The effect of financial technology and frugal living on financial management behavior of generation Z in Ponorogo Regency with gender as a moderating variable

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ABSTRACT

This study aims to analyze the influence of financial technology and frugal living on the financial management behavior of Generation Z in Ponorogo Regency with gender as a moderating variable. This study uses the Theory of Planned Behavior (TPB) as its basis, which explains that individual behavior is influenced by attitudes, subjective norms, and perceived behavioral control. The method used is a quantitative approach with purposive sampling technique. The research sample consisted of 160 Generation Z respondents in Ponorogo Regency who had income and used financial technology. Data collection was conducted through an online questionnaire using Google Form and analyzed using the Partial Least Square (PLS) method with SmartPLS 4.0 software. The results showed that financial technology and frugal living had a significant effect on the financial management behavior of Generation Z, but gender did not moderate the effect of financial technology and frugal living on the financial management behavior of Generation Z in Ponorogo Regency.

Keywords: *Financial Technology; Frugal Living; Financial Management Behavior; Gender*

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INTRODUCTION

The rapid development of digital technology has significantly transformed various aspects of daily life, including financial activities. One major innovation in the financial sector is financial technology (fintech), which offers digital-based financial services such as electronic payments, mobile banking, and digital investment platforms. The increasing use of fintech has changed how individuals manage their finances by providing greater convenience, accessibility, and efficiency (Otoritas Jasa Keuangan, 2024) .

Generation Z, defined as individuals born between 1997 and 2012, is the generation most closely associated with digital technology and fintech usage. This generation tends to rely heavily on digital financial services in daily transactions and financial decision-making (Prasetyo & Mustaqim, 2024 ; Ahmad, 2024). Although fintech can support effective financial management, excessive or improper use may also lead to impulsive spending behavior and poor financial control, particularly among young individuals who are at an early stage of their working lives (Humaidi et al., 2020). This condition raises concerns regarding the financial readliness and long-term financial stability of Generation Z.

Financial management behavior reflects an individual 's ability to plan, manage, and control financial resources to achieve financial stability. According to the Theory of Planned Behavior (TPB), behavioral is influenced by attitudes, subjective norms, and perceived behavioral control (Ajzen, 1991 ; Ajzen, 2020). In the context of financial behavior, fintech usage can shape individual's attitudes and perceived control over financial management, which subsequently influences their financial decisions (Jennifer & Widoatmodjo, 2023).

In addition to technological factors, lifestyle also plays an important role in shaping financial management behavior (Hartantri et al., 2024) . One lifestyle concept that has gained increasing attention among young generations is frugal living. Frugal living emphasizes careful spending, prioritizing needs over wants, and making rational financial decisions (Lastovicka et al., 1999). Sereval studies have shown that individuals who adopt a frugal lifestyle tend to demonstrate better financial management behavior and higher financial discipline (Hartantri et al., 2024 ; Alim et al., 2025).

Previous studies have examined the influence of financial technology and lifestyle on financial behavior, with mixed findings regarding the role of gender as a moderating variable. Some studies suggest that gender differences affect financial attitudes and behavioral, while others find no significant moderating effect (Melisa, 2025 ; Mauliddah et al., 2024). However, limited studies simultaneously examine financial technology and frugal living as determinants of financial management behavior while incorporating gender as a moderating variable. Furthermore, most prior research has been conducted in metropolitan areas, leaving non-metropolitan regions such as Ponorogo Regency underexplored.

Based on the Theory of Planed Behavior, this study aims to analyze the effect of financial technology and frugal living on the financial management behavior of generation Z in Ponorogo Regency, with gender as moderating variable. This research is expected to contribute to the financial behavior literature by providing empirical evidence from a regional context and offering practical insights for improving financial management among generation Z.

LITERATURE REVIEW, RESEARCH FRAMEWORK, AND HYPOTHESES

Theory of Planned Behavior

Theory of Planned Behavior (TPB) developed by Ajzen (1991) explains that individual behavior is determined by behavioral intention, which is influenced by three main components : attitude toward the behavior, subjective norms, and perceived behavioral control. Attitude reflects an individual's evaluation of performing a behavior, subjective norms refer to perceived social pressure, and perceived behavioral control represents the perceived ability to execute the behavior.

TPB has been widely applied in explaining financial behaviors, including saving decisions, investment intentions, and financial planning (Ajzen, 1991 ; Ajzen, 2020). In financial contexts, individuals are more likely to demonstrate responsible financial behavior when they hold positive attitudes toward financial discipline, perceive social encouragement, and belive they have sufficient control over their financial activities.

