

MAPPING IDEA & LITERATURE FORMAT | RESEARCH ARTICLE

# The Influence of Financial Literacy and Digital Payment Experience on Millennials' Saving Intention through Financial Self-Efficacy: Evidence from General Bank Savings Products in North Toraja Regency

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## ABSTRACT

This study aims to analyze the effects of financial literacy and digital payment experience on millennials' saving intention toward general bank savings products, with financial self-efficacy as an intervening variable in North Toraja Regency. This study employed a quantitative approach using an explanatory research design and a cross-sectional survey. Data were collected through questionnaires distributed to millennials in North Toraja Regency who met the predetermined research criteria. The data were analyzed using Structural Equation Modeling-Partial Least Squares (SEM-PLS) to examine both the direct and indirect relationships among the variables. The results show that: (1) financial literacy has a positive and significant effect on millennials' financial self-efficacy in North Toraja Regency; (2) digital payment experience has a positive but insignificant effect on millennials' financial self-efficacy; (3) financial literacy has a positive but insignificant direct effect on millennials' saving intention toward general bank savings products; (4) digital payment experience has a positive and significant effect on millennials' saving intention toward general bank savings products in North Toraja Regency; (5) financial self-efficacy has a positive and significant effect on millennials' saving intention toward general bank savings products in North Toraja Regency; (6) financial literacy has a positive and significant indirect effect on millennials' saving intention through financial self-efficacy; and (7) digital payment experience has a positive but insignificant indirect effect on millennials' saving intention through financial self-efficacy.

**Keywords:** Financial Literacy, Digital Payment Experience, Financial Self-Efficacy, Saving Intention, Millennials.

## I. Introduction

The Indonesian banking industry has undergone significant transformation in the digital era, driven by advances in financial technology and changes in consumer financial behavior. The emergence of digital platforms has encouraged banks to shift from conventional services toward digital banking solutions that provide customers with easier and more accessible access to financial products and services. Through smartphones and digital banking channels, customers can conduct various banking activities without visiting



physical branches. This transformation also requires banks to provide high-quality digital services and positive customer experiences to maintain customer trust and engagement. Millennials have become an important market segment in this transformation because of their strong familiarity with digital technology. Banks have responded by developing mobile banking applications, digital account opening services, and partnerships with e-commerce and fintech platforms. These developments have also influenced customers' preferences regarding savings and other financial products.

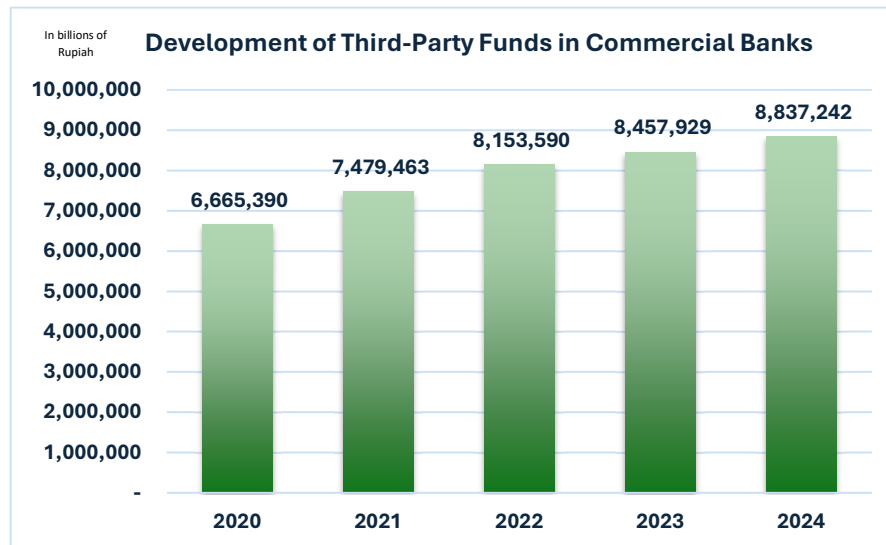


**Figure 1. Statistics on the Development of Third-Party Funds (TPF) in Commercial Banks**

Source: [www.ojk.go.id](http://www.ojk.go.id)

Figure 1 shows that third-party funds (TPF) in commercial banks increased annually from 2020 to 2024. However, the annual growth rate declined from 12.21% in 2021 to 9.01% in 2022, 3.73% in 2023, and 4.48% in 2024. This pattern suggests that although bank deposits continue to grow, consumers may increasingly consider alternative financial instruments. The digital transformation accelerated during the COVID-19 pandemic, further encouraging the adoption of digital financial services.

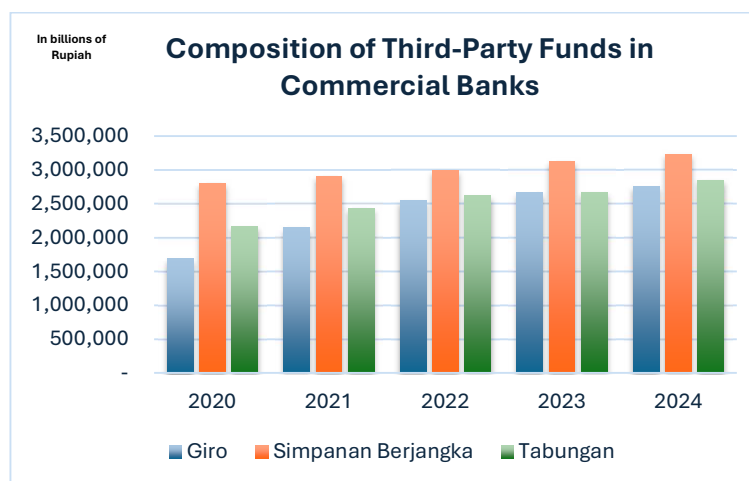


**Figure 2. Statistics on the Composition of Third-Party Funds (TPF) in Commercial Banks**

Source: [www.ojk.go.id](http://www.ojk.go.id)

Figure 2 presents the composition of TPF in commercial banks from 2020 to 2024. Time deposits remained an important savings product, showing relatively consistent growth during the period. Meanwhile, the growth of demand deposits and savings accounts was less pronounced in 2023 and 2024. These developments indicate the importance of maintaining and improving the quality of banking products and services to remain relevant to changing consumer preferences. Digitalization has also intensified competition between conventional banks, digital banks, and fintech platforms. Millennials increasingly encounter alternative financial instruments, including online mutual funds, peer-to-peer lending, and other digital investment products. Consequently, banks face the challenge of maintaining millennials' interest in conventional savings products by offering products and services that are accessible, secure, relevant, and compatible with their digital lifestyles.

**Table 1. National Financial Literacy and Financial Inclusion Index**

| Indicator           | Sustainability | DNKI Coverage |
|---------------------|----------------|---------------|
| Financial Literacy  | 66.46%         | 66.64%        |
| Financial Inclusion | 80.51%         | 92.74%        |

Source: [www.ojk.go.id](http://www.ojk.go.id)

Financial literacy is an important factor in shaping individuals' financial behavior and decisions. According to the 2025 National Survey of Financial Literacy and Inclusion (SNLIK) conducted by the Financial Services Authority (OJK), Indonesia's financial literacy index reached 66.46%, increasing from 49.68% in 2022, while the financial inclusion index increased to 80.51% from 69.55%. Despite this improvement, disparities in financial literacy across regions remain. Adequate financial literacy includes an understanding of financial concepts such as interest, inflation, risk diversification, and the time value of money, as well as the ability to plan finances and evaluate financial products. Previous research has also indicated a positive relationship between financial literacy and participation in formal savings and long-term investment products. Among millennials, financial literacy may not always translate directly into the use of financial products. This gap between financial knowledge and financial behavior is particularly relevant to savings products, which may be perceived as offering relatively low returns compared with alternative investments. Therefore, financial literacy alone may not fully explain millennials' saving intentions.

