DIJB (Diponegoro International Journal of Business)
Vol. 8, No. 2, 2025, pp. 156-170
Published by Department of Management, Faculty of Economics and Business,
Universitas Diponegoro (p-ISSN: 2580-4987; e-ISSN: 2580-4995)
DOI: 10.14710/dijb.8.2.2025.8.2.2025.156-170

The influence of companions and financial influencers on gen z's financial planning: Mediating role of financial literacy

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Abstract

This study investigates the influence of companions and financial influencers on financial planning among Generation Z in Indonesia, with financial literacy serving as a mediating factor, grounded in Social Learning Theory (SLT). Utilizing a quantitative research design and Structural Equation Modeling with Partial Least Squares (PLS-SEM), the research surveyed 170 Indonesian Gen Z individuals, selected via purposive sampling, who actively engaged with financial content on social media platforms. The findings reveal that companion influence significantly enhances financial literacy and financial planning, affirming the role of close social contacts as effective behavioral models. In contrast, financial influencers do not demonstrate a significant direct or indirect effect on financial literacy or financial planning, suggesting that exposure to digital content alone does not ensure effective financial management. Financial literacy is identified as a crucial mediator in the relationship between companion influence and financial planning, while no similar mediation effect is observed for financial influencers. These results underscore the importance of leveraging trusted social networks to improve financial literacy and highlight the need for critical evaluation of influencer content in shaping financial behaviors among young individuals. The study theoretically contributes by validating SLT in financial socialization and practically suggests prioritizing peer-based learning over passive digital content consumption in financial education programs.

Keywords companions; financial influencers; financial literacy; financial planning

INTRODUCTION

Effective financial planning essential for personal welfare and financial stability (Katnic, Katnic, Orlandic, Radunovic, & Mugosa, 2024). As people traverse a growing intricate financial landscape, the capacity to make knowledgeable financial choices becomes paramount. This is salient for Generation Z (1997 – 2012) who grow up in a digital world with abundant financial information. Despite their digital fluency, many Gen Z individuals still struggle with financial planning. This raises important questions about the factors shaping their financial behavior (Xie, Osinska, & Szczepaniak, 2023).

Financial planning refers to the act of establishing monetary objectives, creating strategies to accomplish them, and managing resources to maintain long-term economic security (Chun, Fenn, & Al-Khaled, 2021). Financial planning typically includes budgeting, saving, investing, and managing debt. Nevertheless, studies show that greater access to financial information does not always result in better financial choices or a deeper understanding of money management (Fong, Koh, Mitchell, & Rohwedder, 2021; Yeo, Lim, & Yii, 2024). This disconnect underscores the importance of investigating the underlying elements that affect financial behaviour among youth.

Two key social influencers are companions (family, friends, and peers) and finance-focused content on social media (Yanto, Ismail, Kiswanto, Rahim, & Baroroh, 2021). Companions strongly shape financial mindsets and behaviours, as conversations with peers often act as a primary source of financial guidance. According to Bandura (1997), individuals learn behaviours through

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Received: 22nd May 2025
Revised: 20th November 2025
Accepted: 21st December 2025

observation, imitation, and social interaction, which form the core mechanisms of Social Learning Theory. Gen Z frequently relies on their social circles when making financial decisions, with studies indicating that peer influence can significantly impact saving habits, investment choices, and risk tolerance (Agnew, Roger, & Roger, 2025; Wentzel, 2017). Indonesia evidence shows youth often imitate peers' financial behavior, with mixed-outcomes (Suratno, Narmaditya, & Wibowo, 2021; Yanto et al., 2021).

Simultaneously, the growing presence of finance-focused content creators across platforms like Instagram, YouTube, and TikTok has added a new aspect to how people learn about money through social interactions (Sari & Dwilita, 2024). These influencers, ranging from certified financial advisors to self-taught content creators, provide a mix of educational content, investment tips, and product reviews to large and engaged audiences. Research by Angelica & Zen (2023) discovered that interacting with finance-related posts by influencers led to improved financial knowledge among Gen Z participants in Sumatra and Java. Nonetheless, concerns have emerged regarding misleading financial content, especially for users with limited financial experience (Rijanto & Utami, 2024). The two-sided impact of influencer content therefore calls for a more thorough examination of its influence on financial understanding and behavior (Gunawan, Mustafa, & Salsabil, 2020).