In this study, TPB serves as the theorical foundation to explain financial management behavior among generation Z. Financial technology and frugal living are positioned as factors that may shape attitudes and perceived behavioral control, which ultimately influence financial management behavior.

Financial Management Behavior

Financial management behavior refers to an individual's ability to plan, organize, control, and evaluate financial resources effectively to achieve financial stability and long-term-well-being (Setiawati & Primadineska, 2025) . This behavior includes budgeting, saving regularly, managing debt responsibly, and preparing for future financial needs (Azizah et al., 2024).

According to TPB, financial management behavior is a behavioral outcome influenced by psychological determinants such as attitudes and perceived behavioral control (Ajzen, 1991). Individuals who perceive financial planning as benefical and believe they can manage financial challenges effectively tend to demonstrate better financial managements practices.

Among Generation Z, financial management behavior is particularly important because they are entering the workforce and beginning to earn independent income. However, exposure to digital consumer culture and easy access to online transactions may challenge their financial discipline. Therefore, identifying determinants that influence financial management behavior in this generation is crucal. In this study, financial behavior functions as the dependent variable influenced by financial technology and frugal living.

Financial Technology

Financial technology (fintech) refers to use of digital innovation in providing financial services, such as mobile banking, electronic wallets, online payment system, and digital investment platforms (Jennifer & Widoatmodjo, 2023) . The rapid expansion of fintech has significantly improved financial accessibility, especially among digitally native generations (Otoritas Jasa Keuangan, 2024) .

From the perspective of the Technology Acceptance Model Davis, (1989), perceived usefulness and perceived ease of use determine technology adoption. Within the TPB framework, fintech can enhance perceived behavioral control by allowing individuals to monitor transactions, track expenses, and manage financial activities more efficiently. When individuals feel greater control over their financial activities, they are more likely to exhibit responsible financial management behavior.

Empirical studies show that fintech usage contributes to improved budgeting behavior and financial awareness (Humaidi et al., 2020 ; Jennifer & Widoatmodjo, 2023). However, other findings indicate that the conveince of digital payment may increase impulsive spending if not accompanied by financial self-control (Aqcahya et al., 2025). These mixed findings suggest that the influence of fintech on financial behavior requires further examination, particulary among Generation Z in regional context. Based on theoretical reasoning and empirical evidence, fintech is expected to influence financial management behavior. Based on theoretical reasoning and previous empirical findings, this study proposes the following hypothesis to examine the effect of financial technology on the financial management behavior of Generation Z in Ponorogo Regency.

H1 : Financial technology has a significant effect on financial management behavior of Generation Z in Ponorogo Regency.

Frugal Living

Frugal living is defined as a lifestyle characterized by careful spending, prioritizing assential needs overs wants, and making rational financial decisions (Lastovicka et al., 1999). Frugality reflects financial self-discipline and long-term orientation rather than merely reducing expenditures (Hartantri et al., 2024) .

Within the TPB framework, frugal living can be associated with attitude toward behavior. Individuals who value prudent spending end to develop positive evaluations of responsible financial management. In an era dominated by consumer-driven social media trends, frugal living may serve as a psychological mechanism that regulates spending behavior and prevents excessive consumption.

Previous studies indicate that individuals who adopt a frugal living demonstrate better saving habits and more structured financial (Hartantri et al., 2024 ; Alim et al., 2025). Nevertheless, empirical evidence examining frugal living within a behavioral theory framework and in the context of Generation Z remains limited. Therefore, frugal living is expected to influence financial management behavior. Based on the theoretical framework and findings of previous studies, the following hypothesis is proposed to examine the effect of frugal living on the financial management behavior of Generation Z in Ponorogo Regency.

H2 : Frugal living has a significant effect on financial management behavior of Generation Z in Ponorogo Regency.

Gender

H3 : Gender moderates the effect of financial technology on financial management behavior of Generation Z in Ponorogo Regency.

H4 : Gender moderates the effect of frugal living on financial management behavior of Generation Z in Ponorogo Regency.