**Table 2. Domestic Electronic Money Transaction Value**

| Year | Transaction Value (IDR Billion) | Nominal Growth (IDR Billion) | Growth (%) |
|------|---------------------------------|------------------------------|------------|
| 2020 | 204,905                         | -                            | -          |
| 2021 | 305,418                         | 100,513                      | 49.05%     |
| 2022 | 399,585                         | 94,167                       | 30.83%     |
| 2023 | 483,518                         | 83,933                       | 21.00%     |
| 2024 | 597,200                         | 113,682                      | 23.51%     |

Source: [www.bi.go.id](http://www.bi.go.id)

The rapid development of digital financial services has also changed financial transaction behavior. Table 2 shows that the value of electronic money transactions increased substantially from IDR 204.905 trillion in 2020 to IDR 597.20 trillion in 2024. Digital payment experience through e-wallets, mobile banking, and fintech platforms has therefore become an increasingly important part of millennials' financial activities. Positive experiences with digital transactions may strengthen perceptions of convenience and trust in digital financial services, potentially influencing financial decisions, including saving intentions. Saving intention refers to an individual's interest or willingness to save. For millennials, who were born between 1981 and 1996 and are currently within the productive age group, saving intention is important for the banking industry because this segment represents a significant future customer base. However, millennials tend to seek flexible, accessible, and digitally integrated financial products and are increasingly exposed to alternative financial

instruments. In addition to cognitive and behavioral factors, psychological factors may explain how financial knowledge and experience are translated into financial decisions. Financial self-efficacy refers to an individual's confidence in their ability to manage finances and make appropriate financial decisions. Individuals with higher financial self-efficacy tend to be more confident in making financial decisions, seeking financial information, and managing financial risks. Previous research suggests that financial self-efficacy is positively associated with financial behavioral intentions, including saving intention. Thus, financial self-efficacy may function as an intervening variable linking financial literacy and digital payment experience with saving intention.

This issue is particularly relevant in North Toraja Regency, a non-metropolitan area with distinctive demographic, economic, and cultural characteristics. With a population of approximately 266,514 people and an economy influenced by agriculture and tourism, the region presents a different financial environment from major urban areas. Understanding millennials' saving intentions in this local context is therefore important for identifying factors that may influence their engagement with commercial bank savings products. A research gap remains regarding the integrated relationship between financial literacy, digital payment experience, financial self-efficacy, and saving intention. Previous studies have predominantly examined these factors separately or focused on urban and metropolitan populations. In particular, the role of financial self-efficacy as an intervening variable between financial literacy and digital payment experience and millennials' saving intention has received limited attention, especially in non-metropolitan areas such as North Toraja Regency. Therefore, this study examines the effects of financial literacy and digital payment experience on millennials' saving intention toward commercial bank savings products, with financial self-efficacy as an intervening variable in North Toraja Regency. The study is expected to contribute to a better understanding of millennials' saving intentions in the context of digitalization and provide practical insights for the development of banking products and services that align with the characteristics of local consumers.

## II. Literature Review and Hypothesis Development

### 2.1. Grand Theory: Theory of Planned Behavior

Modern marketing management emphasizes the importance of understanding consumer behavior as a foundation for developing effective marketing strategies. Kotler and Keller (2016) define consumer behavior as the study of how individuals, groups, and organizations select, purchase, use, and dispose of goods, services, ideas, or experiences to satisfy their needs and wants. Understanding consumer behavior therefore helps identify the factors that influence individuals' intentions and decisions, including financial behaviors. According to Ajzen's (1991) Theory of Planned Behavior (TPB), intention represents an individual's willingness and effort to perform a particular behavior, including saving. TPB proposes that behavioral intention is primarily determined by three factors: attitude toward the behavior, subjective norms, and perceived behavioral control. In the context of saving intention, attitude refers to an individual's evaluation of saving through bank savings products as beneficial and positive for their future. Subjective norms reflect perceived social influence from family, friends, or other relevant groups regarding saving behavior. Meanwhile, perceived behavioral control refers to an individual's perception of the ease or difficulty of saving, including the availability of financial resources and access to savings products. Thus, individuals are more likely to develop a strong intention to save when they perceive saving as beneficial, receive positive social support, and believe that they have sufficient resources and access to perform the behavior. This perspective is consistent with Widyastuti et al. (2016), who describe saving intention as being influenced by attitudes toward saving and subjective norms, which reflect an individual's willingness and effort to engage in saving behavior.

## 2.2. Financial Literacy

Financial literacy refers to an individual's knowledge, skills, and confidence in understanding, analyzing, and managing financial matters to support sound financial decision-making and achieve financial well-being. According to Financial Services Authority Regulation (POJK) No. 3 of 2023, financial literacy encompasses knowledge, skills, and confidence that shape attitudes and behaviors in improving the quality of financial decision-making and management. Financial literacy therefore extends beyond financial knowledge to the ability to apply such knowledge in everyday financial decisions. Widjaja et al. (2020) emphasize that financial literacy serves as a crucial first step in an individual's cognitive process before developing financial intentions and, ultimately, concrete saving behavior. Similarly, Lusardi and Mitchell (2023) define financial literacy as knowledge and the ability to apply fundamental financial concepts in economic decision-making, particularly interest rates, inflation and purchasing power, and risk diversification. These three concepts, commonly referred to as the "Big Three," serve as the main indicators of financial literacy. Understanding interest rates reflects an individual's ability to recognize how money grows over time; understanding inflation reflects awareness that the purchasing power of money changes with economic conditions; and understanding risk diversification reflects the ability to recognize that spreading investments or assets can reduce financial risk. In the context of millennials in North Toraja Regency, these indicators provide a framework for assessing their understanding of fundamental financial concepts relevant to decisions concerning commercial bank savings products.

## 2.3. Digital Payment Experience

Digital payment refers to a payment method that uses digital technology to conduct financial transactions without physical cash. Calderon (2025) defines digital payments as the electronic transfer of monetary value between accounts facilitated by digital devices and communication infrastructure, including online bank transfers, mobile wallets, debit or credit cards, and QR-based payment systems such as QRIS. Accordingly, digital payment experience refers to the user's familiarity, frequency of use, perceived effectiveness, and satisfaction when interacting with digital payment systems. Hidayat et al. (2021) describe user experience as the overall interaction between individuals and an application, including their feelings and perceptions while using the system, while Liu et al. (2025) emphasize that digital payment experience encompasses both technical and emotional aspects of users' interactions with digital payment services. Based on Calderon (2025), digital payment experience can be measured through five indicators: transaction speed, which reflects the efficiency and time required to complete transactions; cost reduction, which reflects savings in transaction or operational costs; transaction frequency, which indicates the intensity of users' engagement with digital payment applications; dependability, which reflects the system's reliability in minimizing human errors; and general satisfaction, which represents users' overall subjective evaluation of their experience when using digital payment systems. These indicators provide a framework for assessing the digital payment experiences of millennials in North Toraja Regency.

## 2.4. Financial Self-Efficacy

Financial self-efficacy refers to an individual's belief in their ability to perform financial tasks effectively and achieve desired financial outcomes. Khalid (2020) defines self-efficacy as the belief that an individual can successfully perform a particular function based on their abilities. In the financial context, financial self-efficacy encompasses confidence in financial planning, budgeting, decision-making, and achieving financial goals. Nankonzi (2021) describes it as an individual's subjective assessment of their ability to organize and perform actions necessary to manage personal finances, which influences their effort, persistence, and responses to financial challenges. Similarly, Fadillah et al. (2025) define financial self-efficacy as an individual's confidence in performing financial tasks, including financial planning, budget management,

and saving decisions. Based on Nankonzi (2021) and the development of the Financial Self-Efficacy Scale, financial self-efficacy can be measured through five indicators: planning confidence, referring to the ability to adhere to spending plans despite unexpected expenses; goal progress, referring to confidence in making tangible progress toward long-term financial goals; problem solving, referring to confidence in finding solutions to financial challenges or crises; financial independence, referring to confidence in managing unexpected expenses without relying on debt or credit cards; and future financial security, referring to a low level of concern about having sufficient funds in old age or retirement. These indicators provide a framework for assessing millennials' confidence in managing their financial affairs and making appropriate financial decisions.

## 2.5. Saving Intention

Saving intention refers to an individual's interest or willingness to save or allocate funds in a bank or financial institution. May May Kyi (2025) describes saving intention as an internal motivational factor that encourages individuals to prioritize saving over immediate consumption or instant gratification. Widyastuti et al. (2016) conceptualize saving intention as a function of an individual's attitude toward saving and subjective norms, reflecting their willingness and effort to engage in saving behavior. Saving intention therefore serves as an important predictor preceding actual saving behavior. Similarly, Dharmarathna and Kumari (2021) describe saving as the conscious decision to set aside a portion of current income rather than spend it, with the intention of using or reinvesting the funds to obtain future benefits. Based on Widyastuti et al. (2016), who adapted the Theory of Planned Behavior, saving intention can be measured through two indicators: saving for a purpose, which reflects the extent to which individuals have clear future plans or financial targets to be achieved through saving, and saving for risk, which reflects individuals' efforts to anticipate future financial risks, including economic uncertainty and unexpected emergency expenses. These indicators provide a framework for assessing millennials' intention to allocate part of their income toward savings in commercial bank savings products.

