Pakistan Social Sciences Review
(PSSR)
www.pssr.org.pk

RESEARCH PAPER

Emergence of the Digital Financial Literacy, and its Effect on the Financial Management Behavior among Students of Pakistan

[1]Mehak Ali* and [2]Muhammad Alamgir and [3]Dr. Muhammad Arif Nawaz

1. PhD Scholar, Department of Business Administration, NCBA&E Multan, Punjab, Pakistan
2. PhD Scholar, Department of Business Administration, NCBA&E Multan, Punjab, Pakistan
3. Ph. D, Department of Commerce Bahauddin Zakariya University Multan, Punjab, Pakistan

| ***Corresponding Author:** | mehk.ali3030@gmail.com |

ABSTRACT

The purpose of this study is to explore that how digital financial-literacy influences the financial management performance of the university students who utilize services of digital banking in Pakistan. Primary data was obtained from a questionnaire distributed to university students in Pakistan. This study adopted a partial least squares structural equation modeling (PLS – SEM) approach for data analysis using the Smart-PLS program. The study's conclusions show that when students in Pakistan use digital banking services, their saving attitude is significantly impacted. Additionally, students' spending and investment are significantly impacted by digital financial literacy. Finally, students' use of digital banking services in Pakistan is significantly impacted by them. To put it succinctly, this study has the potential to enhance the comprehension of digital financial literacy among Pakistani university students.

| **KEYWORDS** | Digital Financial Literacy, Investment Behavior, Saving Behavior, Spending Behavior |

Introduction

The industrial revolution is a global phenomenon that was primarily sparked by dramatic technological advancements in a variety of spheres of human endeavor, including finance. These developments also increased the popularity of financial technology, as demonstrated by the growing amount of the fiscal applications available separately from the banks (Khan & Bhatti, 2021). As a result, the banking industry underwent a transformation, initially using only traditional forms i.e. (industry 3.0) before transitioning into the advance digital forms i.e. (industry 4.0). The individual's reaction to the rapid expansion of banking services was found to be positive (Mutiasari, 2020). The way that traditional banks and digital bank applications use banking services varies. When someone uses a digital bank, they can easily access a variety of features, including the journals, deposit money online, instinctive payments for PDA and electricity bills, and even the allocation of funds for investments. The aforementioned advantages can all lead to good money management habits. A digital bank is one that conducts all of its business online (Asmaaysi, 2022). Customers of banks can access banking products and services via electronic platforms thanks to digital banking (Putra,et. al 2021). Financial management behavior, according to Harahap, D. A., & Amanah, D. (2021), is the ability of somebody to plan, organize, budget, monitor, control, seek out, and save money for everyday needs. As per the point of view of SV, P. K. (2023) people who possess financial literacy are better able to keep an eye on and manage their financial affairs. It teaches them how to manage their regular financial needs and how to save for their future financial requirements. The ability to plan one's income, expenses, savings, investments, and other financial commitments in a way that preserves one's financial stability and guarantees a higher standard of living is known as effective money management. Sticha & Sekita, (2023) determined that everyone's propensity to become

financially literate is different. A person's propensity to improve their financial literacy is influenced by a number of variables, such as their personality traits and attitude toward financial matters. Garz et al., (2021). asserted that those with little financial literacy run the risk of becoming victims of financial fraud, trying to make bad financial decisions, missing out on opportunities to increase their wealth, and being prone to accrue excessive debt. Thomas & Subhashree (2020) initiated that financial attitudes, knowledge, and peer and familial pressure all had an impact on undergraduate students' financial literacy. Financial literacy found to be highly-problematic in some areas that are already monetarily exposed, such as those with low incomes and low levels of education. In response to growing concerns about debt and bankruptcy, Ahmad, K., & Zabri, S. M. (2023) looked into the financial literacy of young people. The results show that financial literacy is positively and significantly correlated with age, income level, number of dependent children, employment status, and credit card count.

According to Al Kholilah, and Iramani, (2013) a person's financial management behavior reflects their desire to meet their basic needs based on their income. According to Rahayu et al. (2022), a person who practices sound financial management will be able to reduce their risk of experiencing a economic crisis. Three categories of financial management behavior i.e. Savings, spending, and investment-behavior found to be separated. An individual's savings habits will establish and illustrate their financial management skills (Mutiasari, 2020). Spending behaviors are defined by research as paying the required of money to fulfill one's demands and needs Clarence, & Pertiwi, (2023). Someone needs to make a financial plan because these actions or routines may lead to an increase in people's spending habits and negatively affect money management. Investing, or putting money with the goal of maintaining and growing its value through future returns, can be the focus of one of the financial plans (Suta, 2000). Digital Financial Literacy (DFL) is one of the factors that affects how people manage their finances (Rahayu et al., 2022). Also, Tony & Desai, (2020) exploit that digital financial literacy has emerged along with time and technological advancements due to the combination of digital and financial literacy.