Research Framework

The conceptual framework illustrating the relationship among the variables in this study is presented in Figure 1

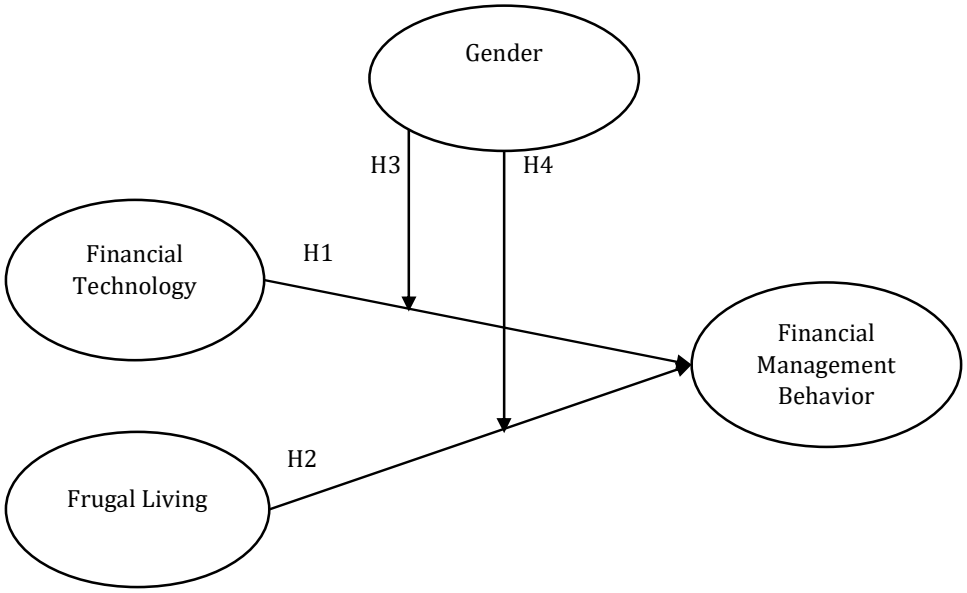


Figure 1
Research Framework

METHOD

This study employed an associative quantitative approach aimed at examining the relationships and influences among variables. The population in this study consisted of Generation Z individuals in Ponorogo Regency who were born between 1997 and 2012, had their own income from employment, and actively used financial technology. The research sample was selected using a purposive sampling technique with a total of 160 respondents. Data were collected through an online questionnaire distributed using Google Forms. The questionnaire used a 10-point scale to measure respondents' perceptions regarding financial technology, frugal living, and financial management behavior. The indicators used in this study were adapted from relevant previous studies.

The independent variables in this study were financial technology and frugal living, while the dependent variable was financial management behavior. Gender was used as a moderating variable. Financial management behavior was measured using indicators related to budgeting, saving, debt management, and spending control adapted from Dew et al., (2011). Financial technology was measured through indicators reflecting performance expectancy, ease of use, perceived risk, and usage behavior adapted from Xie et al., (2021). Frugal living was measured using indicators of saving priority, consumption control, efficiency-oriented decision making, and financial goal awareness adapted from Hartantri et al., (2024).

The collected data were analyzed using Partial Least Square (PLS) with SmartPLS 4.0 software. The analysis included outer model testing consisting of convergent validity, discriminant validity, and reliability tests, as well as inner model testing consisting of the coefficient of determination (R^2), Predictive Relevance test (Q^2), and hypothesis testing (path coefficient). Furthermore, the moderating effect was analyzed using the Measurement Invariance of Composite Models (MICOM) test and Multi-Group Analysis (MGA). The significance level used in this study was 5%, with a t-statistic value greater than 1.96 and a p-value less than 0.05 indicating significant results.

RESULTS AND DISCUSSION

Descriptive Analysis of Variables

Perceptions of respondents regarding the research variables, namely financial technology, frugal living, gender, and financial management behavior, were analyzed using a range classification method divided into three categories: low, moderate, and high. The score intervals were deteined as follows :

Low : 14 – 43
Moderate : 43,01 – 72
High : 72,01 - 100

Financial Technology

The descriptive analysis of financial technology was conducted to identify respondents' perceptions of the use of financial technology in managing their finances. The results are presented in Table 1.