## 2.6. Hypothesis Development

### a. Relationship between Financial Literacy and Saving Intention

The Theory of Planned Behavior explains that financial knowledge influences individuals' attitudes and perceived behavioral control, which subsequently shape their saving intentions. Higher financial literacy is expected to foster more positive attitudes toward saving and greater confidence in managing finances to achieve saving goals. Lusardi and Mitchell (2023) theoretically emphasize that financial literacy is a fundamental factor enabling individuals to participate effectively in financial activities. Peiris (2021) found that financial literacy has a positive and significant effect on saving behavior, indicating that adequate financial knowledge encourages individuals to allocate their financial resources more wisely, including through saving in formal financial institutions.

H1 : Financial literacy has a positive and significant effect on millennials' financial self-efficacy in North Toraja Regency.

### b. Relationship between Digital Payment Experience and Saving Intention

Digital payment experience encompasses individuals' interactions and perceptions when using digital payment systems. Rizkiyah et al. (2021) found that digital payments have a positive and significant effect on financial management behavior. The convenience and transparency of digital transactions can encourage individuals to manage their finances more systematically, including allocating funds for savings. Therefore, greater experience with digital payment services may support more disciplined financial behavior and saving practices.

H2 : Digital payment experience has a positive and significant effect on millennials' financial self-efficacy in North Toraja Regency.

c. Relationship between Financial Literacy and Financial Self-Efficacy

Knowledge and skills gained through mastery experiences are important sources of self-efficacy. Higher financial literacy can strengthen individuals' confidence in managing finances and making appropriate financial decisions. Mamilla et al. (2025) found that financial literacy has a positive effect on financial self-efficacy, indicating that individuals with greater financial knowledge and skills tend to feel more confident when making financial decisions, including saving decisions.

H3 : Financial literacy has a positive and significant effect on millennials' saving intention toward commercial bank savings products in North Toraja Regency.

d. Relationship between Digital Payment Experience and Financial Self-Efficacy

In the context of digital finance, positive experiences with digital payments can strengthen individuals' confidence in their ability to manage finances using digital technology. Kumar et al. (2025) found that user experience with digital payment services has a positive effect on financial self-efficacy. Repeated and positive use of digital payment services can therefore strengthen users' confidence in their ability to manage their finances effectively.

H4 : Digital payment experience has a positive and significant effect on millennials' saving intention toward commercial bank savings products in North Toraja Regency.

e. Relationship between Financial Self-Efficacy and Saving Intention

Financial self-efficacy refers to an individual's confidence in their ability to manage financial matters effectively. Dare et al. (2023), as cited in Ahamed (2025), found that financial self-efficacy can predict positive financial outcomes by encouraging constructive behaviors such as saving and investing. Similarly, Sturr et al. (2021) found a positive and direct relationship between financial self-efficacy and saving behavior, indicating that individuals with greater confidence in their financial abilities tend to be more active in preparing savings for long-term financial security. Thus, financial self-efficacy can serve as a psychological factor that strengthens individuals' intention to save through formal financial institutions. Accordingly, this study proposes that financial self-efficacy has a positive and significant effect on saving intention.

H5 : Financial self-efficacy has a positive and significant effect on millennials' saving intention toward commercial bank savings products in North Toraja Regency.

f. Mediating Role of Financial Self-Efficacy

Financial self-efficacy is a psychological factor that connects financial knowledge and experience with financial behavior and intentions. Lone and Bhat (2024) found that financial literacy has a positive and significant effect on financial self-efficacy, which subsequently partially mediates its relationship with financial well-being. This suggests that financial knowledge can strengthen individuals' confidence in managing their finances, which may subsequently encourage saving intentions. Similarly, Anwar (2025) found that digital financial literacy has a positive and significant effect on financial self-efficacy, which mediates its relationship with saving behavior among Generation Z in Indonesia. These findings suggest that frequent interaction with digital financial services can strengthen individuals' confidence in managing their finances and making financial decisions. Therefore, greater financial literacy and digital payment experience may strengthen saving intention indirectly through financial self-efficacy.

- H6: Financial literacy has a positive indirect effect on millennials' saving intention through financial self-efficacy toward commercial bank savings products in North Toraja Regency.
- H7: Digital payment experience has a positive indirect effect on millennials' saving intention through financial self-efficacy toward commercial bank savings products in North Toraja Regency.

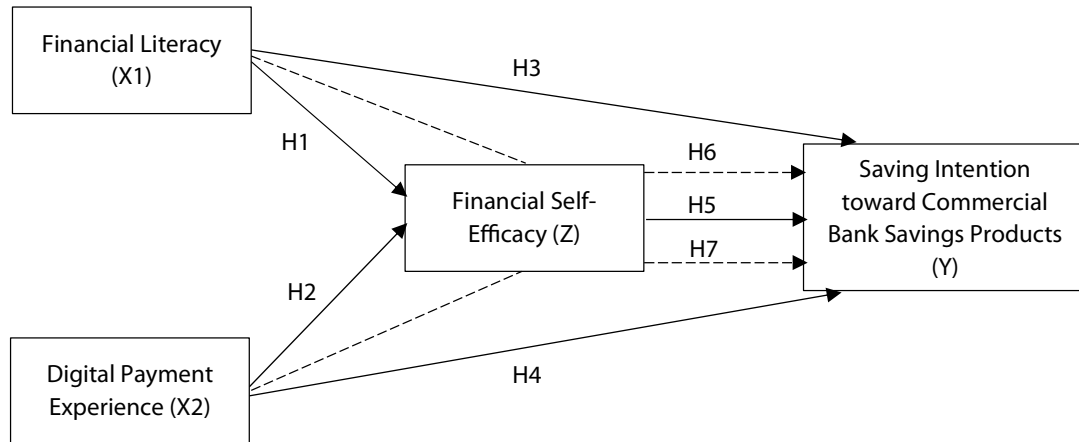


**Figure 3. Conceptual Framework**

### III. Research Method

#### 3.1. Research Type and Design

This study employs a quantitative approach with an explanatory research design. Explanatory research aims to examine causal relationships among the research variables and test the proposed hypotheses. A cross-sectional survey design is used, in which data are collected at a single point in time to describe the characteristics and conditions of the target population.

#### 3.2. Types and Sources of Data

This study uses quantitative data obtained in numerical form. Primary data were collected directly from millennials in North Toraja Regency who met the predetermined population criteria through questionnaires covering financial literacy, digital payment experience, financial self-efficacy, and saving intention. Secondary data were obtained from the Central Statistics Agency of North Toraja Regency, the Financial Services Authority, academic literature, relevant research journals, government institutions, financial institutions, and other official publications related to the study.

#### 3.3. Data Collection Method

Primary data were collected using questionnaires. Questionnaires are an efficient data collection method when the variables to be measured and the information expected from respondents are clearly defined, particularly when the sample is relatively large and geographically dispersed (Sugiyono, 2024:199). A five-point Likert scale was used to measure respondents' attitudes, opinions, and perceptions, with the following scores: Strongly Agree (SA) = 5, Agree (A) = 4, Neutral (N) = 3, Disagree (D) = 2, and Strongly Disagree (SD) = 1. Considering the respondents' familiarity with digital technology, the questionnaires were distributed primarily through Google Forms via electronic communication channels, while printed questionnaires were also provided to respondents approached directly at the research locations.

### 3.4. Population and Sample

#### a. Population

According to Sugiyono (2024), a population is a generalization area consisting of objects or subjects with specific characteristics determined by the researcher for study and subsequent conclusion. The population of this study comprises millennials born between 1981 and 1996 who reside in North Toraja Regency. According to the Central Statistics Agency (BPS) of North Toraja Regency, the total population was 266,513, with an estimated 53,791 millennials.

#### b. Sample

The sample size was determined using the Slovin formula with a 10% margin of error:

$$n = \frac{N}{1 + Ne^2}$$

Where:

n = sample size

N = population size

e = margin of error (10% = 0.1)

With a population of 53,791, the calculation resulted in a sample size of 99.81, which was rounded to 100 respondents. The study employed non-probability sampling with a purposive sampling technique based on predetermined respondent criteria:

- a. Aged 30–45 years and classified as millennials.
- b. Residing in North Toraja Regency.
- c. Having either a fixed or non-fixed income.
- d. Having used digital payment services within the past six months.
- e. Having access to a smartphone and the internet.

### 3.5. Research Location and Period

This study was conducted in North Toraja Regency, South Sulawesi Province, over a period of two months, from May to June 2026.

