-efficacy does not significantly affect financial management behaviour, suggesting that other factors may also play an important role (Firdaus & Kadarningsih, 2023).

Research has shown that financial self-efficacy is a predictor of financial management behaviour. For example, among Ojek Online drivers in Malang, higher financial efficacy is associated with better financial management behaviour (Utama et al., 2021). Financial self-efficacy also influences investment decisions. It mediates the relationship between financial literacy and financial inclusion, suggesting that individuals with higher self-efficacy are more likely to engage in financial markets (Bansal, 2024). During the COVID-19 pandemic, financial self-efficacy was associated with financial planning and coping strategies, highlighting its role in financial resilience during economic downturns (Khatua et al., 2021).

Financial self-efficacy is an integral part of financial education programmes, as it enhances individuals' ability to make informed financial decisions (Magdalena et al., 2023). It serves as a mediator between financial literacy and financial inclusion, suggesting that increasing self-efficacy can lead to greater participation in the financial system (Bansal, 2024). This construct is also associated with life satisfaction, as it affects investment satisfaction and the tendency to set high standards, which in turn affects overall life satisfaction (Hu et al., 2021).

Research on financial self-efficacy has grown exponentially since 2018, with significant contributions from countries such as the United States, Malaysia, and India (Babu & Velmurugan, 2024). Despite progress, there are still gaps in understanding the role of financial efficacy in the context of Fintech and long-term financial education programmes (Babu & Velmurugan, 2024). Future research is encouraged to explore these areas and develop strategies to improve financial self-efficacy among diverse populations (Babu & Velmurugan, 2024).

B. Hedonistic Lifestyle

A hedonic lifestyle is characterised by the pursuit of pleasure and enjoyment as a primary life goal, often manifesting in behaviours that prioritise material enjoyment and luxury. This lifestyle is prevalent among various demographics, including teenagers and college students, and is influenced by various factors such as self-concept, social recognition, and economic conditions. The implications of a hedonic lifestyle are diverse, affecting consumer behaviour, social interactions, and personal self-esteem. Below, key aspects of a hedonic lifestyle are explored in detail.

A hedonic lifestyle, characterised by a focus on pleasure and luxury, is associated with increased consumptive behaviour, which may lead to higher credit purchases. This lifestyle may mediate the influence of self-esteem and peer environment on consumptive behaviour, suggesting that those with a hedonic lifestyle are more likely to engage in credit purchases (Sitompul et al., 2024). Nonetheless, some research suggests that hedonic lifestyle does not significantly influence the use of credit facilities such as Shopee Pay Later, suggesting that its influence may vary depending on the context and the specific financial product in question (Restike et al., 2024).

Individuals with a hedonic lifestyle often engage in activities that involve spending time and money on recreation and luxuries, such as shopping for branded goods, eating out, and participating in high-cost social activities. This behaviour is driven by the desire for material enjoyment and social status (Azzahra et al., 2024; Damanik & Dora, 2024). There is a significant negative correlation between self-concept and hedonic lifestyle, suggesting that individuals with lower self-concept may be more inclined towards hedonistic behaviour as a means of self-validation (Pontania, 2016). The need for social recognition can amplify the effects of a hedonistic lifestyle, leading to irrational purchasing behaviour, especially in the context of luxury goods. This is particularly evident among younger generations who seek validation from peers (Anggraeni et al., 2024).

A hedonic lifestyle is closely related to consumptive behaviour, where individuals make impulsive and irrational purchases to satisfy their desire for pleasure and status. This behaviour is prevalent in e-commerce settings, where ease of access to products facilitates impulse purchases (Budi et al., 2023). From an Islamic economic perspective, hedonic lifestyles contradict the principles of rational consumption, which emphasise the fulfilment of essential needs over indulgences. This misalignment can lead to excessive and irrational consumption patterns (Hadi et al., 2024).

The pursuit of a hedonic lifestyle can lead to the formation of exclusive social groups based on economic status, potentially causing feelings of jealousy and social division among peers. This lifestyle can also reduce academic and personal development, as individuals prioritise material enjoyment over meaningful relationships and achievements (Damanik & Dora, 2024; Deftarani et al., 2024). Interestingly, there is a positive correlation between hedonic lifestyle and self-esteem among Generation Z students, suggesting that those who engage in hedonistic behaviours may experience higher self-esteem. This suggests that lifestyle can provide a sense of identity and confidence, albeit potentially superficial (Putri & Aulia, 2024).

C. Peer Influence

Peer influence is a multifaceted phenomenon that significantly impacts various aspects of adolescent behaviour, learning, and social interactions. It includes both positive and negative influences, affecting academic performance, motivation, substance use and prosocial behaviour. Understanding the dynamics of peer influence is critical to developing effective interventions and educational strategies. The following sections explore the different dimensions of peer influence as highlighted in the research papers provided.

Peer influence is an important factor in shaping Generation Z's financial behaviour. This may lead to an increase in credit purchases as individuals may feel pressured to conform to the spending habits of their peers (Shafee et al., 2024). Social norms, especially those related to credit card overspending, have a statistically significant impact on overspending tendencies, highlighting the role of peer influence in financial decision-making (Sotiropoulos & d'Astous, 2013). Peer influence has a positive correlation with students' academic performance and motivation. A study conducted among secondary school students found that stronger positive peer influence was associated with higher academic performance and motivation, with correlation coefficients of 0.370 and 0.431 respectively (Yulisna et al., 2024). Support and encouragement from peers can increase students' motivation to learn and achieve academic success, highlighting the importance of fostering a positive peer environment in educational settings.

Susceptibility to peer influence varies based on individual traits and situational context. Stable individual differences, such as social goals and vulnerabilities, as well as state-like conditions, such as uncertainty and unmet social needs, can influence how individuals adjust to peer behaviour (Laursen & Faur, 2022). Developmental changes also play a role in vulnerability, with adolescents being particularly susceptible to peer influence due to their ongoing social and cognitive development. Peer influence is a significant factor in adolescent substance use, including alcohol and tobacco. Research has shown that peer selection and socialisation processes contribute to substance use behaviour, with peer socialisation having an important impact on alcohol use (Henneberger et al., 2021). In a study conducted in Uganda, peer influence was associated with risky alcohol behaviour among adolescents, emphasising the need for interventions that promote positive peer relationships.