Despite the significant roles of companions and financial influencers, the interaction between these two factors remains underexplored. Peers can validate or challenge influencers advice, jointly shaping literacy and planning (Rijanto & Utami, 2024; Yanto et al., 2021). Understanding this interplay is essential, particularly in the context of Indonesia's Gen Z, where the effects of peer networks and influencer content on financial planning are not yet fully understood. However, limited empirical evidence exists regarding how companion and influencer exposure simultaneously affect financial literacy and financial planning among Gen Z in Indonesia.

To fill this research gap, this study aims to investigate the immediate and mediated impacts of exposure to peers and finance-focused social media influencers on financial literacy, with particular emphasis on the intermediary role of financial knowledge in influencing financial planning behaviour. Financial literacy is expected to clarify how social influences translate into financial behavior. Previous studies have demonstrated that limited financial knowledge is associated with negative financial outcomes, such as poor retirement preparation and elevated debt burdens (García & Vila, 2020; Hastings & Craig, 2023). Hence, examining how financial literacy acts as a mediator in the relationship between companions and influencers and financial planning can offer valuable insights for improving financial decisions among Generation Z.

Financial literacy or knowledge, referring to the capacity to apply financial understanding and skills to handle monetary resources efficiently for lasting financial stability (OECD, 2020), serves as a critical factor in shaping personal financial planning. Foundational work by Lusardi & Mitchell (2014) highlights that financial literacy plays a central role in shaping individuals' saving, budgeting, and long-term financial decision-making. It equips individuals with the ability to plan their expenses, accumulate savings, make investments, and handle debt, thus lowering the risks linked to financial instability (Rupeika-Apoga & Priede, 2025; Swiecka, Yesildag, Ozen, & Grima, 2020). Considering the identified shortfall in financial knowledge among Indonesian youth, as shown in the 2021–2025 National Survey on Financial Literacy and Inclusion (SNLIK) by the OJK, which reported a financial literacy index of just 49.68% an improvement from 38.03% in 2019 but still well below global benchmarks it is essential to investigate how strengthening financial literacy can contribute to more effective and beneficial financial planning outcomes (OJK, 2025). Notably, the 15–17 age group in Indonesia had a literacy score of 51.7%, indicating that many Gen Z individuals remain inadequately equipped to navigate personal finances effectively. This financial literacy gap underscores the necessity of investigating how financial literacy can serve as a bridge between the influences of companions and financial influencers on effective financial planning. Previous studies have shown that financial knowledge not only improves individuals' capacity to make well-informed financial choices but also strengthens the positive influence of social factors on financial behavior (Jorgensen & Savla, 2010; Jungo, Madaleno, & Botelho, 2023).

By examining how financial knowledge functions as a mediating factor, this research seeks to shed light on how peers and financial influencers can be utilized to promote more effective financial planning among Indonesian Gen Z. The results of this study will support the creation of focused strategies aimed at improving financial knowledge, thereby equipping young people with the ability to make sound monetary choices and strengthening their resilience in the face of an increasingly dynamic digital economy. Ultimately, this research aims to address a notable gap in academic discourse by investigating how social dynamics and financial literacy interact, offering a well-rounded view of the drivers behind financial planning behaviors among a generation that is both technologically adept and economically susceptible.

This study offers both theoretical and practical contributions. Theoretically, this study extends Social Learning Theory (SLT) (Bandura, 1997) by integrating traditional social influences (companions) and digital influences (financial influencers) to explain financial literacy and planning among Gen Z, a context that has been rarely examined simultaneously in prior research. Practically, the findings provide actionable insights for policymakers, educators, and financial institutions to design more effective financial education strategies by leveraging trusted peer networks and encouraging critical consumption of financial content on social media.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Social learning theory (SLT)

The social learning theory, first introduced by Bandura (1997), proposes that individuals acquire behaviors, attitudes, and skills by watching and mimicking those in their social surroundings. Bandura highlighted that people learn not only through their own experiences but also indirectly by observing role models, involving mental processes such as attention, memory, and motivation (Bandura, 1997). This theory has been extensively utilized in diverse fields to interpret how social settings shape human behavior, including financial decision-making.