Table 1
Financial Technology

No.	Statement	Std. Deviation	Percentage	Category
1.	I feel that the use of financial technology applications helps me manage my finances more easily and efficiently	1,68	79,69%	High
2.	The financial technology applications I use have features and interfaces that are easy to understand and operate	1,52	80,69%	High
3.	I believe that transactions through financial technology applications are secure and not high-risk	1,60	73,88%	High
4.	I use financial technology applications at least several times a week for transactions such as payments, saving, or investment	1,67	78,75%	High

Source: Data Processed primary data 2026

The results presented in Table 1 indicate that the overall mean percentage of respondents' answers for the financial technology variable is 78.25%, which falls into the high category. Among the indicators, the statement "The financial technology applications I use have features and interfaces that are easy to understand and operate" obtained the highest percentage (80.69%), suggesting that ease of use is strongly perceived by respondents. Furthermore, the statement "The use of financial technology applications helps me manage my finances more easily and efficiently" achieved a percentage of 79.69%, also categorized as high. These findings demonstrate that respondents perceive financial technology as beneficial and user-friendly, indicating that ease of use and practical advantages are key factors supporting the adoption of financial technology in daily financial activiti.

Frugal Living

The descriptive analysis of frugal living was conducted to identify respondents' tendencies to adopt a frugal lifestyle, including prioritizing essential needs, avoiding unnecessary expenditures, and making efficient financial decisions. The results are presented in Table 2.

Table 2
Frugal Living

No.	Statement	Std. Deviation	Percentage	Category
1.	I always allocate a portion of my income for savings before using it for other needs.	1,60	83,13%	High
2.	I am able to resist impulsive purchases of unnecessary goods	1,84	79,75%	High
3.	Before purchasing goods or services, I compare prices across different stores or online platforms to obtain the most economical option.	1,76	84,31%	High
4.	I have long-term financial goals that guide my spending decisions	1,59	79,38%	High

Source: Data Processed primary data 2026

Based on Table 2, the average index score for the frugal living variable is 81.64%, which falls within the high category. The highest percentage is found in the indicator related to comparing prices before making purchases (84.31%), indicating that respondents demonstrate careful and efficiency-oriented purchasing behavior. This is followed by the practice of prioritizing savings before other expenditures (83.13%), reflecting strong financial discipline among respondents. Overall, the findings suggest that Generation Z respondents exhibit a high level of frugal living behavior, particularly in terms of efficient decision-making and saving prioritization.

Financial Management Behavior

The descriptive analysis of financial management behavior was conducted to assess respondents' financial management practices, including budgeting, saving, managing expenses, and handling credit. The results are presented in Table 3.

Table 3
Financial Management Behavior

No.	Statement	Std. Deviation	Percentage	Category
1.	I always prepare a budget plan for income and expenses to ensure proper financial management	1,79	78,94%	High
2.	I have a habit of saving regularly, at least once a month, from the income I receive	1,72	81,38%	High
3.	I try to avoid debt for consumptive purposes	1,62	84,25%	High
4.	I am able to adjust my expenses according to my income.	1,55	79,69%	High

Source: Data Processed primary data 2026

Based on Table 3, all indicators of financial management behavior fall within the high category, with an overall average percentage of 81.06%. The highest percentage is found in the statement related to avoiding consumptive debt (84.25%), indicating strong financial discipline among respondents in controlling unnecessary borrowing. Regular saving behavior (81.38%) also reflects respondents' commitment to allocating income for future financial security. Overall, these findings demonstrate that respondents exhibit good financial management behavior, particularly in managing debt and maintaining consistent saving habits.

Outer Model Result (Measurement Model)

Outer model analysis aims to evaluate the measurement constructs of latent variables. This process focuses on assessing the validity and reliability of the measurement model. Validity testing is conducted to determine the extent to which the research indicators accurately represent the intended latent constructs. Construct validity is assessed through two primary criteria, namely outer loading and discriminant validity. The first assessment utilizes the outer loading values, as presented in Table 4.

Table 4
Convergent Validity (Outer Loading)

Variable	Indicator	Outer Loading	AVE	Description
Financial technology (FT)	FT1	0,878	0,686	Valid
	FT2	0,836		Valid
	FT3	0,772		Valid
	FT4	0,824		Valid
Frugal living (FL)	FL1	0,753	0,611	Valid
	FL2	0,726		Valid
	FL3	0,807		Valid
	FL4	0,837		Valid
Financial Mangement Behavior (PMK)	PMK1	0,831	0,603	Valid
	PMK2	0,762		Valid
	PMK3	0,706		Valid
	PMK4	0,801		Valid

Source : SmartPls 4.0 Output

Based on the criteria proposed by Hair et al., (2019), convergent validity is considered adequate when the outer loading values exceed 0.70 and the Average Variance Extracted (AVE) values are greater than 0.50. Referring to the results presented in the table above, all indicators across each research variable demonstrate outer loading values above 0.70 and AVE values exceeding 0.50. These findings indicate that all measurement indicators satisfy the criteria for convergent validity. Therefore, the indicators are deemed valid and capable of adequately representing their respective latent constructs within the research model. Further evaluation of the measurement model was conducted through discriminant validity analysis using the cross-loading approach. The results of this analysis are presented in Table 5 below.