### 3.6. Research Instrument

Based on the research indicators described in the previous section, the researcher developed questionnaire items in the form of statements or questions. Responses were measured using a five-point Likert scale ranging from strongly positive to strongly negative. The instrument was used to collect data required to address the research questions and achieve the study objectives.

#### a. Validity Test

According to Sugiyono (2024), validity testing is conducted to ensure that a research instrument accurately measures the intended construct. The validity of the instrument was assessed through the following approaches:

##### 1) Content Validity

Content validity was assessed through expert judgment by the research supervisor to ensure that the questionnaire items were relevant to the research variables and indicators.

2) Convergent Validity

Convergent validity was assessed using outer loadings, with a recommended value above 0.70. An indicator is considered to have good convergent validity when its outer loading exceeds 0.70.

3) Discriminant Validity

Discriminant validity assesses whether a construct is empirically distinct from other constructs in the model. It was evaluated using the Fornell-Larcker criterion, where the square root of the AVE for each construct should exceed its correlations with other constructs (Fornell & Larcker, 1981), and the Heterotrait-Monotrait Ratio (HTMT), which should be below 0.90 (Hair et al., 2019).

b. Reliability Test

Reliability refers to the consistency and stability of an instrument in producing dependable measurements (Sugiyono, 2024:182). In this study, construct reliability was assessed using Cronbach's Alpha and Composite Reliability with the assistance of SmartPLS 4. A construct is considered reliable when the reliability coefficient is  $\geq 0.70$ , indicating acceptable internal consistency.

c. Hypothesis Testing

Hypotheses were tested using the bootstrapping procedure in SmartPLS 4 with 5,000 subsamples. Bootstrapping is a non-parametric resampling technique that does not require the assumption of normally distributed data and is therefore suitable for studies with relatively small samples (Hair et al., 2019). Hypotheses were evaluated at a 95% confidence level based on two criteria: T-statistics  $> 1.96$  and P-value  $< 0.05$ . A hypothesis is supported when both criteria are met, indicating a statistically significant effect. Conversely, a hypothesis is not supported when T-statistics  $\leq 1.96$  and/or P-value  $\geq 0.05$ .

3.7. Data Analysis Techniques

a. Descriptive Analysis

According to Ghozali (2018), descriptive statistics provide an overview of data through measures such as the mean, standard deviation, variance, minimum, maximum, and other relevant statistics. In this study, descriptive analysis was used to describe respondents' demographic characteristics, including age, gender, education, and occupation; summarize respondents' responses to the variables of financial literacy, digital payment experience, financial self-efficacy, and saving intention; and present frequency distributions and percentages to classify respondents' perceptions as Very High, High, Moderate, Low, or Very Low.

b. Partial Least Squares Structural Equation Modeling (PLS-SEM)

This study employs Partial Least Squares Structural Equation Modeling (PLS-SEM) using SmartPLS 4 as the primary analytical technique for hypothesis testing. PLS-SEM was selected because the study uses a relatively small sample ( $n = 100$ ), focuses on prediction, does not require strict normality assumptions, and includes a mediating variable, financial self-efficacy, whose indirect effects can be assessed using bootstrapping (Hair et al., 2019). The PLS-SEM analysis was conducted in three sequential stages: measurement model evaluation, structural model evaluation, and hypothesis testing through bootstrapping.

1) Measurement Model Evaluation (Outer Model)

The outer model was evaluated to assess the validity and reliability of the research instruments. The evaluation criteria are presented in Table 3.

**Table 3. Measurement Model Evaluation (Outer Model)**

| Criterion             | Measurement Indicator                       | Threshold                                      |
|-----------------------|---------------------------------------------|------------------------------------------------|
| Convergent Validity   | Outer Loadings                              | $\geq 0.70$ , or $\geq 0.60$ when AVE $> 0.50$ |
|                       | Average Variance Extracted (AVE)            | $\geq 0.50$                                    |
| Discriminant Validity | Fornell-Larcker Criterion                   | AVE $>$ correlations with other constructs     |
|                       | Heterotrait-Monotrait Ratio (HTMT)          | $< 0.90$                                       |
| Construct Reliability | Cronbach's Alpha                            | $\geq 0.70$                                    |
|                       | Composite Reliability ( $\rho_{\text{c}}$ ) | $\geq 0.70$                                    |
| Multicollinearity     | Variance Inflation Factor (VIF)             | $< 5.00$                                       |

Source: Hair et al. (2019).

## 2) Structural Model Evaluation (Inner Model)

After the measurement model meets the validity and reliability criteria, the structural model is evaluated using the coefficient of determination ( $R^2$ ) and effect size ( $f^2$ ).  $R^2$  indicates the proportion of variance in endogenous constructs explained by exogenous constructs, with values of  $\geq 0.75$ ,  $\geq 0.50$ , and  $\geq 0.25$  indicating substantial, moderate, and weak explanatory power, respectively (Hair et al., 2019). The  $f^2$  assesses the substantive contribution of each predictor, with values of  $\geq 0.35$ ,  $\geq 0.15$ , and  $\geq 0.02$  representing large, medium, and small effects, respectively (Cohen, 1988, as cited in Hair et al., 2019).

## 3) Hypothesis Testing through Bootstrapping

Hypotheses were tested using bootstrapping with 5,000 subsamples. The procedure generates T-statistics and P-values for each structural path. Direct effects were assessed for  $X_1 \rightarrow Z$  (H1),  $X_2 \rightarrow Z$  (H2),  $X_1 \rightarrow Y$  (H3),  $X_2 \rightarrow Y$  (H4), and  $Z \rightarrow Y$  (H5). Indirect effects were assessed to examine the mediating role of financial self-efficacy through the paths  $X_1 \rightarrow Z \rightarrow Y$  (H6) and  $X_2 \rightarrow Z \rightarrow Y$  (H7) using the specific indirect effects generated by bootstrapping. The type of mediation was determined based on the significance of the direct and indirect effects, referring to Baron and Kenny (1986) and Hair et al. (2019), as summarized in Table 4.

**Table 4. Determination of Mediation Type**

| Condition         | Direct Effect ( $c'$ ) | Indirect Effect ( $a \times b$ ) | Mediation Type    |
|-------------------|------------------------|----------------------------------|-------------------|
| Full Mediation    | Not significant (ns)   | Significant                      | Full Mediation    |
| Partial Mediation | Significant            | Significant                      | Partial Mediation |
| No Mediation      | Significant/ns         | Not significant                  | No Mediation      |

Source: Baron and Kenny (1986); Hair et al. (2019).

All analyses were conducted using SmartPLS 4 (Ringle et al., 2022), a widely used software application for PLS-SEM analysis in management and business research.

## IV. Result and Discussion

### 4.1. Validity and Reliability Test Results

The measurement model (outer model) was evaluated to assess the validity and reliability of the research constructs. Convergent validity was assessed using outer loadings and Average Variance Extracted (AVE), discriminant validity was assessed using the Heterotrait-Monotrait Ratio (HTMT) and Fornell-Larcker Criterion, and construct reliability was assessed using Cronbach's Alpha and Composite Reliability.

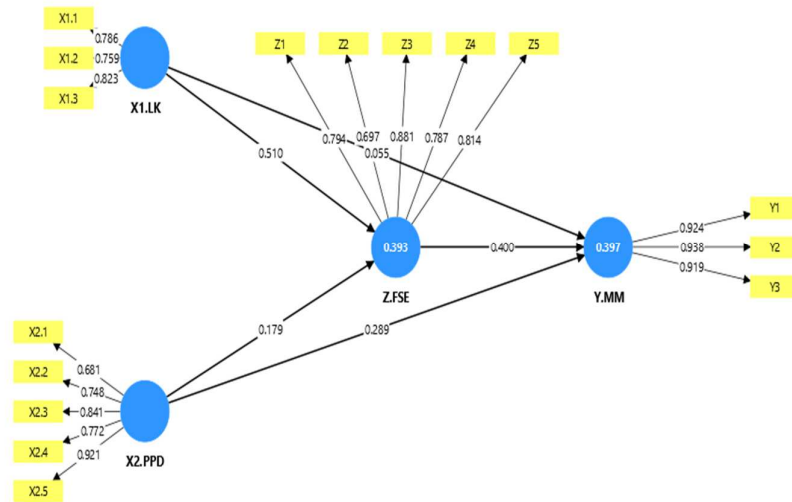


**Figure 1. Structural Model Testing Results**

Source: SmartPLS 4 output, processed by the researcher, 2026.

a. Convergent Validity Test: Outer Loadings

Convergent validity at the indicator level was assessed based on the outer loading values. An indicator is considered valid when its outer loading is  $\geq 0.70$ . Values between 0.60 and 0.70 may still be acceptable in exploratory research, provided that the AVE value of the corresponding construct meets the required threshold of  $> 0.50$  (Hair et al., 2019). The test results are presented in Table 15.