Past studies have shown that financial habits are significantly influenced by social learning from parents, peers, and prominent figures, thereby affecting individuals' financial knowledge and planning abilities (Choung, Chatterjee, & Pak, 2023; Yanto et al., 2021). SLT is particularly applicable to this research, as it offers a broad conceptual base to understand how both close social ties (companions) and high-profile digital figures (financial influencers) act as role models in shaping financial literacy and planning among Gen Z. Employing this theory allows for an in-depth analysis of how financial behavior is learned through both face-to-face interactions and exposure to social media, thus reinforcing its suitability for this study.

Companion influence on financial literacy

The impact of companion or peers represents a crucial social element that strongly shapes personal behavior, especially in relation to financial knowledge (Agnew et al., 2025). Individuals within one's social network can deeply influence each other's emotions, decisions, and cognitive patterns. Aside from parental influence, friends have a central role in fostering financial understanding, particularly among students. The expectations and social dynamics within peer groups are essential to the learning process, notably in helping individuals comprehend financial goals and values (Potrich, Vieira, & Mendes-Da-Silva, 2016). Thus, we hypothesize that:

The involvement of peers not only aids in improving financial knowledge but also plays a key role in forming financial habits and decision-making, particularly in relation to saving behaviors. Friends often act as models for financial conduct, inspiring others to mirror similar money management approaches. This strong influence is largely due to the substantial time spent in each other's company, which encourages shared learning experiences around financial actions (Abdallah, Tfaily, & Harraf, 2025; Agnew et al., 2025). As a result, a student's capacity to build effective saving habits is deeply shaped by their interactions within peer groups. Overall, peer influence has a significant impact on shaping financial behavior, especially among young people (Suratno et al., 2021).

H1: Companion influence positively affects financial literacy among Generation Z individuals.

Financial influencers on financial literacy

In light of the current understanding of financial influencers (finfluencers) and their impact on financial decision-making, we hypothesize that the effectiveness of financial influencers in guiding consumer investment decisions is significantly limited by their reliance on heuristics rather than comprehensive financial analysis (Gunawan et al., 2020). Research indicates that finfluencers often recommend “hot” assets that are popular in the market, driven by past performance rather than thorough financial analysis. This behavior suggests that their recommendations may lack the depth necessary for informed decision-making, potentially hindering the development of financial literacy among their followers (Angelica & Zen, 2023). Therefore, we propose that:

Moreover, the reliance on social proof and crowd wisdom from influencer networks further complicates this issue, reinforcing simplistic decision-making based on collective opinion rather than expertise. The overestimation of recommended assets’ momentum and the influence of FOMO (Fear of Missing Out), exacerbated by homogeneous communication within influencer networks, may encourage followers to make risky financial decisions without fully understanding the underlying investments (Rijanto & Utami, 2024; Xie et al., 2023).

H2: Financial influencers negatively impact financial literacy among their followers.

Financial literacy on financial planning

According to Chun et al. (2021), extended financial planning entails defining monetary objectives and constructing strategies for budgeting, investing, and saving for retirement over a period ranging from one to two years. This type of planning is fundamentally more complex than short-term approaches, as it involves building a detailed financial roadmap for the future without the benefit of immediate feedback to adjust one’s financial decisions when needed (Sari & Dwilita, 2024; Yeo et al., 2024). Given this complexity, individuals require sufficient financial literacy to understand financial products, evaluate risks, and make informed long-term decisions. Prior studies have consistently shown that higher financial literacy improves individuals' ability to plan, save, and manage their financial resources effectively (Jorgensen & Savla, 2010; Jungo et al., 2023). In this context, we hypothesize that:

H3: Financial literacy positively affects financial planning.

Mediation of financial literacy in the relationship between companion influence and financial planning

Beyond its direct impact, financial literacy may also serve as a mediating mechanism through which social influences shape financial planning. Companions such as friends, family, and peers often provide financial cues and examples that individuals may internalize, and prior evidence shows that peer interactions strongly shape financial knowledge and financial-related decision-making (Agnew et al., 2025; Suratno et al., 2021). From the perspective of Social Learning Theory, individuals observe, interpret, and imitate the financial behaviors within their social environment, but these behaviours only translate into effective planning when individuals possess adequate financial literacy to process the information they receive (Bandura, 1997; Jorgensen & Savla, 2010).