Financial literacy, as defined by Chen & Volpe (1998), is the capacity to manage either now or use money when choices was made about how to allocate somebody's resources either now or in the future both. The ability to use digital media—such as messaging apps, internet networks, and other platforms—effectively is known as digital literacy (Suheri, D. 2021). Financial services that are financed digitally can lead to the acquisition of digital financial literacy (DFL). Without a doubt, a major obstacle to adopting digital technology is people's lack of knowledge about digital financial literacy (DFL), which is necessary to obtain access to financial services in order to achieve economic mobility (Liew et al, 2020). Tony and Desai (2020) claim that DFL integrates two ideas: financial literacy & digital portals, so in the context of digital financial technology, digital financial literacy can be understood as financial literacy. In the meantime, as per the Setiawan et. al, (2022), social traits such as their income and educational status are two socioeconomic factors that may have an impact on their level of digital financial literacy. The information about the digital finance attained during the era of Revolution, which enhanced the requirement for and application of the digital transactions during the phase of Industry 4.0. According to Hayati & Syofyan (2021), students have been crucial contributors to the development of financial literacy across all domains and have been key players in the growth and transformation of the country. The purpose of this study is to address the research problem, which is to determine whether digital financial literacy significantly affects the saving, spending, and investing habits of Pakistani digital banking services young users (student).

The government and financial service providers can learn important lessons from the study's findings about how to expand digital financial services for the country's youth. Since many young students actively use the digital bank service, they are aware of mobile money. However, because most are unable to complete basic transactions like adding and withdrawing money from their wallets without assistance from a third party, many are vulnerable to fraud and other potential risks. Their personal data, including PINs, is compromised as a result. Furthermore, there is a great chance to offer incentives to students so they will practice saving money and make efficient use of it. Promoting mobile savings can serve as a platform for young people to explore other digital goods and services, including profitable investing.

Literature Review

Digital financial literacy is the degree to which a person understands online payments using different payment methods, online purchases, and online banking systems (Prasad et al., 2018). Additionally, Morgan et, al. (2019) attempted to elucidate the notion of digital financial literacy by means of four conceptual dimensions. awareness of the dangers connected to digital financial services and products. proficiency in managing digital financial risk. understanding of consumer rights and procedures for redress. The Theory of Planned Behavior (TPB) is based on the Theory of Reasoned Action (TRA), which was first presented by Ajzen in 1980. Moreover, Xu & Zia, (2012) claimed that TPB told us how financial consumers are driven by human psychology. It is essential that one take ownership of organizing their finances as best they can, given the rising charge of existing and the complication of making the financial decisions. The Theory of Planned Behavior (TPB) has been extensively employed in social psychology literature, credit counseling research, and domestic and international studies on personal finance and money management (Ajzen, 1991). The acquisition, funding, and administration of assets are all related to financial management, according to Ramadhan and Asandimitra (2019). Effectively managing finances and other assets was defined by Xiao (2008) as the financial management behavior. Approaching the matter from a different perception, Marsh (2006) claimed that financial management behavior relates to how individuals perceive and handle their financial difficulties. An individual's behavior regarding financial management emerges as a result of their need to meet their basic needs in proportion to their level of income (Kholilah & Iramani, 2013). Delaying current purchases for saving your finance for upcoming utilization to meet particular goals is referred to as savings behavior (Cheema Saleem, A., & Atif, M., 2018). A better future, the ability to achieve short-term objectives, mental relaxation, and protection for families against unforeseen events are just a few advantages of saving (ICICI Prudential, 2021). The process of deciding to consistently set aside money in order to accomplish a goal is known as savings behavior (Lewis et, al. 1995). Savings behavior indicators include, but are not limited to, using digital financial products to prevent unforeseen overheads, savings for the leaving of job, planning to leave a legacy, handling finances through digital financial platforms, feeling protected about the savings through these platforms, being content with saving through these products, and consistently saving through these platforms (Setiawan et al., 2022). The definition of investment behavior is to protect and increase the value of money in the form of future returns (Suta, 2000). This aligns with the perspective of other expert Mankiw, (2008) who enlightened that investments included that objects which were purchased for future usage. In this study, a short-term investment is being investigated. Investing behavior includes things like choosing to finance their money relatively than place it in a savings account, investing most of your funds through different investment instruments, investing your savings in a variety of businesses or investment instruments, and regularly investing your savings to earn additional returns (Chawla et al., 2022). Servon

and Kaestner (2008) state that a number of factors, such as comparatively low interest rates on savings, an increase in debt and bankruptcies, and a greater emphasis on personal decision-making, all contribute to the growth of DFL. The mere understanding of financial literacy is insufficient, despite technological advancements; additional indicators include knowledge of probable hazards in associated with financial-technology, experience with online loans and investments, familiarity with online lending and digital payment and asset management products, & the capability for managing activities of finances over the technical platforms (Rahayu et al., 2022). Furthermore, as per the point of view Morgan et al. (2019) some factors like age, income & education level impact a being's level of the financial literacy in Vietnam and Cambodia. As far as one's these three levels become higher their understanding about financial literacy also increases and they better know when and where to finance their savings. Similarly, Xue et al. (2020) exerted that the age & the income array of Australia's oldest residents exaggerated their level of financial-literacy.