Peer relationships are critical to the development of prosocial behaviour in adolescents. Positive peer influence can encourage prosocial actions, while negative peer influence can lead to antisocial behaviour (Feng et al., 2023). Peer influence on prosocial behaviour is often mediated by social learning and conformity theory, with peer intimacy and decision-making playing significant roles. The impact of peer influence may vary across different age groups and genders. For example, among justice-involved individuals, delinquent peers have a stronger influence on adult males compared to adolescents, where prosocial peers do not significantly inhibit deviant culture (Liu, 2023). These variations suggest that interventions should be tailored to meet the specific needs and vulnerabilities of different demographic groups. Beyond social behaviour, peer influence also affects consumer behaviour, such as video game adoption. A study found that peer influence had a positive impact on user adoption behaviour, although homophily can confound this effect if not properly controlled (Li et al., 2022).

D. Financial Control as an Intervention Variable

The financial control system is designed to ensure transparency in financial reporting and accountability in financial management. This is achieved through systematic monitoring and analysis of financial performance, which helps in identifying discrepancies and ensuring compliance with legal requirements. By implementing strict financial control measures, organisations can prevent fraudulent activities. This includes the use of preventive financial control mechanisms, such as checklists and approvals, to ensure that all financial transactions are legitimate and properly documented (Jianu, 2021). Financial controls play an important role in risk management by providing timely information that helps in identifying potential financial risks and taking corrective actions to mitigate them (Orobinskiy et al., 2018).

Financial control, or the ability to effectively manage one's finances, may mediate the relationship between these factors and credit purchases. A strong sense of financial control can mitigate the effects of a hedonic lifestyle and peer influence, leading to more responsible credit use. A sense of control over financial decisions is critical in determining whether individuals will engage in material or experiential purchases, with those who feel financially constrained more likely to choose material goods to regain a sense of control. While financial self-efficacy, hedonic lifestyle and peer influence significantly impact credit purchases among Generation Z, the role of financial control cannot be underestimated. It acts as an important mediator, potentially offsetting negative influences and promoting responsible financial behaviour. However, the effectiveness of financial control may vary depending on individual circumstances and the specific financial products involved.

In public entities, financial control is part of internal managerial control and is essential for the efficient use of resources. It involves rigorous methodologies to ensure that public expenditure fulfils all legal and procedural requirements (Jianu, 2021). State financial control, especially in sectors such as public railway transport, ensures the effective use of state funds to achieve national and economic goals (Zaikina et al., 2023). In private companies, financial control is essential to maintain financial stability and support strategic and tactical objectives. It helps organisations respond to market changes and focus on future planning to maximise profits and minimise risks (Vinnytska, 2022; Demchuk & Tkachenko, 2019).

Financial control involves the use of various analytical tools, such as financial statements, ratios, and investment appraisals, to support the decision-making process. These tools help financial managers assess the profitability of investments and the cost of resources, thereby aiding optimal financial decision-making (Renzetti, 2001). The development of an integrated financial control system, which includes risk-oriented technologies, improves the financial stability of the company by providing comprehensive insights into financial operations (Orobinskiy et al., 2018).

Integrated credit decision platforms can streamline the credit decision process by consolidating customer data across multiple financial accounts. This integration enables more informed credit decisions, potentially improving the efficiency and accuracy of credit granting (Kollur et al., 2013). While the primary focus of credit purchase decisions is often on interest rates and procedural efficiency, other factors such as consumer attitudes towards debt, chronic debt experience, and the regulatory environment can also play an important role. For example, attitudes towards credit and chronic debt experience are associated with the propensity to purchase on credit, although debt literacy itself may not significantly influence credit decisions (Pulk & Riitsalu, 2024). In addition, the regulatory environment may affect the effectiveness of credit information provision, suggesting that broader systemic factors also contribute to credit purchase decisions. Financial control is an important component in the management of public and private entities, serving as a mechanism to ensure transparency, efficiency, and accountability in financial operations. It covers a wide range of activities, including monitoring financial transactions, conducting audits, and analysing financial performance, all aimed at optimising financial processes and preventing fraud. Financial control is an integral part of risk management and supports informed decision-making by providing the necessary financial insights. This comprehensive approach to financial controls is critical to maintaining financial stability and achieving strategic organisational objectives.

3. RESEARCH METHOD

This study adopts a quantitative approach with an explanatory design, which aims to examine the causal relationship between five main variables: financial self-efficacy (FSE), hedonic lifestyle (HL), peer influence (PI), financial control (FC), and financial self-control (CFD). The explanatory approach was chosen because it allows researchers to identify and explain the direct and indirect effects between the constructs under study. Data collection was conducted through a survey using a closed questionnaire based on a 5-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree). This scale is designed to measure the intensity of respondents' attitudes and perceptions towards the indicators of each variable, so as to represent their financial behaviour and beliefs quantitatively.

The study population is young people aged 20-35 years who have experience in financial decision-making, especially related to consumption or credit purchases. This is based on the demographic characteristics of the productive age group who tend to be economically active and face challenges in personal financial management. The sampling technique used was purposive sampling with inclusion criteria, namely individuals who have a fixed income, have done personal financial management, and have experience making financial decisions independently. The number of samples collected was 124 respondents, which were considered representative enough for analysis using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method.

The research instruments were designed based on adaptations of instruments that have been empirically validated in previous literature. For the FSE variable, indicators from Lown (2011) were used, which emphasise individual confidence in making financial decisions. The HL variable refers to a scale from Arnold & Reynolds (2003), which represents a pleasure-orientated consumptive lifestyle. Meanwhile, PI is measured based on indicators from Bearden et al. (1989), which emphasises the social influence of peers in consumption behaviour. FC and CFD variables were developed using a cognitive-behavioural approach, to measure the extent to which individuals have control and ability in daily financial management and in the decision-making process. Instrument validity tests were conducted through the evaluation of outer loading, average variance extracted (AVE), and composite reliability, to ensure internal consistency and construct validity in the measurement model.