**Table 1. Outer Loadings Test Results**

| Code | Construct                            | Outer Loading | Minimum Threshold | Description |
|------|--------------------------------------|---------------|-------------------|-------------|
| X1.1 | Financial Literacy ( $X_1$ )         | 0.786         | 0.70              | Valid       |
| X1.2 | Financial Literacy ( $X_1$ )         | 0.759         | 0.70              | Valid       |
| X1.3 | Financial Literacy ( $X_1$ )         | 0.823         | 0.70              | Valid       |
| X2.1 | Digital Payment Experience ( $X_2$ ) | 0.681         | 0.70              | Marginal*   |
| X2.2 | Digital Payment Experience ( $X_2$ ) | 0.748         | 0.70              | Valid       |
| X2.3 | Digital Payment Experience ( $X_2$ ) | 0.841         | 0.70              | Valid       |
| X2.4 | Digital Payment Experience ( $X_2$ ) | 0.772         | 0.70              | Valid       |
| X2.5 | Digital Payment Experience ( $X_2$ ) | 0.921         | 0.70              | Valid       |
| Y.1  | Saving Intention (Y)                 | 0.924         | 0.70              | Valid       |
| Y.2  | Saving Intention (Y)                 | 0.938         | 0.70              | Valid       |
| Y.3  | Saving Intention (Y)                 | 0.919         | 0.70              | Valid       |
| Z.1  | Financial Self-Efficacy (Z)          | 0.794         | 0.70              | Valid       |
| Z.2  | Financial Self-Efficacy (Z)          | 0.697         | 0.70              | Marginal*   |
| Z.3  | Financial Self-Efficacy (Z)          | 0.881         | 0.70              | Valid       |
| Z.4  | Financial Self-Efficacy (Z)          | 0.787         | 0.70              | Valid       |
| Z.5  | Financial Self-Efficacy (Z)          | 0.814         | 0.70              | Valid       |

Note: \*Values ranging from 0.60 to 0.69 may be accepted in exploratory research when the AVE of the corresponding construct is  $> 0.50$  (Hair et al., 2019).

Table 1 shows that 14 of the 16 indicators have outer loading values  $\geq 0.70$  and are considered valid. Two indicators fall within the marginal range, namely X2.1 (0.681) and Z.2 (0.697). Referring to Hair et al. (2019), both indicators may be retained in the model because the AVE values of their respective constructs ( $X_2 = 0.635$ ;

Z = 0.635) meet the required threshold of > 0.50. In addition, removing these indicators may potentially reduce the content validity of the respective constructs.

b. Construct-Level Reliability and Convergent Validity Test (AVE)

Construct reliability was assessed using Cronbach's Alpha and Composite Reliability (rho\_c), with a minimum required value of  $\geq 0.70$ . Construct-level convergent validity was assessed using the Average Variance Extracted (AVE), with a minimum required value of  $\geq 0.50$ . The test results are presented in Table 16.

**Table 2. Construct Reliability and Convergent Validity (AVE) Test Results**

| Construct                                    | Cronbach's Alpha | CR (rho_a)  | CR (rho_c)  | AVE         | Description      |
|----------------------------------------------|------------------|-------------|-------------|-------------|------------------|
| Financial Literacy (X <sub>1</sub> )         | 0.705            | 0.721       | 0.833       | 0.624       | Reliable & Valid |
| Digital Payment Experience (X <sub>2</sub> ) | 0.855            | 0.877       | 0.896       | 0.635       | Reliable & Valid |
| Financial Self-Efficacy (Z)                  | 0.855            | 0.865       | 0.896       | 0.635       | Reliable & Valid |
| Saving Intention (Y)                         | 0.919            | 0.926       | 0.949       | 0.860       | Reliable & Valid |
| Minimum Value                                | $\geq 0.70$      | $\geq 0.70$ | $\geq 0.70$ | $\geq 0.50$ | -                |

Source: SmartPLS 4 output, processed by the researcher, 2026.

Table 2 shows that all constructs meet the criteria for construct reliability and convergent validity. The AVE values range from 0.624 (X<sub>1</sub>) to 0.860 (Y), all exceeding the minimum threshold of 0.50. Cronbach's Alpha values range from 0.705 to 0.919, while Composite Reliability (rho\_c) values range from 0.833 to 0.949, all exceeding the minimum threshold of 0.70. The Saving Intention construct (Y) has the highest reliability value, with rho\_c = 0.949, indicating excellent internal consistency. Therefore, all research instruments are considered valid and reliable for hypothesis testing.

c. Discriminant Validity Test

Discriminant validity assesses the extent to which a construct is empirically distinct from other constructs in the model. It was evaluated using two approaches: the Fornell-Larcker Criterion and the Heterotrait-Monotrait Ratio (HTMT). Under the Fornell-Larcker criterion, the square root of the AVE for each construct must be greater than its correlations with other constructs. For HTMT, the value must be below 0.90 (Hair et al., 2019).

**Table 3. Fornell-Larcker Criterion**

| Construct                                    | X <sub>1</sub> | X <sub>2</sub> | Y      | Z      |
|----------------------------------------------|----------------|----------------|--------|--------|
| Financial Literacy (X <sub>1</sub> )         | 0.790*         |                |        |        |
| Digital Payment Experience (X <sub>2</sub> ) | 0.554          | 0.797*         |        |        |
| Saving Intention (Y)                         | 0.458          | 0.504          | 0.927* |        |
| Financial Self-Efficacy (Z)                  | 0.609          | 0.461          | 0.567  | 0.797* |

\*Note: Diagonal values represent the square root of AVE.

**Table 4. Heterotrait-Monotrait Ratio (HTMT)**

| Construct Pair                  | HTMT  | Maximum Threshold (0.90) | Description |
|---------------------------------|-------|--------------------------|-------------|
| X <sub>2</sub> ↔ X <sub>1</sub> | 0.741 | 0.90                     | Valid       |
| Y ↔ X <sub>1</sub>              | 0.541 | 0.90                     |             |
| Y ↔ X <sub>2</sub>              | 0.557 | 0.90                     |             |

|                         |       |      |  |
|-------------------------|-------|------|--|
| $Z \leftrightarrow X_1$ | 0.758 | 0.90 |  |
| $Z \leftrightarrow X_2$ | 0.526 | 0.90 |  |
| $Z \leftrightarrow Y$   | 0.629 | 0.90 |  |

Source: SmartPLS 4 output, processed by the researcher, 2026.

Table 4 shows that the square root of the AVE values on the main diagonal for each construct ( $X_1 = 0.790$ ;  $X_2 = 0.797$ ;  $Y = 0.927$ ;  $Z = 0.797$ ) is greater than the correlations between the respective constructs and all other constructs. Therefore, the Fornell-Larcker criterion is fully satisfied. Table 18 shows that all HTMT values are below the threshold of 0.90, with the highest value occurring between Z and  $X_1$  at 0.758. Thus, discriminant validity is established for all constructs, confirming that each construct is empirically distinct from the others.

d. Multicollinearity Test (Variance Inflation Factor)

The multicollinearity test was conducted for both the outer and inner models to ensure that there were no high correlations among predictors that could affect the stability of the estimates. A VIF value < 5.00 indicates that the model is free from multicollinearity problems (Hair et al., 2019).

**Table 5. Outer Model VIF Test Results**

| Code | Construct                            | VIF   | Description          |
|------|--------------------------------------|-------|----------------------|
| X1.1 | Financial Literacy ( $X_1$ )         | 1.298 | No Multicollinearity |
| X1.2 | Financial Literacy ( $X_1$ )         | 1.487 |                      |
| X1.3 | Financial Literacy ( $X_1$ )         | 1.404 |                      |
| X2.1 | Digital Payment Experience ( $X_2$ ) | 1.606 |                      |
| X2.2 | Digital Payment Experience ( $X_2$ ) | 1.794 |                      |
| X2.3 | Digital Payment Experience ( $X_2$ ) | 2.195 |                      |
| X2.4 | Digital Payment Experience ( $X_2$ ) | 2.138 |                      |
| X2.5 | Digital Payment Experience ( $X_2$ ) | 3.642 |                      |
| Y.1  | Saving Intention (Y)                 | 3.713 |                      |
| Y.2  | Saving Intention (Y)                 | 4.132 |                      |
| Y.3  | Saving Intention (Y)                 | 2.769 |                      |
| Z.1  | Financial Self-Efficacy (Z)          | 1.895 |                      |
| Z.2  | Financial Self-Efficacy (Z)          | 1.439 |                      |
| Z.3  | Financial Self-Efficacy (Z)          | 2.736 |                      |
| Z.4  | Financial Self-Efficacy (Z)          | 1.863 |                      |
| Z.5  | Financial Self-Efficacy (Z)          | 2.206 |                      |

Source: SmartPLS 4 output, processed by the researcher, 2026.