Moreover, Panos & Wilson (2020) recommended that somebody's level of digital financial literacy inspired by their financial behavior, precisely as comparative to their saving, investing, & shopping. Of course, more research is still required to confirm this claim. Nonetheless, given the paucity of research on digital investment behavior literacy, and the abundance of studies relating financial literacy to investment behavior (Henager & Cude, 2016; Sayinzoga et al., 2016), This study aims to incorporate these studies to explain the relationship between financial behavior and digital finance literacy levels. According to Setiawan et al. (2020), there shouldn't be a distinction made between the ways in which financial behavior is impacted by digital and non-digital financial literacy, because digital financial literacy facilitates the people more. Furthermore, research by Zulbetti et al. (2019) showed that a nation's GDP (gross domestic product) growth is positively correlated with the degree of financial literacy among its citizens. It is for this reason that the level of financial literacy among citizens in many nations worries governments great. It means that people having more knowledge of handling their finances leads to high GDP growth of the country, because they better know how to intelligently manage their finances in a productive manner. Moenjak et al. (2020), in comparison to previous studies, tested the association the between the use of digital financial technology and saving habits and found that digital technology in the finance sector had an impact on Thai consumers' saving habits. While savings at traditional financial institutions were on the decline and vice versa, according to the Global Findex Database (2017), the number of savings in digital financial products increased (Demirguc-Kunt et al., 2018). This also applies to financial endeavors. It demonstrates how people's financial behavior is influenced by digital financial technology. Andreou and Anyfantaki (2021) have focused their attention on a survey that gauges adult Cypriots' financial literacy. The participants' financial behavior and aptitude serve as the main pillars of this report. It has also examined the relationship between financial literacy and the use of digital financial services, especially internet banking. The crisis caused the banking sector to contract. The participants have seen that proficient use and management of digital banking services require a certain level of financial sophistication. The results show that financial literacy in Cyprus has historically been very low. Yates (2020) has studied the factors affecting the rates at which e-banking is being adopted. It has been found that a higher likelihood of using e-banking is associated with credit card ownership, income, education, and financial literacy. The study also discovered a negative correlation between age and the likelihood of adopting electronic banking, with consumers of African American descent being less likely to do so. It was found that the effect was more noticeable for African American women than for business owners. The results additionally demonstrated that e-banking would raise people's incomes,

educational attainment, and financial literacy. After investigating the ways in which education, family history, and economic status are the primary determinants of financial literacy, Irfan et al. (2023) concluded that policymakers ought to take more initiative to develop effective training programs to increase financial literacy in the coming generation. Vij, D. (2020) asserts that the government ought to take appropriate measures to increase the next generation's awareness of financial issues, as Indians are less financially literate than citizens of developing countries.

Yadav and Seth (2022) examined how financial literacy affected the choices made by investors in Delhi. They found that most investors do not consider stock market investing to be their primary skill, and those who do usually refer to trading as investing rather than hedge funds or speculators. The economy of the country is largely dependent on private investment. When money is invested in expanding the opportunities available to its citizens, a country's wealth increases. Mutual funds have become more and more well-liked as a tool for wise financial management in recent years. Professionals and self-employed people invest more than businesspeople do, in contrast to other groups. This is particularly valid for the 20 to 40 age range. Investors of today are intelligent, well-read, and generally well-groomed people. Abdul, et al., (2022) also observed that there had been a global, particularly in India, increase in interest in digital financial literacy among researchers and policymakers. Financial inclusion can be achieved more successfully by promoting financial literacy. Determining target audiences for digital financial literacy training programs requires careful consideration of demographics. Digital financial literacy is an essential life skill that everyone should have. Dube et al. (2023) claimed that individuals with low financial literacy are more likely to make poor financial decisions, fall victim to financial fraud, miss out on opportunities to grow their wealth, and be more likely to accumulate high levels of debt.

Theoretical Framework

The theory of Self-Efficacy, the Innovation Acknowledgment Model (TAM) and the Diffusion of Innovation (DOI) will be used to explain digital financial literacy of Pakistani university students.

Self-efficacy theory

The self-efficacy theory has significant implications that allow it to be applied to both the degree of financial literacy of consumers using digital financial services and products. First, the self-efficacy theory states that consumers' beliefs about their own abilities are crucial for their psychological health, psychological problems, physical health, and digital financial literacy, which includes their ability to make behavioral changes under professional and independent guidance (Maddux J. E., 2012). Put differently, if consumers believe they are capable of handling digital financial transactions, they can use their laptop or smartphone for that purpose. Second, the theory describes four motivational sources: modeling, mastery, persuasion, and physiological factors that give rise to self-efficacy. When someone has a firm grasp of a subject or task, they have achieved mastery. Success in this endeavor inspires the person to try the task again and achieve even greater success. When it comes to digital financial literacy, an individual or client who is well-versed in a digital financial product or service will be more inclined to use it. Should they be successful in utilizing their digital financial skills, they will gain the self-assurance to utilize the financial goods and services on a regular basis.