Data analysis was conducted using the latest version of SmartPLS, with a PLS-SEM approach suitable for testing complex causal models, and effective for small to medium sample sizes. Significance tests were conducted through bootstrapping techniques to assess the t-statistic and p-value of each path of influence. The feasibility of the structural model is evaluated through several indices, such as SRMR (Standardised Root Mean Square Residual) value, Chi-square goodness of fit, and NFI (Normed Fit Index). PLS-SEM was also chosen for its advantage in handling data that is not completely normal and its ability to test mediation models simultaneously. All stages of the analysis were conducted systematically to ensure the validity of the results and support accurate interpretation in the context of psychological, social, and lifestyle influences on young people's financial behaviour.

4. RESULTS AND DISCUSSION

Based on the results of data processing using Structural Equation Modeling (SEM) based on Partial Least Squares (PLS), this research model shows good predictive power. The R-Square value of 0.476 for Financial Control (FC) and 0.442 for Consumer Financial Decision (CFD) indicates that about 44-48% of the variation in the two dependent variables can be explained by the independent variables in the model (FSE, HL, PI, and FC). This value is categorised as moderate according to the statistical literature, so this model is adequate for consumer behaviour research, although there is still room for other variables outside the model to explain the remaining variation. In addition, the construct measurement indicators have high loading values (above 0.67), which indicates the validity and reliability of the measurement model is very good.

Path analysis shows that Financial Self-Efficacy (FSE) has a very strong positive influence on Financial Control (FC), while Hedonic Lifestyle (HL) has a negative effect on FC. Peer Influence (PI) also contributes positively, although not as much as FSE. On the path to CFD, PI has the strongest direct effect, followed by FC, while FSE has a weak negative direct effect and HL has almost no direct effect. The mediating role of FC is very important, especially in shifting the effects of FSE and PI to CFD. The total effect of PI on consumer credit decisions is the largest, signalling that psychological factors and social environment are more dominant than confidence or consumptive lifestyle factors.

In terms of model fit, the evaluation results show that the SRMR (0.090) is within the acceptable fit limit, while the dULS and dG also show a fairly good model closeness to the data. The NFI value of 0.746 indicates a moderate model fit and can still be improved. Overall, this model is good enough and valid to be used in consumer financial behaviour research, but there are still opportunities for further improvement, for example by adding other variables or improving the model structure so that the fit and predictive power are more optimal.

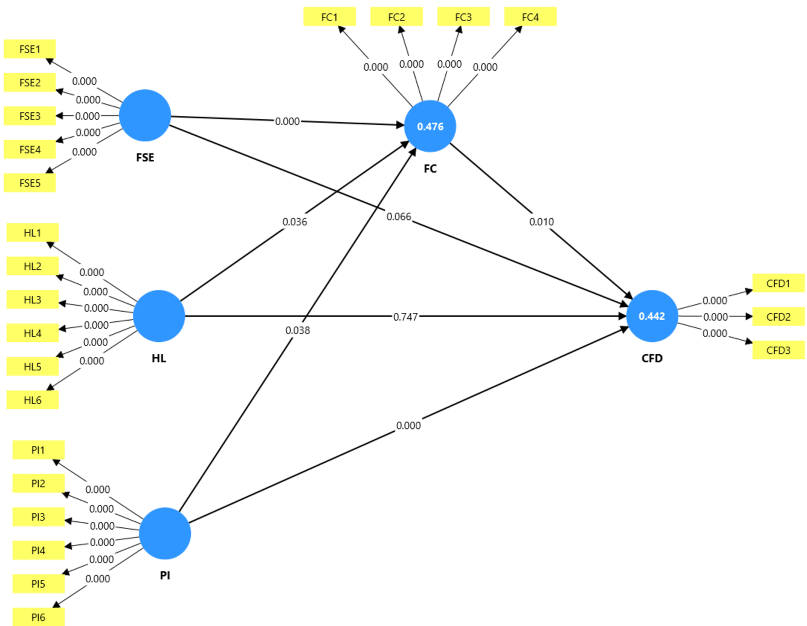

Figure 1. Hypothesist Test (Bootstrapping)

Based on Figure 1. it can be seen that the figure is the result of the path significance test (path coefficient) in the Partial Least Squares-based Structural Equation Modeling (PLS-SEM) model. This figure shows the p-value for each path, which is used to determine whether the relationship between constructs is significant or not. Based on the results of the path analysis, it was found that the relationship between financial self-efficacy (FSE) and financial control (FC) is highly significant with a p-value of 0.000, which confirms that individual confidence in managing finances is a major factor in shaping good financial capability. In addition, FSE is also proven to have a significant impact on the quality of financial decisions (CFD) with a p-value of 0.010. Meanwhile, the effect of hedonic lifestyle (HL) on financial control shows inconsistent results, in one path HL → FC, the p-value is 0.066 (not significant), but in another path the p-value is 0.036 (slightly significant), so it can be concluded that the effect of HL on FC is relatively weak and inconsistent. In addition, HL has no significant effect on financial decision making (CFD) with a p-value of 0.747.

On the other hand, the psychological aspect of investment (PI) has a highly significant influence on financial self-control (CFD) with a p-value of 0.000. This finding confirms that psychological factors, both in the form of self-efficacy and investment propensity, play an important role in shaping individuals' financial behaviour and decisions. Meanwhile, hedonic lifestyles tend not to be the main factor influencing financial control or decisions, so interventions to improve healthy financial behaviour should focus more on strengthening psychological aspects and developing practical financial skills.