**Table 6. Inner Model VIF Test Results**

| Path                | VIF   | Maximum Threshold | Description          |
|---------------------|-------|-------------------|----------------------|
| $X_1 \rightarrow Y$ | 1.873 | 5.000             | No Multicollinearity |
| $X_1 \rightarrow Z$ | 1.444 |                   |                      |
| $X_2 \rightarrow Y$ | 1.496 |                   |                      |
| $X_2 \rightarrow Z$ | 1.444 |                   |                      |
| $Z \rightarrow Y$   | 1.648 |                   |                      |

Source: SmartPLS 4 output, processed by the researcher, 2026.

Tables 5 and 6 show that all VIF values for both the outer and inner models are below the critical threshold of 5.00. The highest VIF value in the outer model was recorded for Y.2 at 4.132, while the highest

value in the inner model was recorded for the  $X_1 \rightarrow Y$  path at 1.873. Since no indicator or structural path exceeded the threshold, the research model is considered free from multicollinearity problems.

#### 4.2. Structural Model Evaluation (Inner Model)

After the measurement model has been established as valid and reliable, the next step is to evaluate the structural model (inner model). This evaluation includes the coefficient of determination ( $R^2$ ), effect size ( $f^2$ ), and model fit measures (SRMR and NFI), followed by hypothesis testing using the bootstrapping procedure.

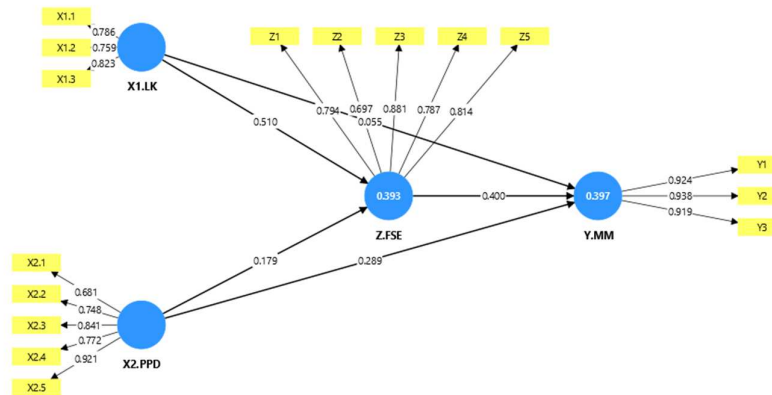


**Figure 2. Structural Model Testing Results**

##### a. Coefficient of Determination ( $R^2$ )

The coefficient of determination ( $R^2$ ) measures the proportion of variance in an endogenous variable that can be explained by exogenous variables. The interpretation criteria are as follows:  $R^2 \geq 0.75$  = substantial;  $\geq 0.50$  = moderate; and  $\geq 0.25$  = weak (Hair et al., 2019).

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

| Endogenous Variable         | $R^2$ | $R^2$ Adjusted | Category      |
|-----------------------------|-------|----------------|---------------|
| Financial Self-Efficacy (Z) | 0.393 | 0.381          | Weak-Moderate |
| Saving Intention (Y)        | 0.397 | 0.378          |               |

Source: SmartPLS 4 output, processed by the researcher, 2026.

Based on Table 7, Financial Self-Efficacy (Z) has an  $R^2$  value of 0.393 (adjusted  $R^2 = 0.381$ ), indicating that Financial Literacy ( $X_1$ ) and Digital Payment Experience ( $X_2$ ) jointly explain 39.3% of the variance in Financial Self-Efficacy. Saving Intention (Y) has an  $R^2$  value of 0.397 (adjusted  $R^2 = 0.378$ ), indicating that all predictor variables explain 39.7% of the variance in Saving Intention. Both values fall within the weak to moderate range, indicating that other factors outside the model, such as subjective norms, income, or demographic variables, may also influence the two endogenous variables.

##### b. Effect Size ( $f^2$ )

Effect size ( $f^2$ ) measures the substantive contribution of each predictor to an endogenous variable. The interpretation criteria are as follows:  $f^2 \geq 0.35$  = large;  $\geq 0.15$  = medium; and  $\geq 0.02$  = small (Cohen, 1988, as cited in Hair et al., 2019).

**Table 8. Effect Size ( $f^2$ ) Test Results**

| Path                | Endogenous Variable         | $f^2$ | Effect Category |
|---------------------|-----------------------------|-------|-----------------|
| $X_1 \rightarrow Z$ | Financial Self-Efficacy (Z) | 0.297 | Large           |
| $X_2 \rightarrow Z$ | Financial Self-Efficacy (Z) | 0.036 | Small           |
| $X_1 \rightarrow Y$ | Saving Intention (Y)        | 0.003 | Very Small      |
| $X_2 \rightarrow Y$ | Saving Intention (Y)        | 0.092 | Small-Medium    |
| $Z \rightarrow Y$   | Saving Intention (Y)        | 0.161 | Medium          |

Source: SmartPLS 4 output, processed by the researcher, 2026.

Financial Literacy ( $X_1$ ) has a large effect on Financial Self-Efficacy ( $f^2 = 0.297$ ), highlighting its important contribution to financial confidence. Financial Self-Efficacy (Z) has a medium effect on Saving Intention ( $f^2 = 0.161$ ). Digital Payment Experience ( $X_2$ ) has a small to medium effect on Saving Intention ( $f^2 = 0.092$ ) and a small effect on Financial Self-Efficacy ( $f^2 = 0.036$ ). The direct effect of Financial Literacy on Saving Intention is very small ( $f^2 = 0.003$ ), indicating that its contribution to Saving Intention is primarily reflected through the Financial Self-Efficacy mediation pathway.

#### 4.3. Hypothesis Testing

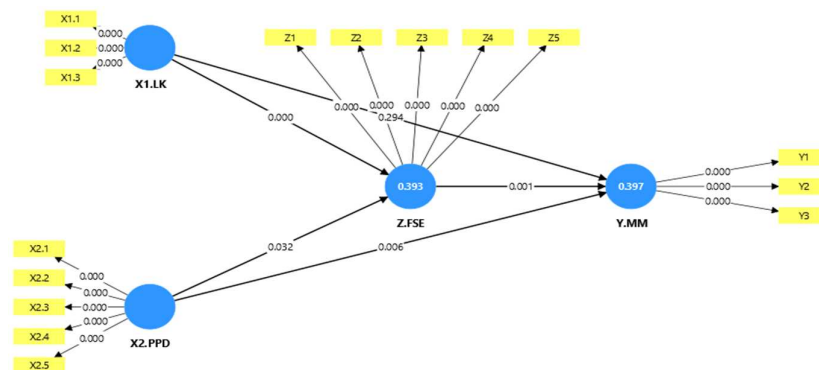


**Figure 3. PLS-SEM Testing Results**

##### a. Direct Effects: H1–H5

**Table 9. Results of Direct Effect Testing (Bootstrapping with 5,000 Subsamples)**

| H  | Path                                        | O     | M     | STDEV | T-Statistics | P-Value | Decision |
|----|---------------------------------------------|-------|-------|-------|--------------|---------|----------|
| H1 | $X_1 \rightarrow Z$ (FL $\rightarrow$ FSE)  | 0.510 | 0.515 | 0.088 | 5.813        | 0.000   | Accepted |
| H2 | $X_2 \rightarrow Z$ (DPE $\rightarrow$ FSE) | 0.179 | 0.194 | 0.096 | 1.858        | 0.063   | Rejected |
| H3 | $X_1 \rightarrow Y$ (FL $\rightarrow$ SI)   | 0.055 | 0.052 | 0.101 | 0.540        | 0.589   | Rejected |
| H4 | $X_2 \rightarrow Y$ (DPE $\rightarrow$ SI)  | 0.289 | 0.298 | 0.115 | 2.514        | 0.012   | Accepted |
| H5 | $Z \rightarrow Y$ (FSE $\rightarrow$ SI)    | 0.400 | 0.401 | 0.122 | 3.283        | 0.001   | Accepted |

Note: O = Original Sample; M = Sample Mean; STDEV = Standard Deviation.