Technology Acceptance Model (TAM)

This model was put forth by Davis (1989) to show the mindset that underlies the requirement for technology adoption. The TAM was specifically designed to characterize computer usage patterns. Nevertheless, the model can be expanded upon and used to model computer acceptance thanks to its ten-year accumulation of results from information system research. The relationship between perceived utility, ease of use, system design elements, attitude toward using, and actual usage behavior is established and defined by the Technology Acceptance Model (TAM) (Qayyum, F., & Ali, H, 2012). TAM shows that customers' decisions are influenced by their perceptions of a new technology's usefulness or ease of use when it is introduced to them (Lule, Omwansa & Waema, 2012). People's level of confidence in the technology is determined by its perceived ease of use (PEOU). Only when consumers believe a new technology will benefit them both now and down the road will they be encouraged to use it. Conversely, an individual's perception of a technology's ability to improve performance over the short and long term is known as its Perceived Usefulness (PU) (Mojtahed, Nunes & Peng, 2011). Furthermore, Mojtahed et al. (2011) suggested that the Technology Acceptance Model provides information, explanations, and rationale for why users accept or reject a technological development. TAM is crucial for digital financial literacy because it serves as a predictive strategy by evaluating traders' and associations' likelihood of receiving a particular innovation as well as their literacy levels. According to research by Lim and Ting (2012), digital financial services and products can be used to explain variations in customer behavior related to the use of those services.

Diffusion of Innovation Theory

Rogers is the creator of the Diffusion of Innovations (DOI) theory (1995). According to the Rogers, (1995) diffusion is "the procedure by which an revolution is transferred over certain mediums amongst the followers of a societal system over the time" and innovation is "an idea, practice, or object that is perceived as new by an individual or other unit of adoption". He put forth this theory to explain how innovation can spread among various users over a given period of time or from one generation to the next in different ways (Sarker & Sahay, 2004). Echchab and Hassanuddeen (2013) claim that their examination of the DOI theory shows that innovations can determinedly continue to spread through a number of channels among individuals who hold similar social beliefs. The theory is based on a hypothesis that looks at the rate at which new technologies are spreading, the means by which they are spreading, and the reasons why they are spreading, with the specific goal of researching the factors influencing the selection of new data innovation advancement (Monyoncho, 2015). The DOI tries to explain and illustrate the process through which an innovation, for instance digital financial services, has been adopted and will succeed when it is applied to a level of digital financial literacy in notional sectors.

Hypotheses

H1: DFL has a significant impact on the saving behavior of university students in Pakistan.

H2: DFL has a significant impact on the spending behavior of university students in Pakistan.

H3: DFL has a significant impact on the investment behavior of university students in Pakistan.
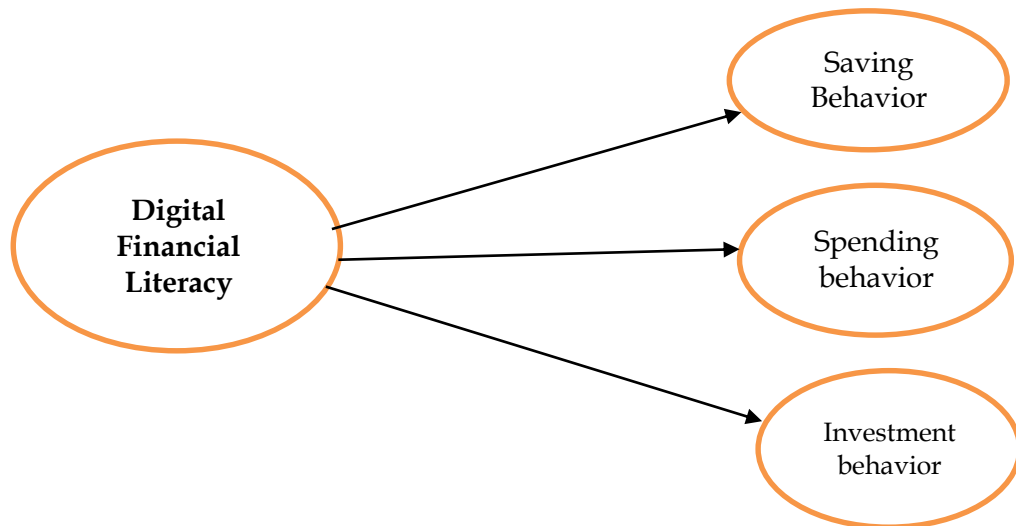
Conceptual framework

Figure 1 Conceptual Framework

Material and Methods

This study going to found the impact of digital financial literacy on saving behavior, spending behavior and investment behavior. For this purpose, every participant of our population gets an equivalent chance of being chosen since the respondents are chosen at random from our population. This method is suitable since it is objective. The sample was first divided into the different students' groups that comprise the population using a purposive and cluster/stratified sampling technique. The respondents were then chosen using a basic random sampling method. In this way students from Pakistani universities would be selected who satisfied the following criteria made up the sample:

1. They were enrolled in university full-time between the ages of 20 and 31
2. They had a digital bank account for half a year;
3. They used the digital bank account to open a deposit account.