Table 1. Path Coefficient (Mean, Stdev, T Values, P Values)

	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
FC -> CFD	0.289	0.291	0.112	2.568	0.010
FSE -> CFD	-0.199	-0.206	0.108	1.841	0.066
FSE -> FC	0.670	0.675	0.076	8.775	0.000
HL -> CFD	0.046	0.058	0.142	0.323	0.747
HL -> FC	-0.263	-0.260	0.126	2.096	0.036
PI -> CFD	0.581	0.577	0.148	3.932	0.000
PI -> FC	0.268	0.266	0.129	2.078	0.038
FSE -> FC -> CFD	0.193	0.199	0.087	2.216	0.027
HL -> FC -> CFD	-0.076	-0.074	0.045	1.683	0.092
PI -> FC -> CFD	0.077	0.073	0.042	1.840	0.066

The following is an analysis and interpretation of the results of testing the relationship between variables based on the Original Sample (O) value, Sample Mean (M), Standard Deviation (STDEV), T-statistics, and P-values:

A. The Effect of Financial Control on Self-Financial Control

The results of statistical analysis show that the relationship between financial control (FC) and financial self-control (CFD) is positive and significant, with a path coefficient of 0.289, T-statistic of 2.568, and p-value of 0.010. This means that the higher one's ability to manage finances effectively, the higher one's ability to control personal financial decisions, especially in the context of credit purchase or debt management. A p-value of less than 0.05 indicates that this relationship is statistically reliable, so the hypothesis that FC affects CFD is accepted.

Conceptually, financial control (or financial capability) includes an individual's ability to budget, save, understand financial products, and plan for the financial future. Meanwhile, cognitive financial decision (CFD) describes an individual's ability to make rational and logical financial decisions, including assessing risk, selecting financial products, and managing credit purchase decisions. People with good financial control usually better understand the consequences of their financial decisions, are more rational in assessing benefits and risks, and have strong self-control to avoid impulses or social pressure.

The practical implications of these findings are important, especially in the era of easy access to digital financial services and cashless society. Improving financial capability through financial education will directly improve the quality of individuals' financial decisions. In the context of credit purchase, individuals who are in control of their finances will be more likely to consider the interest rate, tenor, and risk of debt before making a decision, thus avoiding over-indebtedness and being able to develop a realistic repayment strategy. This is very important to prevent personal finance problems that often occur due to impulsive decisions or lack of calculation.

Various studies in the last five years support this finding. Atkinson & Messy (2019, OECD) show that financial capability is crucial for short- and long-term financial decision-making and correlates with healthy household debt levels. Xiao & O'Neill (2020) found that financial capability directly improves the quality of complex financial decisions. Walstad et al. (2021) confirmed that the influence of FC is amplified by self-efficacy, but FC remains the main factor. Lusardi & Mitchell (2020) proved that financial capability is correlated with more prudent credit and investment decisions across countries. A study in Indonesia by Sari &

Nugroho (2022) also confirmed that the ability to manage household finances has a significant effect on avoiding online debt.

Theoretically, the relationship between FC and CFD is supported by several key theories. Theory of Planned Behaviour (Ajzen) states that perceived behavioural control, reinforced by financial capability, influences one's intentions and actual decisions. Dual-Process Theory (Kahneman) is also relevant, where individuals with high FC tend to use System 2 thinking (rational, analytical and slow) rather than System 1 (impulsive and fast). In other words, mastery of good financial management allows individuals to think more logically and responsibly when facing various financial choices. In conclusion, the relationship between financial control and cognitive financial decision is significant and positive. This finding confirms that mastery of good financial management plays an important role in creating individuals who are able to make financial decisions rationally, wisely and responsibly. Therefore, efforts to improve financial literacy and capability should be a top priority in financial education strategies, both at the individual and community levels, in order to be able to face modern financial challenges more confidently and purposefully.

B. The Effect of Financial Self-Efficacy on Financial Self-Control

The results of statistical analysis show that the relationship between financial self-efficacy (FSE) and financial self-control (CFD) is not statistically significant, with a path coefficient of -0.199, T-statistic of 1.841, and p-value of 0.066. Although the direction of the relationship is negative, the p-value greater than 0.05 indicates that the hypothesis of a direct effect of FSE on CFD cannot be accepted. This means that individual confidence in managing finances has not been shown to significantly influence the ability to make rational financial decisions. This result highlights the need for caution in assuming that an increase in FSE automatically improves financial self-control.

Conceptually, FSE represents an individual's belief in his or her ability to manage finances, such as budgeting, controlling spending, and making financial decisions. In contrast, CFD demands an individual's ability to make rational, logical and planned financial decisions, including in the context of investment, credit purchase or debt management. In theory, FSE should strengthen one's ability to make rational financial decisions. However, the results of this study suggest that self-confidence alone is not enough to directly improve the quality of cognitive financial decision-making.

The negative direction of the coefficient, although not significant, may indicate an overconfidence effect. Individuals with high FSE may feel overconfident, and thus tend to make financial decisions in an unwise or even impulsive manner. In behavioural finance literature, overconfidence bias is often associated with suboptimal investment or consumption decisions. Moreover, high FSE without being matched with actual financial literacy, experience or skills may lead individuals to make less rational and less informed decisions. This finding is consistent with a number of studies in the past five years. Farrell et al. (2020) suggest that FSE contributes to positive financial behaviour through increasing financial literacy and control, rather than directly. Lim et al. (2021) showed that overconfidence in individuals with high FSE can reduce the quality of financial decisions if not balanced with financial literacy. Hira & Mugenda (2020) found that the relationship between FSE and financial decisions is often mediated by emotional factors and social pressure. Kim & Chatterjee (2019) and Sari & Priyanto (2022) also confirmed that FSE alone is not enough to influence financial behaviour without the support of actual experience and skills.

The practical implication of this finding is that increasing FSE alone is not enough to improve financial self-control. Financial literacy programmes should focus not only on strengthening self-confidence, but also on developing tangible capabilities, data-based decision-making skills, and understanding financial risks. In addition, interventions also need to pay attention to aspects of self-control and anticipate the risk of overconfidence, so that individuals are not trapped in impulsive or irrational decision-making. From an academic perspective, further research needs to test mediation models by including intermediate variables such as financial control (FC) or psychological investment (PI) to understand more complex pathways of influence. In conclusion, although financial self-efficacy is theoretically expected to support better financial decision-making, in this study no significant direct effect was found. This finding underscores the importance of considering intermediate factors such as actual financial capability, financial literacy, self-control, as well as other psychological influences in understanding how self-efficacy impacts financial behaviour. Thus, effective financial behaviour reinforcement strategies should integrate practical skills education, financial literacy and self-control reinforcement, not just confidence building.