Based on Table 9, three of the five direct-effect hypotheses were accepted (H1, H4, and H5), while two were rejected (H2 and H3). Financial Literacy ( $X_1$ ) has a significant effect on Financial Self-Efficacy ( $\beta = 0.510$ ;  $T = 5.813$ ;  $p < 0.001$ ). Digital Payment Experience ( $X_2$ ) has a significant direct effect on Saving Intention ( $\beta = 0.289$ ;  $T = 2.514$ ;  $p = 0.012$ ). Financial Self-Efficacy (Z) also has a significant effect on Saving Intention ( $\beta = 0.400$ ;  $T = 3.283$ ;  $p = 0.001$ ). Meanwhile, the effect of  $X_2$  on FSE (H2) is not significant at  $\alpha = 0.05$  ( $T = 1.858$ ;  $p = 0.063$ ), and the direct effect of  $X_1$  on Saving Intention (H3) is likewise not significant ( $T = 0.540$ ;  $p = 0.589$ ).

b. Indirect Effects/Mediation: H6–H7

**Table 10. Results of Indirect Effect Testing (Specific Indirect Effects: Bootstrapping)**

| H  | Mediation Path                                                                | O     | M     | STDEV | T-Statistics | P-Value | Decision |
|----|-------------------------------------------------------------------------------|-------|-------|-------|--------------|---------|----------|
| H6 | $X_1 \rightarrow Z \rightarrow Y$<br>(FL $\rightarrow$ FSE $\rightarrow$ SI)  | 0.204 | 0.204 | 0.066 | 3.101        | 0.002   | Accepted |
| H7 | $X_2 \rightarrow Z \rightarrow Y$<br>(DPE $\rightarrow$ FSE $\rightarrow$ SI) | 0.071 | 0.082 | 0.052 | 1.370        | 0.171   | Rejected |

Source: SmartPLS 4 Bootstrapping output, processed by the researcher, 2026.

**Table 11. Summary of Direct Effects, Indirect Effects, Total Effects, and Mediation Type**

| H  | Path                              | Direct Effect | Indirect Effect | Total Effect | Mediation Type          |
|----|-----------------------------------|---------------|-----------------|--------------|-------------------------|
| H6 | $X_1 \rightarrow Z \rightarrow Y$ | 0.055 (ns)    | 0.204**         | 0.259*       | Full Mediation          |
| H7 | $X_2 \rightarrow Z \rightarrow Y$ | 0.289**       | 0.071 (ns)      | 0.360**      | Mediation Not Supported |

Note: \*\*  $p < 0.05$ ; \*  $p < 0.05$  (total effect); ns = not significant.

Based on Table 10, the 11 test produced a specific indirect effect of 0.204, with  $T = 3.101$  and  $p = 0.002$  ( $< 0.05$ ), indicating that H6 is accepted. Because the direct effect of  $X_1 \rightarrow Y$  is not significant (H3 rejected), whereas the indirect effect is significant, Financial Self-Efficacy is shown to fully mediate the relationship between Financial Literacy and Saving Intention. The total effect of Financial Literacy on Saving Intention is 0.259 and operates entirely through the indirect pathway via Financial Self-Efficacy. The H7 test produced a specific indirect effect of 0.071, with  $T = 1.370$  and  $p = 0.171$  ( $> 0.05$ ), indicating that H7 is rejected. The mediating effect of Financial Self-Efficacy in the relationship between  $X_2$  and  $Y$  is not statistically significant. Therefore, the effect of Digital Payment Experience on Saving Intention operates directly (H4 accepted,  $\beta = 0.289$ ) rather than through Financial Self-Efficacy.

#### 4.4. Discussion

a. Effect of Financial Literacy on Financial Self-Efficacy

The results show that Financial Literacy ( $X_1$ ) has a positive and significant effect on Financial Self-Efficacy ( $Z$ ), with a path coefficient of  $\beta = 0.510$ ,  $T = 5.813$ , and  $p < 0.001$ . The effect size ( $f^2 = 0.297$ ) indicates a substantial contribution of Financial Literacy to Financial Self-Efficacy. Financial literacy encompasses the knowledge and skills required to make appropriate financial decisions. The findings indicate that financial knowledge and skills can first strengthen individuals' confidence before being translated into financial actions. Understanding interest rates and inflation can improve individuals' ability to plan and achieve financial goals. Individuals who understand how inflation affects purchasing power and how compound interest increases the value of money can estimate the amount they need to save to achieve specific financial targets. The ability to make such calculations can increase confidence in achieving financial goals. Similarly, understanding risk diversification, particularly the importance of allocating funds across different financial instruments rather than concentrating them in a single instrument, can strengthen confidence in managing financial risks. This finding is consistent with Mamilla et al. (2025), who found that individuals with better financial knowledge tend to have greater confidence in making financial decisions. From the perspective of the Theory of Planned Behavior, financial literacy can strengthen perceived behavioral control by providing individuals with the knowledge and skills needed to manage financial matters effectively. In addition, financial literacy may function as a mastery experience that gradually strengthens individuals' confidence in managing financial problems and making appropriate financial decisions. The finding is also supported by Lone and Bhat (2024), who found a positive and significant effect of Financial Literacy on Financial Self-Efficacy among business

faculty members in India. Thus, greater understanding of interest rates, inflation, and risk diversification is associated with stronger confidence in financial planning and management.

b. Effect of Digital Payment Experience on Financial Self-Efficacy

The results indicate that Digital Payment Experience ( $X_2$ ) has a positive but insignificant effect on Financial Self-Efficacy ( $Z$ ), with  $\beta = 0.179$ ,  $T = 1.858$ , and  $p = 0.063$ . Although the T-statistic approaches the critical value of 1.96, the effect does not meet the significance criterion of  $p < 0.05$ . Therefore, H2 is rejected. This finding suggests that frequent or positive experiences with digital payments do not necessarily strengthen individuals' confidence in managing their finances comprehensively. Digital Payment Experience primarily reflects transactional aspects such as speed, efficiency, frequency of use, system reliability, and general satisfaction, whereas Financial Self-Efficacy encompasses broader capabilities, including financial planning, achievement of financial goals, financial problem solving, financial independence, and confidence in facing future financial needs. The use of digital payment services may therefore be driven mainly by routine and transactional needs rather than by the development of broader financial-management confidence. Features such as QRIS, instant transfers, lower transaction costs, reliable systems, and convenient access allow users to conduct financial transactions easily without necessarily requiring a high level of confidence in long-term financial planning or financial decision-making. This finding differs from Kumar et al. (2025), who reported that digital payment experience can create mastery experiences that strengthen confidence in financial management. However, the present finding suggests that the relationship between digital experience and Financial Self-Efficacy may depend on the depth and complexity of individuals' financial engagement with digital services rather than merely on the frequency of routine transactions.

c. Effect of Financial Literacy on Saving Intention

The results show that Financial Literacy ( $X_1$ ) has a positive but insignificant direct effect on Saving Intention ( $Y$ ), with  $\beta = 0.055$ ,  $T = 0.540$ , and  $p = 0.589$ . Therefore, H3 is rejected. A good understanding of interest rates, inflation, and risk diversification may make individuals more selective and cautious in managing their finances. However, financial knowledge alone may not be sufficient to encourage saving intention when individuals lack confidence in their ability to consistently allocate income for savings. Likewise, they may question whether commercial bank savings products are appropriate for achieving their financial goals and securing their future. Consequently, financially literate individuals may consider alternative ways of managing their funds. This finding can be explained from a cognitive-behavioral perspective, in which financial knowledge does not necessarily translate into financial intention without self-efficacy as a psychological mechanism. Individuals may understand that saving is a beneficial financial behavior, but without confidence in their ability to save consistently and achieve their financial goals, such knowledge may not develop into a strong saving intention. This finding is consistent with Widyastuti et al. (2016), who found that financial literacy does not have a significant direct effect on saving intention. In addition, financially literate individuals may be more likely to consider investment instruments offering higher returns than conventional bank savings products, which generally provide relatively lower returns. The rejection of H3 further highlights the potential role of Financial Self-Efficacy as a mediator between Financial Literacy and Saving Intention, as examined in H6.