Thus, financial literacy functions as a bridge connecting social influence from companions with the development of structured financial planning behaviour. Empirical findings also indicate that financial literacy enhances individuals’ ability to convert peer guidance into informed long-term financial strategies (Jungo et al., 2023). Based on this reasoning, we propose the following hypothesis:

H4: Financial literacy mediates the relationship between companion influence and financial planning.

Mediation of financial literacy in the relationship between financial influencers and financial planning

Online financial competence plays a vital role in helping individuals construct more organized and strategic financial plans, thereby enhancing their ability to plan effectively for the future. In contrast, short-range financial strategies emphasize

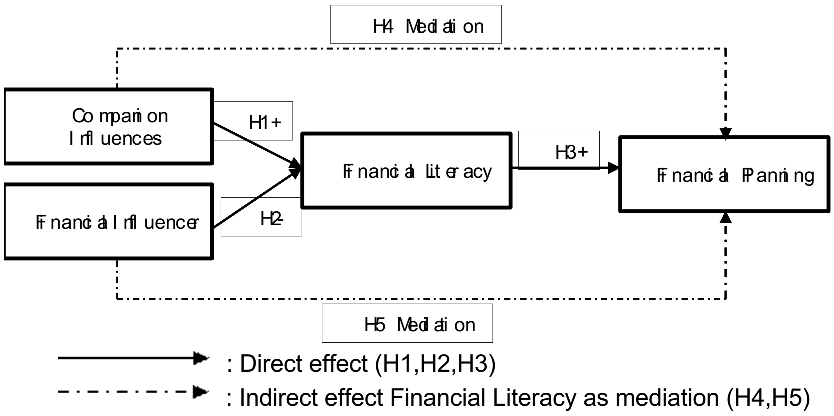

Figure 1.
Conceptual framework

controlling cash flow and keeping track of income, credit usage, and expenditures within a yearly timeframe (Choung et al., 2023; Foster, Sukono, & Johansyah, 2021; Saputra & Darma, 2022). Important aspects of this kind of planning include maintaining financial buffers for emergencies, spending within earnings, and avoiding negative account balances. These practices are critical for achieving short-term financial security.

However, studies show that online financial decisions especially those influenced by financial influencers are often shaped by heuristics, trend-following, and emotional triggers such as FOMO, which can lead to risky or uninformed decisions if not accompanied by adequate financial literacy (Gunawan et al., 2020; Rijanto & Utami, 2024; Xie et al., 2023). Individuals with low financial literacy tend to follow influencer recommendations without evaluating risks, whereas those with higher literacy can critically assess content, interpret financial information properly, and construct effective financial plans (Jungo et al., 2023; Swiecka et al., 2020).

Given this, financial literacy plays a crucial role in determining whether exposure to financial influencers leads to sound financial planning or poor financial choices. Therefore, we hypothesize that:

H5: Financial literacy mediates the relationship between financial influencer exposure and financial planning.

METHODS

This research explores how peer groups and online financial influencers affect the financial planning behaviors of Generation Z in Indonesia, with financial literacy acting as a mediating factor. A quantitative methodology is employed, using Structural Equation Modelling based on the Partial Least Squares (PLS-SEM) approach for analyzing the data (Hair, Sarstedt, Pieper, & Ringle, 2012). The study relies on structured survey responses and statistical analysis to examine the interrelationships among key variables, deliberately excluding interviews to retain its quantitative framework.

Table 1.
Measurement instruments and sources

Construct	Items	Source
Companion Influence	7	Agnew et al. (2025); Potrich et al. (2016); Suratno et al. (2021)
Financial Influencer Exposure	9	Angelica & Zen (2023); Gunawan et al. (2020); Rijanto & Utami (2024)
Financial Literacy	15	Jungo et al. (2023); Lusardi & Mitchell (2014); OECD (2020); Swiecka et al., (2020)
Financial Planning	10	Chun et al. (2021); Foster et al. (2021); Sari & Dwilita (2024)