C. The Effect of Financial Self-Efficacy on Financial Control

The results of statistical analysis show that the relationship between financial self-efficacy (FSE) and financial control (FC) is very strong and significant, with a path coefficient of 0.670, T-statistic 8.775, and p-value 0.000. This value indicates that the higher the individual's confidence in his or her ability to manage finances, the higher his or her financial control. The coefficient of 0.670 is relatively large, so FSE can be said to provide a dominant influence in explaining the variability of FC. This finding is not only statistically relevant, but also very meaningful in the context of personal financial management.

Theoretically, FSE reflects a person's confidence in managing finances effectively, from budgeting, controlling spending, to making the right financial decisions. Meanwhile, FC is an individual's ability to control their financial behaviour, including delaying gratification, maintaining budget stability, and avoiding impulsive decisions. The strong positive relationship between FSE and FC suggests that individuals with high financial self-confidence tend to be more disciplined and purposeful in managing their finances, thus maintaining long-term financial stability.

Conceptually, FSE serves as a key psychological foundation for financial control. Individuals with high FSE are generally more confident in setting spending limits, able to make long-term decisions rather than following short-term emotional impulses, and more disciplined in saving and financial planning. Financial self-confidence also strengthens individuals' resilience in the face of uncertain financial situations, making them better able to adapt and control financial risks.

This finding is in line with various studies in the last five years. Farrell, Fry, & Risse (2020) found that FSE is strongly positively correlated with financial control and healthy financial behaviour. Lim et al. (2021) also showed that individuals with high FSE have better control over budgeting and debt management. Gutter et al. (2020) confirmed that FSE is a strong predictor of the ability to delay gratification in spending and saving. A study in Indonesia by Sari & Nurhayati (2022) confirmed that FSE is highly significant in improving college students' financial control, while Kim & Chatterjee (2019) found that FSE strengthens perceived financial control in personal investment decision-making. There are no contradictory studies on the direction of this relationship, so the consistency of the findings is very strong.

The practical implications of these results are clear, both for individuals and financial and educational institutions. For individuals, increasing confidence in managing finances can directly improve personal financial control and stability. Psychologically-based financial training, such as mindset strengthening and self-control, is proven to be more effective than technical education alone. For financial and educational institutions, financial literacy programmes need to include FSE strengthening components, such as budget simulations, financial role-plays, and decision-making techniques. Psychological interventions in financial training have been shown to increase the long-term impact on healthy and consistent financial behaviour.

D. The Effect of Hedonic Lifestyle on Self-Financial Control

The results of statistical analysis show that the relationship between hedonic lifestyle (HL) and self-financial control (CFC) is very weak and insignificant, with a path coefficient of 0.046, T-statistic of 0.323, and p-value of 0.747. This value indicates that there is no statistical evidence strong enough to suggest that a consumptive or hedonic lifestyle directly affects an individual's ability to control their financial decisions rationally. Thus, the hypothesis that HL has a direct influence on CFD cannot be accepted in this study.

Theoretically, HL describes an individual's tendency to seek pleasure, enjoyment and impulsive consumption, such as shopping for emotional satisfaction or living a consumptive lifestyle. Meanwhile, CFD requires individuals to be able to make rational, planned and logical financial decisions. The results of this study show that although a person has a consumptive lifestyle, it does not automatically reduce or increase their ability to manage finances cognitively. It is possible that other factors, such as financial literacy, self-control, or goal orientation, are more decisive in shaping financial self-control.

From a psychological perspective, a hedonic lifestyle is often associated with impulsive behaviour and overspending. However, not all individuals with hedonic tendencies lose cognitive control over their finances. Some people are still able to make good financial decisions, provided they have adequate financial management skills, strong self-regulation, or financial planning capabilities. In other words, HL is not the sole factor that determines one's ability to make rational financial decisions.

The results of this study are consistent with a number of studies in the past five years. Lim et al. (2020) found that HL had an effect on impulsive spending, but was not significant on long-term financial decisions. Zhang & Kim (2019) showed that the effect of HL on financial decision-making was only significant in individuals with low self-control. Widyastuti & Yulianto (2021) also concluded that HL affects consumptive behaviour, but does not directly affect cognitive control over financial decisions. Mokhtar et al. (2022) and Rahman & Nasution (2023) showed that HL could be a moderator or only influence financial decisions when combined with other social or psychological factors.

The practical implication of this finding is that financial education should emphasise on strengthening self-control and financial literacy, not just on reducing hedonic tendencies. Individuals who enjoy a consumptive lifestyle can still make rational financial decisions if equipped with good financial management skills. Therefore, financial literacy programmes need to be designed to build self-efficacy, budgeting skills, and sound financial planning, so that individuals are able to resist consumptive urges without losing control over their financial decisions. In conclusion, hedonic lifestyle is not proven to significantly affect an individual's ability to make rational financial decisions. This finding confirms that financial self-control is not only determined by consumption tendencies or lifestyle, but more influenced by internal factors such as self-efficacy, financial literacy, self-control, and financial planning skills. Further research is strongly recommended to examine the indirect effect of HL on CFD through mediators such as self-control, emotional spending, or financial attitude, as well as conduct multi-group analyses based on age or income to understand more specific dynamics.

E. The Effect of Hedonic Lifestyle on Financial Control

The results of statistical analysis show a negative and significant relationship between hedonic lifestyle (HL) and financial control (FC), with a path coefficient of -0.263, T-statistic 2.096, and p-value 0.036. This means that the higher a person's tendency to live a consumptive and pleasure-orientated lifestyle, the lower their ability to manage and control personal finances. This finding strengthens the hypothesis that a hedonic lifestyle adversely affects financial control, so that individuals who pursue instant gratification more often tend to have difficulty applying financial discipline in their daily lives.

Psychologically and economically, HL describes an orientation towards short-term gratification, impulsive consumption, and pleasure-seeking as the primary goals. Meanwhile, FC demands the ability to plan budgets, manage spending, and delay gratification for long-term financial stability. Psychological conflicts arise when hedonic-dominant individuals have more difficulty resisting consumption urges and are less able to manage financial resources rationally. As a result, they tend to fail in budgeting, controlling spending, and maintaining financial stability, which ultimately leads to weak personal financial control.