d. Effect of Digital Payment Experience on Saving Intention

The results show that Digital Payment Experience ( $X_2$ ) has a positive and significant effect on Saving Intention ( $Y$ ), with  $\beta = 0.289$ ,  $T = 2.514$ , and  $p = 0.012$ . Therefore, H4 is accepted. The effect size is small based on the  $f^2$  value of 0.092. Positive experiences with digital payment services, including transaction speed, time and cost efficiency, frequent usage, system reliability, and overall satisfaction, can directly encourage saving intention. Digital banking services also allow users to open savings accounts without visiting a physical bank branch, as many account-opening processes can be completed through a smartphone and banking application. This finding is consistent with Rizkiyah et al. (2021), who found that positive experiences within

the digital financial ecosystem can encourage individuals to allocate part of their funds to savings. Individuals who are accustomed to fast, efficient, reliable, and convenient digital financial services may be more receptive to digitally available savings products, such as mobile banking-based term savings and online deposits. Although Digital Payment Experience does not significantly affect Financial Self-Efficacy in this study, the convenience and accessibility of digital financial services can directly encourage millennials in North Toraja Regency to use bank savings products. This suggests that digitalization of banking services can support efforts to increase saving intention among millennials who are familiar with digital financial ecosystems. This finding is also consistent with Calderon (2025), who argues that familiarity with digital payments can increase individuals' openness to other digital financial products.

e. Effect of Financial Self-Efficacy on Saving Intention

Financial Self-Efficacy (Z) has a positive and significant effect on Saving Intention (Y), with the highest direct path coefficient among the direct relationships,  $\beta = 0.400$ ,  $T = 3.283$ , and  $p = 0.001$ , with a medium effect size ( $f^2 = 0.161$ ). Therefore, H5 is accepted. Confidence in financial planning, financial goal achievement, problem solving, financial independence, and future financial security, which constitute the indicators of Financial Self-Efficacy, can strengthen individuals' belief that saving is a necessary and beneficial behavior for managing future uncertainty. In Ajzen's (1991) Theory of Planned Behavior (TPB), which serves as the theoretical foundation of this study, Financial Self-Efficacy is positioned within the concept of Perceived Behavioral Control (PBC). PBC reflects an individual's perception of how easy or difficult it is to perform a behavior and their confidence in controlling that behavior. The findings demonstrate that Financial Self-Efficacy is an important factor influencing Saving Intention. Individuals with higher Financial Self-Efficacy tend to have greater confidence in managing their assets and finances, which can subsequently strengthen their intention to save through commercial bank savings products. This finding is consistent with Asebedo and Seay (2018), who identified Financial Self-Efficacy as an important psychological predictor of financial behavior, including saving intention. Individuals who are confident in their financial capabilities are more likely to plan and allocate funds systematically for savings. Similarly, Nugroho et al. (2017) found that Self-Efficacy significantly increases customers' intention to participate in banking savings products. These findings support the argument that Financial Self-Efficacy serves as an important psychological mechanism in shaping Saving Intention.

f. Mediating Role of Financial Self-Efficacy in the Effect of Financial Literacy on Saving Intention

The H6 test produced a specific indirect effect of 0.204, with  $T = 3.101$  and  $p = 0.002$  ( $< 0.05$ ), indicating that H6 is accepted. The mediation pattern represents full mediation: the direct effect of  $X_1 \rightarrow Y$  is not significant (H3 rejected), whereas the indirect effect through Z is significant. The total effect of Financial Literacy on Saving Intention is 0.259 and operates through the indirect pathway  $X_1 \rightarrow Z \rightarrow Y$ . This finding supports the theoretical framework of the study, in which financial knowledge regarding interest rates, inflation, and risk diversification strengthens Financial Self-Efficacy, which is conceptually related to Perceived Behavioral Control (PBC) in the Theory of Planned Behavior (TPB), and subsequently contributes to the formation of saving intention. The findings indicate that financial knowledge alone may not be sufficient to generate saving intention. Without adequate Financial Self-Efficacy, financially literate individuals may consider alternative financial instruments that offer potentially higher returns than conventional commercial bank savings products. Thus, Financial Self-Efficacy functions as an important psychological mechanism through which financial literacy can be translated into saving intention. Lone and Bhat (2024) found partial mediation of Financial Self-Efficacy in the relationship between financial literacy and financial well-being. In contrast, this study identifies full mediation in the context of saving intention among millennials in North Toraja Regency. This difference suggests that the role of Financial Self-Efficacy may vary depending on the outcome variable and research context. The findings also imply that financial literacy programs should not focus solely on increasing financial knowledge but should also strengthen individuals' confidence through practical financial decision-making exercises and personal financial planning.

g. Mediating Role of Financial Self-Efficacy in the Effect of Digital Payment Experience on Saving Intention

The H7 test produced a specific indirect effect of 0.071, with  $T = 1.370$  and  $p = 0.171$  ( $> 0.05$ ). Therefore, H7 is rejected because the mediating effect of Financial Self-Efficacy in the relationship between Digital Payment Experience ( $X_2$ ) and Saving Intention ( $Y$ ) is not statistically significant. The effect of Digital Payment Experience on Saving Intention operates directly, as demonstrated by the acceptance of H4, rather than through Financial Self-Efficacy. This finding indicates that positive experiences with digital financial services may encourage saving intention through convenience and familiarity without necessarily strengthening broader financial-management confidence. When individuals become accustomed to the ease, accessibility, and reliability of digital banking platforms, they may be more willing to use other banking products, including savings products, without requiring a substantial increase in Financial Self-Efficacy. The insignificant mediating effect may also reflect the predominantly transactional nature of digital financial service use among millennials in North Toraja Regency. Their engagement with digital services may be driven more by routine financial needs than by long-term financial planning or confidence in managing financial resources. The rejection of H7 is also consistent with the rejection of H2, which shows that Digital Payment Experience does not significantly affect Financial Self-Efficacy. Consequently, the pathway  $X_2 \rightarrow Z \rightarrow Y$  does not produce a significant indirect effect. Calderon (2025) argues that the relationship between digital financial experience and broader financial outcomes may depend on the intensity and depth of individuals' engagement with digital financial services. This may explain why Financial Self-Efficacy does not significantly mediate the relationship between Digital Payment Experience and Saving Intention in the present study.

## V. Conclusion

Based on the research findings, Financial Literacy has a positive and significant effect on Financial Self-Efficacy among millennials in North Toraja Regency, whereas Digital Payment Experience has a positive but insignificant effect. Financial Literacy also has a positive but insignificant direct effect on millennials' Saving Intention toward commercial bank savings products, while Digital Payment Experience has a positive and significant effect. Financial Self-Efficacy has a positive and significant effect on Saving Intention. Furthermore, Financial Literacy has a positive and significant indirect effect on Saving Intention through Financial Self-Efficacy, indicating full mediation, whereas the indirect effect of Digital Payment Experience on Saving Intention through Financial Self-Efficacy is positive but insignificant. Based on these findings, commercial banks in North Toraja Regency are recommended to integrate financial literacy programs with activities that strengthen Financial Self-Efficacy, such as financial planning simulations, personal financial coaching, and practical experiences in managing savings products. Banks should also optimize digital savings services by improving online account opening, mobile banking-based term savings, and real-time savings monitoring features. In addition, banks may develop savings products that are more responsive to financially literate millennials, including products with competitive returns, flexible deposit features, or savings products integrated with investment services. Collaboration with e-wallets, marketplaces, and fintech platforms may also be utilized to attract new savers through the familiarity created by digital payment experiences.

The local government and the Financial Services Authority (OJK) are encouraged to develop financial literacy programs that focus not only on financial knowledge but also on strengthening Financial Self-Efficacy through practical training, financial planning assistance, and community-based mentoring. Improving digital infrastructure and internet accessibility across North Toraja Regency is also important to support the use of digital financial services. In addition, the Regional Financial Access Acceleration Team (TPAKD) can integrate financial literacy, Financial Self-Efficacy development, and access to digital payment and savings services into financial inclusion programs. For future researchers, the research model can be expanded by incorporating additional variables that may explain Saving Intention, considering that the current model explains 39.7% of its variance. Potential variables include subjective norms, income, hedonic motivation, trust in banking

institutions, and demographic factors as moderating variables. Further research may also examine the effect of Digital Payment Experience on Financial Self-Efficacy using deeper dimensions of digital financial engagement, such as digital investment services, app-based portfolio management, and financial planning features. Comparative studies across metropolitan and non-metropolitan areas may provide broader insights into the geographical context of saving intention. Finally, longitudinal research is recommended to examine changes in Financial Literacy, Digital Payment Experience, Financial Self-Efficacy, and Saving Intention over time and to provide stronger evidence regarding the direction of the relationships among these variables.

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