As a sampling design convenient sampling method has been used and data is collected from primary source through five Likert scale questionnaire. Using the Smart-PLS program, the partial least square structural equation modeling (PLS - SEM) technique was employed for data analysis in this study.

Moreover, this study used sample size of 251 respondents in order to find out the impact of digital financial literacy on students' saving, spending, and investment behaviors in Pakistani digital banks by using a quantitative approach. Those respondents who met our requirements were given online questionnaires by researchers. The online distribution of Google form files containing questionnaires to study participants served as the method for data collection. The process of distribution of questionnaires was done online using social media platforms like Instagram, WhatsApp, and Line. Primary data were the type of data used in this study.

Results and Discussion

Table 1
Profile of the respondents

Profile	Responses	No. of responses	Percentage
Gender	Male	112	45
	Female	139	55

	Total	**251**	**100**
	20-24	64	25
Age	25-28	98	39
	29-32	89	36
	Total	**251**	**100**
	Under-Graduates	27	11
Course of study	Graduates	63	25
	Post-Graduates	161	64
	Total	**251**	**100**

The table1 above reveals that out of 251 respondents, there lies 45% of the respondents are female and 55% of the respondents are male, 25% of the respondents are of the age group of 20-24 years, 39% of the respondents are belonging to the age group of 25-28, and 36% of the respondents are belonging to the age group of 29-32 and among them 11% of the respondents are under-graduates students, 25% of the respondents are graduates students, and 64% of the respondents are Post-graduates students.

Table 2
Description of variables

No.	Name of variables	Mean	Standard deviation
1	Digital financial literacy (DFL)	3.22	0.66
2	Saving behavior (SB)	3.37	0.71
3	Spending Behavior (SP)	3.41	1.01
4	Investment Behavior (IB)	3.46	0.80

The mean score of digital financial literacy and DFL components for all respondents can be seen in the Table 2. The minimum mean score of digital financial literacy level for the university students in Pakistan was 3.22, which indicates the level of DFL was low i.e. below 3.5. Furthermore, components of digital financial literacy, the highest average score was for Investment Behavior i.e. 3.46, which denotes that the effect of investment behavior in managing financial activities through digital platforms was quite good. It's encouraging that the saving behavior variable has an average value of 3.37. We can draw the conclusion that Pakistani students who use online banking services have excellent money management habits. The average value of 3.41 for the spending behavior variable is good. Thus, it can be said that Pakistani university students who make use of digital bank services have frugal spending practices.

Table 3
Cross loading values

Indicator	DFL	SB	SP	IB
DFL1	**0.926**	0.861	0.765	0.667
DFL2	**0.921**	0.854	0.731	0.770
DFL3	**0.911**	0.832	0.777	0.796
DFL4	**0.907**	0.878	0.782	0.765
DFL5	**0.883**	0.843	0.724	0.654
DFL6	**0.904**	0.867	0.833	0.791
DFL7	**0.852**	0.818	0.742	0.733
DFL8	**0.887**	0.745	0.754	0.591
DFL9	**0.804**	0.837	0.733	0.527
SB1	0.850	**0.853**	0.751	0.743
SB2	0.706	**0.893**	0.729	0.611
SB3	0.859	**0.766**	0.811	0.741
SB4	0.842	**0.923**	0.744	0.653

SB5	0.840	**0.877**	0.780	0.696
SB6	0.814	**0.865**	0.715	0.687
SB7	0.667	**0.834**	0.741	0.510
SP1	0.770	0.655	**0.839**	0.526
SP2	0.796	0.781	**0.854**	0.543
SP3	0.765	0.743	**0.749**	0.623
SP4	0.654	0.611	**0.865**	0.470
SP5	0.791	0.741	**0.822**	0.640
SP6	0.733	0.653	**0.815**	0.730
IB1	0.591	0.696	0.678	**0.847**
IB2	0.527	0.687	0.643	**0.862**
IB3	0.634	0.632	0.567	**0.903**
IB4	0.665	0.685	0.518	**0.875**

Table 3 presents the findings of the model measurement techniques. The discriminant validity test score is greater ascertained by the cross-loading worth. A predictor considered valid only if cross-loading than the explanatory variable' values in the other constructs.

Table 4
Composite reliability and R-square

Indicator	Composite reliability	R-square
S.B	0.956	0.863
S.P	0.930	0.724
I.B	0.924	0.527
D.F.L	0.973	

A constructor variable is deemed dependable, according to Table 4, if the composite reliability value is less than or equal to 0.5. R-Square value of the saving behavior variable is 0.863, or 86.3%the investment behavior variable is 0.527, or 52.7%, and the spending behavior variable is 0.724, or 72.4%, according to this table. This suggests that DFL explains the variables of SB, SP, and IB.