Table 5
Discriminant Validity (Cross Loading)

	Financial technology	Frugal living	Financial Management Behavior
FT1	0,878	0,591	0,528
FT2	0,836	0,551	0,421
FT3	0,772	0,593	0,490
FT4	0,824	0,605	0,481
FL1	0,662	0,753	0,615
FL2	0,420	0,725	0,620
FL3	0,505	0,806	0,599
FL4	0,621	0,837	0,656
PMK1	0,463	0,681	0,831

PMK2	0,407	0,577	0,762
PMK3	0,399	0,563	0,706
PMK4	0,535	0,649	0,801

Source : SmartPls 4.0 Output

According to Hair et al., (2019), discriminant validity is established when an indicator's loading on its respective construct is higher than its loadings on other constructs. Based on the cross-loading results, all indicators demonstrate the highest loading values on the constructs they are intended to measure compared to other constructs in the model. This finding confirms that each construct satisfies the discriminant validity criterion, as the indicators share greater variance with their assigned constructs than with others. Therefore, it can be concluded that the measurement model meets the recommended discriminant validity requirements, and the next step involves assessing construct reliability as presented in Table 6

Table 6
Construct Reliability

Variable	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Description
Financial technology	0,847	0,851	0,897	Reliable
Frugal living	0,786	0,788	0,862	Reliable
Financial Mangement Behavior	0,779	0,787	0,858	Reliable

Source : SmartPls 4.0 Output

The reliability evaluation was conducted by examining Cronbach's Alpha and Composite Reliability values, while convergent validity was assessed using the Average Variance Extracted (AVE). A construct is considered valid if the AVE value exceeds the recommended threshold of 0.50. Based on Table 6, all latent constructs meet the convergent validity criterion, as their AVE values are above 0.50, allowing the analysis to proceed to reliability testing. According to Hair et al., (2019), a construct is deemed reliable if both Cronbach's Alpha and Composite Reliability values exceed 0.70. The results show that all Composite Reliability (CR) and Cronbach's Alpha (CA) values are above the minimum threshold of 0.70, indicating strong internal consistency and confirming that the indicators consistently measure their respective constructs, thereby demonstrating satisfactory reliability.

Inner Model (Structural Model)

The structural model, also referred to as the inner model, represents the PLS-SEM framework that explains the relationships among latent variables in the study. The inner model is used to describe the causal relationships among constructs based on the proposed hypotheses (Hair et al., 2019). The evaluation of the structural model includes the assessment of the coefficient of determination (R^2), predictive relevance (Q^2), path coefficients, and hypothesis testing results.

R-Square

The coefficient of determination (R^2) is used to indicate the extent to which the independent variables are able to explain the variance of the dependent variable.

According to Hair et al., (2019), an R^2 value of 0.75 is categorized as substantial, 0.50 as moderate, and 0.25 as weak.

Table *7*
Coefficient of Determination (R^2)

	R-square	R-square adjusted
Financial Management Behavior	0,637	0,633

Source : SmartPls 4.0 Output

Based on the results presented in Table 7, the R-square value for the Financial Management Behavior variable is 0.637. This finding indicates that the structural model has moderate explanatory power in predicting variations in financial management behavior. In other words, 63,7% of the variance in financial management behavior can be explained by the exogenous variables included in the research model. Meanwhile, the remaining 36,3% is influenced by other variables not examined in this study.

Q-Square

The predictive relevance test (Q^2) was conducted to evaluate the predictive capability of the structural model using the blindfolding procedure by examining the cross-validated redundancy values. A structural model is considered to have adequate predictive relevance when the Q^2 value exceeds zero (Hair et al., 2019).

Table 8
Predictive Relevance Test (Q^2)

	SSO	SSE	Q^2 (=1 SSE/SSO)
Financial technology	640,000	640,000	0,000
Frugal living	640,000	640,000	0,000
Financial Management Behavior	640,000	407,255	0,364

Source : SmartPls 4.0 Output

The results indicate that the Q^2 values for Financial Technology and Frugal Living are 0.000, suggesting that these constructs do not possess predictive relevance. This outcome is expected, as these variables function as exogenous constructs within the research model and are therefore not predicted by other variables. In contrast, Financial Management Behavior, as the endogenous variable, obtained a Q^2 value of 0.364, which is greater than zero and categorized as strong. This finding demonstrates that the proposed structural model has substantial predictive capability in explaining Financial Management Behavior.