Table 2.
Demographic characteristics of respondents

Respondent Demography	Frequency	%
Gender		
Male	98	57,6
Female	72	42,4
Total	170	100
Age		
18-20 Years	40	23.5
21-23 Years	88	51.8
24-27 Years	42	24.7
Total	170	100
Education		
High School	25	14.7
Diploma (D3)	28	16.5
Bachelor Degree	100	58.8
Master Degree	17	10
Total	170	100
Monthly Income		
< IDR 3.000.000	98	57.6
IDR 3.000.001-5.000.000	33	19.4
>IDR 5.000.000	39	22.9
Total	170	100
Vacancy		
Private Sector	66	38.8
Public Sector	34	20
Entrepreneur/Self Employed	17	10
Student	53	31.2
Total	170	100

Source: Primary data is processed, (2025)

Measurement development

The primary variables in this research companion influence, exposure to digital financial figures, financial literacy, and financial planning are defined and assessed using previously validated measurement instruments adapted from established studies, ensuring both conceptual validity and contextual relevance to the Indonesian environment.

All items used a 4-point Likert scale (1 = Strongly Disagree to 4 = Strongly Agree). The use of a 4-point scale was intentionally

chosen to reduce central tendency bias, particularly common among young respondents who tend to select neutral options, while also encouraging clearer and more decisive responses. Furthermore, previous survey studies involving Indonesian Generation Z have shown that shorter, forced-choice response formats are easier to engage with, making the 4-point scale suitable for this demographic.

The following table summarizes the constructs, number of items, example items, and measurement sources.

Common method bias (CMB)

Common Method Bias (CMB) refers to variance that arises from the measurement method rather than the underlying constructs. Because this study relies on a single-source, self-reported online survey, CMB must be addressed to ensure that the estimated relationships among variables are not inflated by methodological artifacts (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003).

Statistically, CMB was assessed using the full collinearity VIF method recommended by Kock (2015). All latent constructs exhibited VIF values below 3.3, indicating that CMB is not a threat in this study. In addition, all inner VIF values were below the maximum threshold of 5 suggested by Hair et al. (2012), confirming that multicollinearity among constructs is not problematic.

Together, these procedural and statistical checks demonstrate that the data are not substantially affected by common method variance.

Table 3.
Reflective measurement model results

Variables	Items	Outer Loading >0.7	CA > 0.7	CR > 0.7	rho_A >0.7	AVE >0.5
Companion Influence	Comp_1	0.917	0.949	0.96	0.963	0.775
	Comp_2	0.964				
	Comp_3	0.886				
	Comp_4	0.958				
	Comp_5	0.714				
	Comp_6	0.947				
	Comp_7	0.738				
Financial Influencer	FinInf_1	0.931	0.97	0.974	0.989	0.808
	FinInf_2	0.814				
	FinInf_3	0.973				
	FinInf_4	0.927				
	FinInf_5	0.835				
	FinInf_6	0.917				
	FinInf_7	0.949				
	FinInf_8	0.972				
	FinInf_9	0.745				
Financial Literacy	FinKnow_1	0.928	0.982	0.984	0.986	0.804
	FinKnow_2	0.949				
	FinKnow_3	0.937				
	FinBeh_1	0.743				
	FinBeh_2	0.877				
	FinBeh_3	0.948				
	FinAtt_1	0.837				
	FinAtt_2	0.880				
	FinAtt_3	0.988				
	FinSelf_1	0.864				
	FinSelf_2	0.948				
	FinSelf_3	0.899				
	FinDeci_1	0.840				
	FinDeci_2	0.918				
	FinDeci_3	0.868				
Financial Planning	LongTerm_1	0.875	0.961	0.966	0.975	0.742
	LongTerm_2	0.883				
	LongTerm_3	0.934				
	LongTerm_4	0.881				
	LongTerm_5	0.727				
	ShortTerm_1	0.866				
	ShortTerm_2	0.878				
	ShortTerm_3	0.854				
	ShortTerm_4	0.866				
	ShortTerm_5	0.832				

Source: Primary data is processed, (2025)

Sample and population

This study examines Indonesian Generation Z (born 1997-2012), digital natives who actively engage with financial content on social media platforms like Instagram, YouTube, and TikTok. As this demographic increasingly relies on digital sources for financial information, the research specifically targets those who follow financial influencers, recognizing these platforms as primary channels for financial advice dissemination.

The study employs purposive sampling to select participants who:

1. Had followed at least one financial influencer for a minimum of three months.
2. Accessed financial content at least once per week through posts, stories, short videos, or livestreams.
3. Engaged with financial content either passively (viewing, liking, saving) or actively (applying the advice).