Table 5
Hypothesis test and t-statistics value

Hypotheses	Original sample	t-statistics	p-Values
DFL → S.B	0.718	12.19	0.00
DFL → S.P	0.932	35.88	0.00
DFL → I.B	0.857	22.91	0.00

The t-statistical value of the investment behavior variable, according to hypothesis 1, is 12.19 based on table 5. As a result of the fact that this value is less than 1.96, hence, it can say that hypothesis H1 is approved that saving behavior is significantly influenced by digital financial literacy. The spending behavior variable has a t-statistical value of 35.993, according to hypothesis 2. As a result, it can be said that since this value is less than 1.96, digital financial literacy significantly influences saving behavior. The spending behavior variable has a t-statistical value of 22.918, according to hypothesis 3. Given that this value is less than 1.96, it can be said that spending behavior is significantly influenced by digital financial literacy.

Table 6
Result of Fornell-Larcker criterion

Variable	D.F.L	SB	SP	IB
D.F.L	0.835			

S.B	0.802	0.774		
S.P	0.755	0.680	0.881	
I.B	0.766	0.753	0.843	0.867

Table 6 shows that the outcomes of discriminant validity where all variables DFL, SB, SP, and IB have values above 0.70, which indicate that our model has grasped discriminant validity as per the Fornell-Larcker criteria described.

Discussion

The test results show that students' saving behaviors are significantly impacted by digital financial literacy. The average responses of respondents in order to do inquiry regarding their saving and digital financial literacy lends credibility to this. Understanding of how to made payment and manage their assets digitally could help the university students of Pakistan to develop better financial habits by assisting them in protecting their savings when utilizing digital platforms. University students who are financially literate on the internet are more likely to save on a regular basis, according to multiple studies conducted in prior academic years. Digital financial literacy significantly influences saving behavior; the more financially literate an individual is, the better their saving habits are, claim Zulaihati et al. (2020). In other words, it can say that digital services of banks facilitate the students to utilize their savings in a productive manner.

This study is comparable to another one that other researcher carried out and found that people's spending habits are significantly influenced by their level of digital financial literacy, i.e. how much they become able to spend their money through using some effective channels. Additionally, it supports the conclusions of Setiwantal (2022), which predicted that people's financial management practices could be knowingly obstructed by digital financial literacy i.e. high level of digital literacy results in the better financial management. The test results demonstrate that students' investment behavior is significantly influenced by their level of digital financial literacy. This is supported by respondents' average answers to inquiries about D.F.L and investing behavior. The frequency of this significant effect suggests a relationship between a person's perception of the significance of accountable capitalizing practices and their range of D.F.L. Instead of just putting their money in a savings account, university students who kept the knowledge and abilities to manage their financial activities through digital platforms are encouraged to invest it. A student's investment behavior gets better as her DFL rises. This suggests that university students might be more adept at supervision and resounding out investment-related financial planning. Students can raise their standard of living through investment. Digital technology advancements have made it feasible to transact investments anywhere, at any time. Students can now handle their money from anywhere at any time. This is in line with other research that scientists have carried out this year.

Conclusion

The study's conclusions, which are based on a discussion and analysis of the data, reveal that the results of this study demonstrate that financially literate students in Pakistan who may use digital banking services have a substantial impact on their saving behavior. Additionally, students who may financially literate use digital bank services in Pakistan financially literate have a on their spending and investing behavior. As, today youth in Pakistan is very much aware with the digital word so they also make their habit to manage their finances efficiently by enhances their knowledge of digital financial literacy. By securing their savings when using digital platforms, students who

understand digital payment and digital asset management products can form better financial habits. Numerous studies from previous academic years have shown that university students who are internet-savvy when it comes to money management are more likely to save regularly. The growth of financial services via mobile phones & other linked devices could increases the excluded population's access to financing, as a significant portion of them own mobile phones. More accessibility of digital finance often expected to have a positive impact on financial inclusion, assumes the omitted population has access to a mobile phone and sensibly evaluate the importance of internet connectivity. Increased digital finance can help the impoverished and low-income get better access to essential services, which will increase financial literacy in rural areas. Rai, & Sharma (2019) observed in its study that India's banking and financial sectors are adopting digital financial systems at an increasing rate due to the nation's accelerated digitalization process. The study discovered that men and women have different levels of awareness regarding digital financial services. Furthermore, there are no appreciable variations in age groups or qualification levels with respect to the degree of knowledge regarding digital financial services. This indicates that there is no variation in students' awareness of the various aspects of digital financial services based on their age or educational background.

Recommendations

To the extent possible, future researchers should increase their research sample sizes and disseminate this research with a broader variety of scientific samples than students in another geographic area. It is proposed that students would be encouraged to increase their digital financial literacy with a view to developing sound financial management practices. It means that students should understand the importance of managing their finances which is only possible if they have sound knowledge of digital financial literacy. Digital banks should also advance their technological capacities in order to support the creation of sound financial management procedures. It means that Pakistani banks should also not only introduce their digital services but also aware the students that how they can manage their finances digitally. In short, this research can contribute to help university students of Pakistan to deepen their understanding of digital financial literacy and they must know utilization of their savings in productive manner.