Path Coefficients

The path coefficient test was conducted to examine the research hypotheses using the bootstrapping method. This procedure aims to determine the direction, strength, and significance of the relationships among latent variables in the structural model. The decision criteria follow Hair et al., (2019), where a hypothesis is accepted if the t-statistic > 1.96 and the p-value < 0.05. The results obtained from SmartPLS 4.0 are summarized as follows:

Table 9
Path Coefficient Test

Relationship Between Variables	Original sample (O)	t-statistic	p-value	Description
Financial technology →Financial Management Behavior	0,036	0,406	0,685	Not Significant
Frugal living → Financial Management Behavior	0,775	11,002	0,000	Significant

Source : SmartPls 4.0 Output

(a) The Effect of Financial Technology on Financial Management Behavior
The results indicate a t-statistic of 0,406 < 1.96 and a p-value of 0,685 > 0.05. Therefore, financial technology does not have a significant effect on the financial management behavior of Generation Z in Ponorogo Regency. Thus, H1 is rejected.

(b) The Effect of Frugal Living on Financial Management Behavior
The findings show a t-statistic of 11,002 > 1.96 and a p-value of 0.000 < 0.05. This indicates that frugal living significantly affects the financial management behavior of Generation Z in Ponorogo Regency. Hence, H2 is accepted.

The Measurement Invariance of Composite Models (MICOM)

The Measurement Invariance of Composite Models (MICOM) test was conducted to ensure measurement equivalence between groups before performing Multi-Group Analysis (MGA). The compositional invariance criterion is fulfilled when the original correlation value is greater than the 5% quantile value (Henseler et al., 2016). The results of the MICOM test are presented in the following figure:

Table 10
The Measurement Invariance of Composite Models (MICOM)

	Original Correlation	Corre;ation Permutation Mean	5.0%	Permutation p value	Description
Financial Technology	0,999	0,995	0,986	0,744	Fulfilled
Frugal Living	0,997	0,997	0,993	0,368	Fulfilled
Financial Management Behavior	0,998	0,998	0,994	0,503	Fulfilled

Source : SmartPls 4.0 Output

Based on the results of the MICOM test, all constructs have original correlation values greater than the 5% quantile values. Therefore, all constructs are considered to have fulfilled compositional invariance.

Multi-Group Analysis (MGA)

Multi-Group Analysis (MGA) was conducted to determine the differences in the influence of financial technology and frugal living on financial management behavior between male and female groups. MGA analysis compares the path coefficients between groups to identify whether gender differences significantly affect the relationship among variables. A moderating effect is considered to occur when there is a statistically significant difference in path coefficients between male and female groups, indicated by a p-value < 0.05 (Hair et al., 2022). Based on the data processing results, the following findings were obtained:

Table 11
Multi-Group Analysis (Bootstrap MGA)

	Difference (Male – Female)	2 tailed (Male vs Female) p value	Description
Financial Technology → Financial Management Behavior	0,593	0,000	Significant
Frugal Living → Financial Management Behavior	-0,402	0,003	Significant

Source : SmartPls 4.0 Output

Table 12
Multi-Group Analysis (Bootstrapping Result)

	Original (M)	Original (F)	t value (M)	t value (F)	p value (M)	p value (F)	Description
Financial Technology → Financial Management Behavior	0,384	-0,209	3,506	2,079	0,000	0,038	Male is stronger
Frugal Living → Financial Management Behavior	0,544	0,945	5,224	11,399	0,000	0,000	Female is stronger

Source : SmartPls 4.0 Output

(c) The Moderating Role of Gender on the Relationship between Financial Technology and Financial Management Behavior

The results of the Multi-Group Analysis (MGA) indicate that there is a difference in the effect of financial technology on financial management behavior between males and females, with a p-value of 0.000 < 0.05. Thus, gender is proven to moderate the effect of financial technology on financial management behavior. The influence of financial technology is stronger among males (β = 0.384) than females (β = -0.209). Therefore, it can be concluded that H3 is accepted.