Table 4.
HTMT

	Companion Influence	Financial Influencer	Financial Literacy	Financial Planning
Companion Influence				
Financial Influencer	0.144			
Financial Literacy	0.320	0.126		
Financial Planning	0.345	0.111	0.542	

Source: Primary data is processed, (2025)

This approach ensures examination of how different interaction modes with online financial content may influence financial literacy development among digitally-native young adults. The platform-focused methodology captures Gen Z's unique digital financial socialization patterns in Indonesia's evolving fintech landscape.

Data collection

This study has collected the data through an online survey targeting Indonesian Generation Z (ages 18-28) who actively engage with financial content on social media. The survey, distributed via Google Forms, has included research explanations and consent protocols to ensure ethical participation.

Respondents have been recruited through multiple digital channels where financial discussions naturally occur, including WhatsApp finance groups, Facebook communities, Telegram channels, and key platforms like Instagram and TikTok where financial influencers are active. This approach ensures representation of young adults who regularly consume and interact with financial content online. The methodology focuses on reaching authentic financial content consumers in their natural digital environments while maintaining research rigor through systematic participant selection and ethical data collection practices.

Analysis methods

In this study, Partial Least Squares Structural Equation Modelling (PLS-SEM) has been utilized to analyse the data, as it is well-suited for exploring complex relationships between multiple variables and testing predictive models. PLS-SEM is particularly effective in handling small to moderate sample sizes and is capable of examining both reflective and formative constructs. The analysis has been proceeded in two main stages.

First, the measurement model has been evaluated to ensure the reliability and validity of the measurement items. This has been include assessing internal consistency reliability using Cronbach's Alpha (with a threshold above 0.7), Composite Reliability (CR), and convergent validity through Average Variance Extracted (AVE), with values greater than 0.5 considered acceptable. Once the measurement model is validated, the structural model has been evaluated to examine the relationships between the key constructs. The direct effects of companion influence, financial influencer exposure, and financial literacy on financial planning will be assessed, followed by an analysis of indirect effects using bootstrapping techniques to test the mediating role of financial literacy. Specifically, the study has been explored whether financial literacy mediates the impact of social circles and financial influencers on financial decision-making, thus enhancing the understanding of how these variables influence financial planning behaviours. This robust analysis approach, utilizing PLS-SEM, will allow for a comprehensive examination of both direct and indirect relationships within the theoretical framework.

RESULTS AND DISCUSSION

Results

Demographic characteristics of respondent

The demographic profile of the 170 respondents in the Table 2 shows that the majority are male (57.6%) and mostly aged between 21–23 years (51.8%). A significant portion holds a Bachelor's degree (58.8%), indicating a well-educated sample. In terms of income, over half earn less than IDR 3,000,000 per month (57.6%), which is likely influenced by the notable proportion of

Table 5.
Fornell-larcker criterion

Variables	Companion Influence	Financial Influencer	Financial Literacy	Financial Planning
Companion Influence	0.880			
Financial Influencer	0.138	0.899		
Financial Literacy	0.316	0.136	0.897	
Financial Planning	0.336	0.084	0.562	0.861

Source: Primary data is processed, (2025)

Table 6.
Model fit and collinearity checks

Description	Value
R-Square [Financial Literacy]	0.109
R-Square [Financial Planning]	0.316
Q^2 (predictive relevance)	0.390
GOF (Goodness-of-Fit)	0.41
Full collinearity VIF (Kock, 2015)	
Companion Influence	1.0196
Financial Influencer	1.0196
Financial Literacy	1.0000

Source: Primary data is processed, (2025)

students (31.2%) and entry-level workers. Regarding occupation, respondents are primarily employed in the private sector (38.8%), followed by students, public sector employees, and entrepreneurs or self-employed individuals. Overall, the sample is composed of young, educated individuals with diverse income levels and professional backgrounds.

Measurement model results

Before conducting further analyses, it is essential to evaluate the reliability and validity of the reflective measurement model using SEM-PLS. This assessment ensures that the constructs used in the study are both reliable and valid, which is crucial for drawing meaningful conclusions from the data. The provided data summarizes the results of a Structural Equation Modeling (SEM) analysis, focusing on the measurement model for various latent constructs, including "Companion Influence," "Financial Influencer," "Financial Literacy," and "Financial Planning."