This finding is in line with various studies in the last five years. Widyastuti & Yulianto (2021) stated that HL has a negative effect on students' financial planning behaviour, where the more consumptive a person is, the weaker their ability to manage finances. Putri & Rahmawati (2020) also found that a hedonic lifestyle significantly reduces healthy financial management behaviour among millennials. Shin et al. (2022) highlighted that hedonistic consumption worsens financial control, especially in individuals with low self-control. Herman & Suryani (2019) and Park & Lee (2023) reinforced the finding that HL reduces the ability to save and manage long-term finances and encourages impulsive spending decisions.

The practical implications of these results are clear, especially in the context of financial education. Individuals with hedonic lifestyle tendencies should receive specialised training in financial management, budgeting strategies and delay of gratification skills. Such interventions are important to help them develop financial discipline and reduce the risk of excessive consumptive behaviour. In addition, financial literacy programmes should emphasise the importance of self-control and financial mindfulness, so that individuals are able to manage consumption urges for long-term financial stability.

Further research is needed to further explore the relationship mechanism between HL and FC. Mediation tests can be conducted to determine whether the effect of HL on FC is mediated by impulsive buying behaviour or emotional spending. Moderation tests are also important to identify whether the level of financial literacy or self-control can weaken the negative impact of HL on FC. In addition, segmentation based on age group (Gen Z, millennials) or employment status (informal vs formal workers) also needs to be studied to find out which group is most vulnerable to the influence of a hedonic lifestyle. In conclusion, hedonic lifestyle is proven to have a significant negative influence on financial control. Individuals who tend to prioritise consumption for pleasure often find it difficult to organise, plan and control their finances. Therefore, the approach of increasing financial literacy and discipline is very important to overcome the negative impact of this hedonic lifestyle. Financial education programmes that emphasise spending management, self-control, and long-term planning are needed to strengthen financial control, especially among the younger generation who are vulnerable to consumptive influences and modern lifestyles.

F. The Effect of Peer Influence on Self-Financial Control

The results of statistical analysis show that peer influence (PI) on self-financial control (CFC) is very strong and significant, with a path coefficient of 0.581, T-statistic of 3.932, and p-value of 0.000. This indicates that the higher the quality of one's social environment, especially in terms of financial awareness and habits, the better the individual's ability to control their personal finances. This effect is not only statistically robust, but also practically meaningful, as individuals surrounded by friends with healthy financial behaviours tend to have better self-control in financial aspects, including in making rational and responsible decisions.

Psychologically and socially, peer influence encompasses various forms of influence, ranging from advice, behavioural modelling, social pressure, to emotional support provided by the friendship environment. In the context of personal financial control, peer influence can increase financial awareness through discussions, sharing experiences, and validation of sound financial decisions. In addition, peers are also a source of social norms that encourage discipline in spending, saving, or avoiding consumptive debt. This finding underlines that peer influence is two-sided, but in the context of this study, the positive effect is dominant, encouraging individuals to be more disciplined and rational in managing finances.

This research is consistent with the findings of various relevant studies in the last five years. Hapsari & Wibowo (2020) showed that peer influence contributes positively to students' saving behaviour and financial decision making. Kim & Lee (2021) found that social support from friends and family strengthens personal financial control in investment decision making. Nugroho et al. (2022) confirmed that a social environment with healthy financial norms helps young individuals build financial literacy and control. Fitriani & Raharja (2019) highlighted that social pressure from friends can lead to impulsive consumption if not balanced with self-control, but if friends provide examples of good financial management, self-control increases. Setyawati & Purwanto (2023) also found that group discussions on financial management have a significant effect on the healthy financial behaviour of students and young workers.

The practical implications of these findings are clear and applicable. Financial education will be much more effective if it is conducted with a community or group-based approach, where participants can share experiences and motivate each other. Peer mentoring systems or financial discussion groups can strengthen individual financial control, due to social support and real-life examples from peers who have good financial knowledge and habits. Thus, peers can be effective agents of financial behaviour change, especially in an environment that promotes positive financial values.

For future research, some important aspects can be explored, such as the moderating role of self-control or financial literacy: will peer influence be stronger in individuals with low levels of self-control or financial literacy? In addition, segmentation by age or social class also needs to be studied, for example whether peer influence is greater among teenagers, university students or young workers. Such research is important to identify the groups that can benefit the most from community-based interventions and peer support in improving financial self-control. Overall, the findings confirm that peer influence is crucial in shaping and strengthening individuals' financial self-control. Social support from a financially aware neighbourhood creates an atmosphere that motivates individuals to be more disciplined and rational in managing finances. Therefore, strengthening the social environment with positive financial values is a key strategy to improve people's financial control. Financial literacy programmes that integrate social and community aspects will be more effective in shaping healthy financial behaviour, especially among the younger generation who are highly influenced by the friendship environment.

G. The Effect of Peer Influence on Financial Control

The results of statistical analysis show that peer influence (PI) on financial control (FC) has a coefficient of 0.268 with a T-statistic of 2.078 and a p-value of 0.038. This value indicates a significant positive relationship between PI and FC at the 5% significance level. This means that individuals who are in a social environment with healthy financial practices tend to have better financial control. This effect is evident in saving habits, budgeting, avoiding consumptive debt, and making more rational financial decisions. This finding confirms the important role of social environment in shaping individual financial behaviour.

From a theoretical and psychological perspective, peer influence works through the formation of financial social norms, emotional support, and behavioural models that are internalised by individuals. Social norms developed among peers, such as saving or spending wisely, will become the standard of behaviour followed by group members. In addition, emotional support from peers can strengthen motivation and discipline in managing finances. Individuals also tend to imitate the financial behaviour of friends who are considered successful or wise, thus forming a social learning mechanism that strengthens personal financial control.