(d) The Moderating Role of Gender on the Relationship between Frugal Living and Financial Management Behavior

Based on the MGA test results, there is a difference in the effect of frugal living on financial management behavior between males and females, with a p-value of 0.003 < 0.05. Thus, gender is proven to moderate the relationship. The influence of frugal living on financial management behavior is stronger among females (β = 0.945) than males (β = 0.544). Therefore, H4 is accepted.

Discussion

This section discusses the findings of the hypothesis testing results and compares them with relevant empirical studies.

1. The Effect of Financial Technology on Financial Management Behavior
   The hypothesis testing results indicate that financial technology does not have a significant effect on the financial management behavior of Generation Z in Ponorogo Regency, with a t-statistic value of 0.406 < 1.96 and a p-value greater than the significance level of 0.685 > 0.05. These results indicate that the use of financial technology services has not necessarily been able to shape better financial management behavior among Generation Z.

   This finding shows that the high use of financial technology among Generation Z is not always accompanied by good financial management behavior.

Although Generation Z is familiar with various digital financial services such as e-wallets, mobile banking, and paylater features, these technologies are mostly used to facilitate daily transactions rather than to support disciplined financial planning and control. In other words, financial technology is still perceived as a practical transaction tool rather than as an instrument for building long-term financial management.

Furthermore, from the perspective of the Theory of Planned Behavior (TPB), perceived behavioral control is related to an individual's ability to control their behavior. Although financial technology provides supporting features such as automatic transaction records, spending notifications, and easy payment systems, these features do not automatically make individuals more disciplined in saving, budgeting, or controlling impulsive purchases. Therefore, good financial management behavior still requires personal awareness, self-control, and the ability to make wise financial decisions in utilizing financial technology.

These findings are consistent with the study conducted by Ganes et al., (2023), which showed that financial technology does not significantly affect the financial management behavior of Generation Z. However, the findings contradict the study by Setiawati & Primadineska, (2025), which found that financial technology has a positive and significant effect on the financial management behavior of Generation Z. Thus, it can be concluded that financial technology among Generation Z in Ponorogo Regency has not yet become a major factor in shaping good financial management behavior.

2. The Effect of Frugal Living on Financial Management Behavior

The hypothesis testing results indicate that frugal living has a significant effect on the financial management behavior of Generation Z in Ponorogo Regency, with a t-statistic value of 11.002 > 1.96 and a p-value lower than the significance level of 0.000 < 0.05. This means that the higher the implementation of frugal living, the better the financial management behavior of Generation Z.

This significant influence can be explained through the indicators of frugal living, namely saving priorities, consumption control, efficient decision-making, and awareness of financial goals. Generation Z individuals who implement frugal living tend to be more selective in spending money, able to distinguish between needs and wants, and committed to long-term financial planning. These behaviors directly contribute to improving budgeting discipline, saving habits, and expenditure management.

In the Theory of Planned Behavior (TPB), frugal living is related to attitude toward behavior. Generation Z individuals who have a positive attitude toward a frugal lifestyle are more encouraged to implement good financial behavior, such as controlling expenses, avoiding impulsive purchases, and prioritizing long-term financial goals. These attitudes encourage individuals to behave more responsibly in managing finances.

These findings are consistent with previous research conducted by Astungkara et al., (2025), which showed that frugal living significantly affects the financial management behavior of Generation Z. The study explained that individuals with a frugal lifestyle tend to be more capable of controlling expenses and have a long-term financial orientation. Furthermore, the study by Alim et al., (2025) also showed that frugal living significantly affects the saving intentions of Generation Z. Therefore, frugal living has proven to be an important factor in improving financial management behavior.

3. The Moderating Role of Gender in the Relationship between Financial Technology and Financial Management Behavior

   The results indicate that gender moderates the effect of financial technology on the financial management behavior of Generation Z in Ponorogo Regency. This is shown by the p-value of 0.000 < 0.05, indicating that there are differences between males and females in the use of financial technology toward financial management behavior. The testing results show that the influence is stronger among males than females, where the coefficient value for males is 0.384, while for females it is -0.209.

   When viewed based on gender moderation, differences were found in the patterns of financial technology usage between males and females. Males tend to use financial technology for activities that support financial management, such as mobile banking, digital transfers, transaction recording, and the use of digital investment platforms. These usage patterns indicate that males utilize fintech more as a means of efficiency and control over their financial activities.