References

Abdul Azeez, N. P., Akhtar, S. J., & Nasira Banu, M. (2022). Relationship between Demographic Factors and Digital Financial Literacy. *Indian Development Policy Review*, *3*(2), 155-166.

Ahmad, K., & Zabri, S. M. (2023). The Links Between Demographic Factors and Financial Literacy Among Youths. *Malaysian Journal of Social Sciences and Humanities (MJSSH)*, *8*(11), e002593-e002593.

Ajzen, I. (1991). The theory of planned behavior. *Organizational behavior and human decision processes*, *50*(2), 179-211.

Akben-Selcuk, E. (2015). Factors influencing college students' financial behaviors in Turkey: Evidence from a national survey. International Journal of Economics and Finance, 7(6), 87-94.

Akben-Selcuk, E. (2015). Factors influencing college students' financial behaviors in Turkey: Evidence from a national survey. *International Journal of Economics and Finance*, *7*(6), 87-94.

Andreou, P. C., & Anyfantaki, S. (2021). Financial literacy and its influence on internet banking behavior. *European Management Journal*, *39*(5), 658-674.

Aprea, C., Wuttke, E., Breuer, K., Koh, N. K., Davies, P., Greimel-Fuhrmann, B., & Lopus, J. S. (2016). Financial literacy in the twenty-first century: An introduction to the International Handbook of Financial Literacy. *International handbook of financial literacy*, 1-4.

Chawla, D., Bhatia, S., & Singh, S. (2022). Parental influence, financial literacy and investment behaviour of young adults. *Journal of Indian Business Research*, *14*(4), 520-539.

Cheema, A. R., Saleem, A., & Atif, M. (2018). Assessing the determinants of savings in Pakistan: An evidence from PSLM 2010-11. *European Online Journal of Natural and Social Sciences*, *7*(2), pp-366.

Chen, H., & Volpe, R. P. (1998). An analysis of personal financial literacy among college students. *Financial services review*, *7*(2), 107-128.

Clarence, J., & Pertiwi, D. (2023). Financial Management Behavior Among Students: The Influence of Digital Financial Literacy. *International Journal of Financial and Investment Studies (IJFIS)*, *4*(1), 9-16.

Demirguc-Kunt, A., Klapper, L., Singer, D., & Ansar, S. (2018). *The Global Findex Database 2017: Measuring financial inclusion and the fintech revolution*. World Bank Publications.

Dube, V. S., Asthana, K., & HAbdullah, A. (2023). Digital Financial Literacy: An Empirical Study on Millennials in India. *Empirical Economics Letters*, *22*(2), 10-5281.

Qayyum, F., & Ali, H. (2012). FACTORS DETERMINING CUSTOMERS' ADOPTION OF INTERNET BANKING: A Quantitative Study of Swedish Customers.

Garz, S., Giné, X., Karlan, D., Mazer, R., Sanford, C., & Zinman, J. (2021). Consumer protection for financial inclusion in low-and middle-income countries: Bridging regulator and academic perspectives. *Annual Review of Financial Economics*, *13*, 219-246.

Harahap, D. A., & Amanah, D. (2021). Financial Management Behavior: Implications Of Financial Literacy And Personality. *Turkish Journal of Computer and Mathematics Education*, *12*(7), 3207-3214.

Hayati, A. F., & Syofyan, R. (2021, November). Analysis of student digital financial literacy in the era of industrial revolution 4.0. In *Seventh Padang International Conference On Economics Education, Economics, Business and Management, Accounting and Entrepreneurship (PICEEBA 2021)* (pp. 180-184). Atlantis Press.

Henager, R., & Cude, B. J. (2016). Financial Literacy and Long-and Short-Term Financial Behavior in Different Age Groups. *Journal of Financial Counseling and Planning*, *27*(1), 3-19.

Irfan, S. B., Banu, N., & Tazeer, M. (2023). Financial Literacy among Young Generation in Bangalore-A Study. *Available at SSRN 4394192*.

Khan, G., & Bhatti, R. (2021). Collection development and managment in the University Libraries of Pakistan: A survey of users' satisfaction. *International Information & Library Review*, *53*(3), 239-253.

Lewis, A., Webley, P., & Furnham, A. (1995). *The new economic mind*. Pearson.

Liew, T. P., Lim, P. W., & Liu, Y. C. (2020). Digital financial literacy: A case study of farmers from rural areas in Sarawak. *International Journal of Education and Pedagogy*, *2*(4), 245-251.

Lim, W. M., & Ting, D. H. (2012). E-shopping: an Analysis of the Technology Acceptance Model. *Modern Applied Science*, *6*(4), 49.