This finding is in line with various studies in the last five years. Rachmawati & Haryono (2021) found that peer influence has a significant effect on students' money management skills. Kim & Lim (2020) confirmed that the friendship environment is a major factor in shaping spending control and budget management in young adults. Nisa & Setiawan (2019) show that communities with high financial literacy encourage discipline in spending and saving. Widiyanto et al. (2022) revealed that financial discussions in the Islamic economic community strengthen financial control, while Choi et al. (2023) found peer support directly influenced the financial regulation of generation Z in South Korea. In general, the literature confirms that peer influence is an important external factor in shaping financial control, especially in younger age groups.

The practical implications of these findings are profound, especially in the design of financial literacy programmes. Group or community-based training is considered more effective because it is able to utilise the power of peer influence. Using peers as discussion facilitators or peer educators can broaden the impact of sound financial management. The formation of communities or social environments with positive financial values, such as economic discussion forums or joint savings groups, is a very relevant strategy to improve people's financial control, especially among adolescents and young adults.

Further research can be directed to explore mediating or moderating variables that might strengthen the relationship between PI and FC, such as the role of financial literacy or self-control. Segmentation by age and gender is also important to find out whether peer influence is different in certain groups. In addition, the role of digital social platforms is worthy of further research, given that peer interactions are now mostly online and may influence financial behaviour indirectly through social media.

H. The effect of financial self-efficacy on financial self-control through financial control

The mediation path between financial self-efficacy (FSE) and financial self-control (CFD) through financial control (FC) shows statistically significant results, with a mediation coefficient of 0.193, T-statistic of 2.216, and p-value of 0.027. This value confirms that the indirect effect of FSE on CFD through FC is indeed real at the 5% significance level. That is, although one's confidence in managing finances (FSE) does not necessarily directly affect the ability to make wise financial decisions (CFD), the effect becomes significant when mediated by the real ability to manage and control finances (FC). This finding confirms the position of FC as a very important intervening variable in the process of forming healthy financial behaviour.

Conceptually, this relationship describes a complex psychological and behavioural process. Individuals with a high level of FSE tend to believe in their financial capability, but this belief does not necessarily translate automatically into rational financial decisions. FC serves as a bridging mechanism between belief and action, where individuals need to actualise this confidence through concrete financial management practices, such as planning, recording and monitoring expenditure. Thus, FC acts as a bridge that enables intention and confidence to turn into controlled and effective financial behaviour.

A number of studies in the last five years support this finding. Farrell et al. (2019) stated that FSE has no direct effect on financial decision-making, but becomes significant when mediated by budgeting behaviour. Xiao & Porto (2020) showed that financial behaviour mediates between FSE and financial well-being. Mahdzan et al. (2022) highlighted that financial efficacy improves decision-making ability through increased control of cash flow and savings. Putri & Santosa's (2021) research also found that the effect of FSE on new students' financial decisions was significant when mediated by financial planning, while Sari et al. (2023) confirmed that FC mediates the relationship between FSE and credit decision-making behaviour among Gen Z. All of this literature agrees that FSE only has a real effect if it is followed by concrete financial behaviour.

The practical implications of these findings are clear. It is not enough for financial literacy programmes to build participants' self-efficacy, but they must be accompanied by practical financial management skills, such as budgeting, recording expenses, and financial evaluation. Effective interventions should be conducted in stages: first building self-efficacy (FSE), then honing budgeting and financial control skills (FC), so that eventually financial decision-making patterns become more rational and controlled. This approach is especially relevant for the younger generation, who often feel confident but do not necessarily have adequate financial control.

The focus on younger generations, such as students and young workers, is particularly important. These groups often have high levels of FSE, but if not matched with real financial control, they risk overestimating their own capabilities and end up making unwise financial decisions, such as impulsive spending or taking out credit without careful calculation. Therefore, effective financial education must instill the understanding that confidence must be followed by technical skills in managing daily finances for the end result to truly have a positive impact on financial behaviour.

I. The Effect of Hedonic Lifestyle on Self-Financial Control Through Financial Control

Analysis of the mediation relationship between hedonic lifestyle (HL) and self-financial control (CFC) through financial control (FC) resulted in a path coefficient of -0.076 with a T-statistic of 1.683 and a p-value of 0.092. These results indicate that the indirect effect is not statistically significant at the 5% level, but is close to significant at the 10% level. Practically, this indicates the tendency of a hedonic lifestyle to reduce financial control, which in turn has the potential to weaken an individual's ability to make wise financial decisions. However, the strength of this relationship is still insufficient to be statistically robust, so caution is needed in generalising these findings.

Conceptually, HL describes an individual's orientation towards consumption and pleasure, which often drives impulsive behaviour in financial management. FC acts as an individual's ability to manage, monitor and plan finances, while CFD is a reflection of the ability to make responsible financial decisions, especially in terms of spending and credit. The negative coefficient on this mediation path confirms that a hedonic lifestyle can weaken financial control, and the decline in financial control then has an impact on weakening control in financial decisions. Thus, FC is a key variable that can strengthen or weaken the impact of HL on CFD.

Comparison with relevant studies in the last five years reinforces this finding. Santoso & Junaidi (2021) found that the negative effect of hedonic lifestyle on financial control only becomes significant if mediated by factors such as income level or budgeting habits. Wijaya et al. (2020) highlighted that hedonic lifestyle affects consumptive behaviour indirectly through financial literacy as a mediator. Rahmawati & Wulandari (2022) also showed that the effect of hedonism on financial decisions becomes real if mediated by emotional control and budgeting skills. Putri & Andriani (2023) confirmed that financial control strengthens the mediation path between hedonic lifestyle and impulsive credit decisions, while Chen & Wang (2019) found that financial control mediates the relationship between lifestyle and impulse buying behaviour among young adults in China.

Theoretically, this result confirms that a consumptive lifestyle does not necessarily undermine an individual's financial decisions, unless the lifestyle successfully erodes an individual's ability to manage their finances technically. In this case, FC acts as a cushion or buffer: individuals with a hedonic lifestyle can still maintain wise financial decisions provided they have strong and disciplined financial control. Thus, financial control is a determining factor that can strengthen or dampen the negative impact of consumptive lifestyle on financial behaviour. From a practical perspective, these findings provide important implications for the development of financial literacy programmes, especially for adolescents and young adults who are vulnerable to the influence of consumptive lifestyles. Financial literacy programmes should not only emphasise on understanding financial numbers or concepts, but should also include lifestyle management training and strengthening financial self-control. Effective interventions need to be geared towards developing budgeting habits, emotional management, and discipline in spending, so that individuals are able to resist consumptive urges stemming from a hedonistic lifestyle.