   Meanwhile, females are also active in using financial technology, but their usage is more directed toward consumption activities and the convenience of daily transactions, such as online shopping, using e-wallets while shopping, taking advantage of cashback promotions, discounts, and other practical payment features. This condition causes the use of fintech among females to not fully support financial management behavior because fintech is more often used to fulfill consumptive needs rather than for financial planning and control.

   These differences in usage patterns are the reason why gender is able to moderate the effect of financial technology on financial management behavior. In other words, financial technology may not have a significant effect in general, but its influence becomes different when viewed based on gender because males and females have different tendencies in using fintech. Males tend to use fintech to improve the efficiency of financial management, while females use fintech more for transaction convenience and consumption purposes.

   From the perspective of the Theory of Planned Behavior (TPB), financial technology is related to perceived behavioral control. Males tend to believe that fintech can help control and facilitate financial management, so its use is more directed toward productive financial activities. In contrast, females tend to perceive fintech as a tool for transaction convenience and fulfilling daily needs. These differences in perception cause the influence of fintech on financial management behavior to differ between males and females.

   These findings are consistent with the study conducted by Ashoer et al., (2024), which showed that gender moderates the relationship between the use of mobile financial technology. The study confirmed that males play a more prominent role than females in strengthening the use of mobile fintech. Therefore, it can be concluded that gender is able to moderate the effect of financial technology on financial management behavior because there are differences in fintech utilization patterns between males and females.

4. The Moderating Role of Gender in the Relationship between Frugal Living and Financial Management Behavior

   The results indicate that gender moderates the effect of frugal living on the financial management behavior of Generation Z in Ponorogo Regency, with a p-value of 0.003 < 0.05. These findings show that there are differences in the influence of frugal living between males and females. The effect of frugal living on

financial management behavior is stronger among females than males. This can be seen from the coefficient value for females of 0.945, while the coefficient for males is 0.544. The stronger influence among females indicates that women tend to be more capable of implementing frugal living principles in daily life, which has a greater impact on financial management behavior.

Both males and females are able to implement frugal living; however, there are differences in the way they apply and manage finances in daily life. Females tend to be more careful, cautious, and consistent in using money. When females implement frugal living, the behavior is generally reflected through controlling expenses, limiting unnecessary purchases, prioritizing needs, comparing prices before purchasing goods, and allocating part of their income for savings or future needs. These habits directly shape better financial management behavior.

Meanwhile, males also apply frugal living, but generally they are more oriented toward certain goals or practical needs. For example, males tend to live frugally so that they have enough money to buy desired items, support hobbies, or fulfill certain needs. However, this frugal behavior is not always accompanied by consistent financial management practices such as recording expenses, budgeting, or controlling long-term expenditures. As a result, the influence of frugal living on financial management behavior among males is not as strong as among females.

In addition, females tend to have a higher level of financial caution because they consider future financial security and stability more carefully. This attitude makes females more capable of controlling consumptive behavior and more disciplined in managing finances. Therefore, when females implement frugal living, its impact on financial management behavior becomes greater compared to males.

From the perspective of the Theory of Planned Behavior (TPB), frugal living is related to an individual's attitude toward frugal behavior. Females tend to have stronger attitudes regarding the importance of living frugally and maintaining good financial management, which encourages the formation of more disciplined and well-planned financial management behavior.

These findings are consistent with the study conducted by Astungkara et al., (2025), which showed that gender strengthens the effect of frugal living on the financial management behavior of Generation Z. This means that there are differences between males and females in implementing frugal living toward individual financial management.

CONCLUSION AND SUGGESTION

Based on the results of this study, it can be concluded that financial technology does not have a significant effect on the financial management behavior of Generation Z in Ponorogo Regency because fintech is mostly used to facilitate daily transactions rather than to support disciplined financial planning and control. Meanwhile, frugal living has a positive and significant effect on financial management behavior, indicating that the higher the implementation of frugal living, the better the financial management behavior of Generation Z. Furthermore, gender is proven to moderate the effect of financial technology and frugal living on financial management behavior. The influence of financial technology is stronger among males, while the influence of frugal living is stronger among females.

Therefore, Generation Z is expected to utilize financial technology more wisely not only for transactional convenience but also to support financial planning, saving, and

expenditure control. In addition, Generation Z should continue to implement frugal living principles by prioritizing needs over wants, avoiding impulsive buying behavior, and improving financial discipline.

Future researchers are also suggested to develop this study by adding other variables related to financial management behavior and expanding the research scope in order to obtain broader research findings.

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