Lule, I., Omwansa, T. K., & Waema, T. M. (2012). Application of technology acceptance model (TAM) in m-banking adoption in Kenya. *International journal of computing & ICT research*, *6*(1).

Mankiw, N. G. (2008). Principles of Macroeconomics. Boston, MA: South-Western College Publishing.

Moenjak, T., Kongprajya, A., & Monchaitrakul, C. (2020). *Fintech, financial literacy, and consumer saving and borrowing: The case of Thailand* (No. 1100). ADBI Working Paper Series.

Mojtahed, R., Nunes, J. M. B., & Peng, G. C. (2011). THE role of the technology acceptance model in information systems research: a case study. In *Proceedings of the IADIS International Workshop on Information Systems Research Trends, Approaches and Methodologies*. Sheffield.

Monyoncho, L. N. A. (2015). Relationship between banking technologies and financial performance of commercial banks in Kenya. *International Journal of Economics, Commerce and Management*, *3*(11), 784-815.

Morgan, P. J., Huang, B., & Trinh, L. Q. (2019). The need to promote digital financial literacy for the digital age. *IN THE DIGITAL AGE*.

Mutiasari, A. I. (2020). Perkembangan industri perbankan di era digital. *Jurnal Ekonomi Bisnis Dan Kewirausahaan*, *9*(2), 32-41.

Panos, G. A., & Wilson, J. O. (2020). Financial literacy and responsible finance in the FinTech era: capabilities and challenges. *The European Journal of Finance*, *26*(4-5), 297-301.

Prasad, H., Meghwal, D., & Dayama, V. (2018). Digital financial literacy: A study of households of Udaipur. *Journal of Business and Management*, *5*, 23-32.

Putra, A. F. E., Hapsari, E. N., Subagja, R. P., & Afwanisya, N. (2022). Pengaruh Bank Digital yang Memberi Bunga Tanpa Minimal Deposit terhadap Cara Menabung Mahasiswa Fakultas Ekonomi UNNES. *Journal of Education and Technology*, *2*(1), 67-74.

Rahayu, R., Ali, S., Aulia, A., & Hidayah, R. (2022). The current digital financial literacy and financial behavior in Indonesian millennial generation. *Journal of Accounting and Investment*, *23*(1), 78-94.

Rai, K., & Sharma, M. (2019). A Study on Awareness about Digital Financial Services among Students. In *Proceedings of 10th International Conference on Digital Strategies for Organizational Success*.

Ramadhan, A. Y., & Asandimitra, N. (2019). Determinants of financial management behavior of millennial generation in surabaya. *Jurnal Minds: Manajemen Ide Dan Inspirasi*, *6*(2), 129-144.

Rogers, E. M. (1995). Diffusion of Innovations: modifications of a model for telecommunications. *Die diffusion von innovationen in der telekommunikation*, 25-38.

Sayinzoga, A., Bulte, E. H., & Lensink, R. (2016). Financial literacy and financial behaviour: Experimental evidence from rural Rwanda. *The economic journal*, *126*(594), 1571-1599.

Setiawan, M., Effendi, N., Santoso, T., Dewi, V. I., & Sapulette, M. S. (2022). Digital financial literacy, current behavior of saving and spending and its future foresight. *Economics of Innovation and New Technology*, *31*(4), 320-338.

Sticha, A., & Sekita, S. (2023). The importance of financial literacy: Evidence from Japan. *Journal of Financial Literacy and Wellbeing*, *1*(2), 244-262.

Suta, I. P. G. A. (2000). *Menuju pasar modal modern*. Yayasan Sad Satria Bhakti.

SV, P. K. (2023). Financial literacy among youngsters: a study with special reference to Belthangady Taluk. *EPRA International Journal of Economic and Business Review (JEBR)*, *11*(8), 56-64.

Tony, N., & Desai, K. (2020). Impact of digital financial literacy on digital financial inclusion. *International Journal of Scientific and Technology Research*, *9*(1), 1911-1915.

Vij, D. (2020). Financial Literacy: A Comparison Between the Youth of India and Usa. *International Journal of Advanced Research, 8(10)*, 734–765.

Xue, R., Gepp, A., O'Neill, T. J., Stern, S., & Vanstone, B. J. (2020). Financial well-being amongst elderly Australians: the role of consumption patterns and financial literacy. *Accounting & Finance*, *60*(4), 4361-4386.

Yadav, D. P., & Seth, A. (2022). Financial Literacy Among the Different Economic Classes in India. *Amity Management Analyst*, *9*.

Yates, S. R. (2020). Factors associated with electronic banking adoption. *Journal of Financial Counseling and Planning*, *31*(1), 101-114.

Zulbetti, R., Perwito, P., & Puspita, V. A. (2019). Upaya Peningkatan Literasi Keuangan Pengurus BUMDES Melalui Pelatihan Keuangan di Kecamatan Cimaung Kabupaten Bandung. *EKONOMIKAWAN: Jurnal Ilmu Ekonomi Dan Studi Pembangunan*, *19*(2). 200-211