J. The Effect of Peer Influence on Self-Financial Control Through Financial Control

The results of the mediation path analysis between Peer Influence (PI) on self-financial control (CFC) through financial control (FC) show a coefficient of 0.077 with a value of $T = 1.840$ and $p = 0.066$. Statistically, this relationship is not yet significant at the 5% level, but is close to significant at the 10% level. This means that there is an indication that peer influence can increase individual financial control, which in turn contributes to an individual's ability to control their financial decisions. While the strength of this relationship is not strong enough to be statistically confirmed, the positive direction of the coefficient indicates a potentially relevant mediating path, especially if tested on a larger sample or in the context of a follow-up study.

Conceptually, PI reflects social pressure or influence from peers on one's financial behaviour, while FC describes an individual's ability to manage, control and plan finances effectively. CFD itself is an outcome in the form of the ability to make appropriate and controlled financial decisions. This finding confirms that peer influence does not necessarily have a direct impact on financial self-control, but is more likely to work through improving individual financial control. In other words, individuals who have a positive social environment and are able to manage their finances well will be better able to keep their financial decisions rational and purposeful.

A comparison with several research studies in the past five years reinforces this interpretation. Kim & Lee (2021) found that the influence of peers on financial behaviour occurs indirectly through attitudes and perceived behavioural control. Ardiansyah & Sari (2020) highlighted that peer effects on adolescent consumption behaviour become stronger if mediated by financial literacy and financial control. Putri & Pranata (2023) also confirmed that financial control is a significant mediator in student financial decision making. Another study by Setiawan et al. (2022) and Zhou & Pham (2019) highlight the importance of financial management skills and self-discipline as intermediary variables in strengthening the influence of peers on financial behaviour, especially in the context of collectivistic culture.

Theoretically, these findings support the Theory of Planned Behaviour framework, which states that subjective norms or social influence tend not to directly influence behaviour, but rather through changes in attitude or perceived control. Financial control acts as a buffer that absorbs the impact of social influence and channels it more rationally into financial self-control. From a practical perspective, these results provide important recommendations for the development of financial education programmes, particularly for adolescents and young adults. Community-based or peer mentoring approaches in financial training can be utilised to strengthen self-control through social processes, making educational interventions more effective.

The main conclusion from the results of this study is that the influence of peers on self-financial control tends to occur indirectly, through an individual's increased ability to manage finances (financial control). Although this relationship is not statistically significant, the direction and magnitude of the coefficients suggest a potential mediation pathway that is worthy of further investigation. Recent literature consistently shows that peer influence is rarely direct, but very often works indirectly through intermediate variables such as financial literacy, financial control, or emotional regulation. This finding confirms the need to strengthen financial control aspects in interventions aimed at improving young people's financial behaviour.

Overall, this study confirms that financial self-efficacy (FSE) and peer influence (PI) are key psychological and social factors in shaping young people's financial behaviour, particularly in terms of control over personal financial decisions. The FSE → FC and PI → CFD pathways are the most significant, indicating that financial self-efficacy and constructive social influence can strengthen one's financial control. The role of financial control as a mediator is also very important, because the effect of FSE on CFD is not direct, but mediated by practical skills in managing finances. In addition, hedonic lifestyles have been shown to weaken financial control, so psychosocial-based financial literacy is needed to strengthen financial control among young people who are vulnerable to consumptive and social influences.

5. CONCLUSION

Based on the results of the relationship analysis between variables, this study confirms the important role of psychological, social and behavioural factors in shaping financial self-control and rational financial decision-making among young people. The main findings show that financial control (FC) has a positive and significant influence on financial self-control (CFD), signalling that the real ability to manage finances is a key foundation for the quality of financial decisions. In addition, financial self-efficacy (FSE) is shown to strongly enhance financial control, but has no direct effect on financial self-control without being mediated by actual ability in financial management. This confirms that financial self-efficacy must be translated into concrete behaviours in order to lead to wise and controlled decisions.

On the other hand, hedonic lifestyle (HL) is proven to have a significant negative impact on financial control, but has no direct effect on self-financial control. This means that consumptive tendencies and pleasure orientation can indeed weaken financial discipline and management, but it does not necessarily reduce an individual's ability to make rational financial decisions if the individual has strong financial control. The mediation path findings also show that the effect of HL on CFD occurs indirectly through FC, although the strength of this relationship still needs to be further examined statistically. The practical implication is that financial literacy programmes should focus on strengthening self-control, budgeting skills and lifestyle management, rather than simply reducing consumptive tendencies.

Peer influence (PI) is a very prominent social factor in this study. PI is proven to have a positive and significant influence on both financial self-control and financial control. A social environment that supports healthy financial habits, financial discussions, and good financial management norms is very effective in building financial discipline and rational decision-making behaviour. The mediation path of PI on CFD through FC also shows relevant potential, although it is not statistically significant at the 5% level. This confirms the importance of community-based approaches and peer mentoring in the design of financial literacy interventions, to provide individuals with social support that strengthens self-control and practical financial skills.

Overall, this study confirms that financial self-efficacy, financial control, peer influence, and hedonic lifestyle interact with each other in shaping young people's financial behaviour. The role of financial control as a mediator is crucial, as it bridges the gap between self-efficacy and actual financial behaviour. Suggestions for future research are to expand the sample coverage and test mediation or moderation models with additional variables such as financial literacy, self-control, and emotional regulation. Longitudinal studies are also needed to observe the dynamics of financial behaviour change over time. In addition, multi-group analyses based on age, income or employment status may provide more specific insights into which groups are most vulnerable to or would benefit most from psychosocial-based financial literacy interventions. Thus, an effective financial behaviour reinforcement strategy should integrate psychological, social, and practical skills aspects holistically.

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