Each construct is assessed through multiple observed items, all of which exhibit strong outer loadings (greater than 0.7), indicating good relationships with their respective constructs. The internal consistency of the constructs is confirmed by high Cronbach's Alpha (CA) and Composite Reliability (CR) values, all exceeding 0.7, along with rho_A values also above 0.7, demonstrating robust reliability. Additionally, the Average Variance Extracted (AVE) values for each construct are above the acceptable threshold of 0.5, indicating that the constructs effectively capture significant variance. Overall, the measurement model is deemed reliable and valid for the constructs under investigation.

After evaluating the reflective measurement model's reliability and convergent validity, it is crucial to assess its discriminant validity, which determines the distinctiveness of constructs. This study employs two approaches: the Heterotrait-Monotrait ratio (HTMT) in the Table 4 and the Fornell-Larcker Criterion in the Table 5. The HTMT criterion assesses the ratio of between-construct correlations (heterotrait-heteromethod) to within-construct correlations (monotrait-heteromethod), with values below 0.90 indicating adequate discriminant validity. The Fornell-Larcker Criterion compares the square root of the AVE for each construct against its correlations with other constructs; discriminant validity is confirmed when the AVE square root exceeds all inter-construct correlations. The discriminant validity assessment results indicate that the constructs are distinct. The HTMT values range from 0.111 to 0.542, with the highest value between Financial Literacy and Financial Planning (0.542), all below the 0.90 threshold, confirming adequate discriminant validity. The Fornell-Larcker Criterion shows

Table 7.
Structural model results [T-Statistics]

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Companion Influence -> Financial Literacy	0.303	0.303	0.069	4.4169	0,000
Financial Influencer -> Financial Literacy	0.094	0.106	0.092	1.0169	0,310
Financial Literacy -> Financial Planning	0.562	0.576	0.055	10.2113	0,000

Source: Primary data is processed, (2025)

the square roots of the Average Variance Extracted (AVE) as follows: Companion Influence (0.880), Financial Influencer (0.899), Financial Literacy (0.897), and Financial Planning (0.861). Each of these values exceeds their respective inter-construct correlations, further validating the distinctiveness of the constructs.

The analysis reveals that the R-squared values for financial literacy and financial planning are 0.109 and 0.316, respectively, indicating that financial planning has a stronger explanatory power in the model compared to financial literacy. Additionally, the Q2 value is 0.390, suggesting a moderate predictive capability of the model, while the Goodness of Fit (GOF) is reported at 0.41, reflecting a reasonable fit of the model to the data. Overall, these metrics highlight the varying degrees of influence and predictive accuracy within the financial domain.

Furthermore, the full collinearity VIF values provide additional evidence of the model's adequacy. All constructs Companion Influence, Financial Influencer Exposure, and Financial Literacy show VIF values close to 1.00, far below the 3.3 threshold recommended by Kock (2015) for identifying potential common method bias (CMB). These values are also well within the broader collinearity guidelines of Hair et al. (2012), which consider VIF levels below 5 acceptable in PLS-SEM. The consistently low VIF values confirm that neither multicollinearity nor common method variance poses a threat to the robustness of the structural estimates.

Structural model results

The structural model results provide insights into the relationships between the constructs of Companion Influence, Financial Influencer, Financial Literacy, and Financial Planning, as well as the mediation effects present in the model. The analysis includes the original sample estimates, sample means, standard deviations, T statistics, and p-values for each path in the Table 7

The statistical analysis in the Table 6 reveals that Companion Influence has a significant positive direct effect on Financial Literacy (β = 0.303, T = 4.42, p < 0.001), whereas Financial Influencer does not significantly impact Financial Literacy (β = 0.094, T = 1.02, p = 0.310). Financial Literacy, in turn, significantly influences Financial Planning (β = 0.562, T =

Table 8.
Structural model results [T-Statistics]

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	Mediation Decision
Companion Influence -> Financial Literacy -> Financial Planning	0.170542461	0.175338019	0.046327095	3.681268197	0.000	Partial Mediation
Financial Influencer -> Financial Literacy -> Financial Planning	0.05268634	0.061994062	0.053432579	0.986034015	0.325	No Mediation

Source: Primary data is processed, (2025)

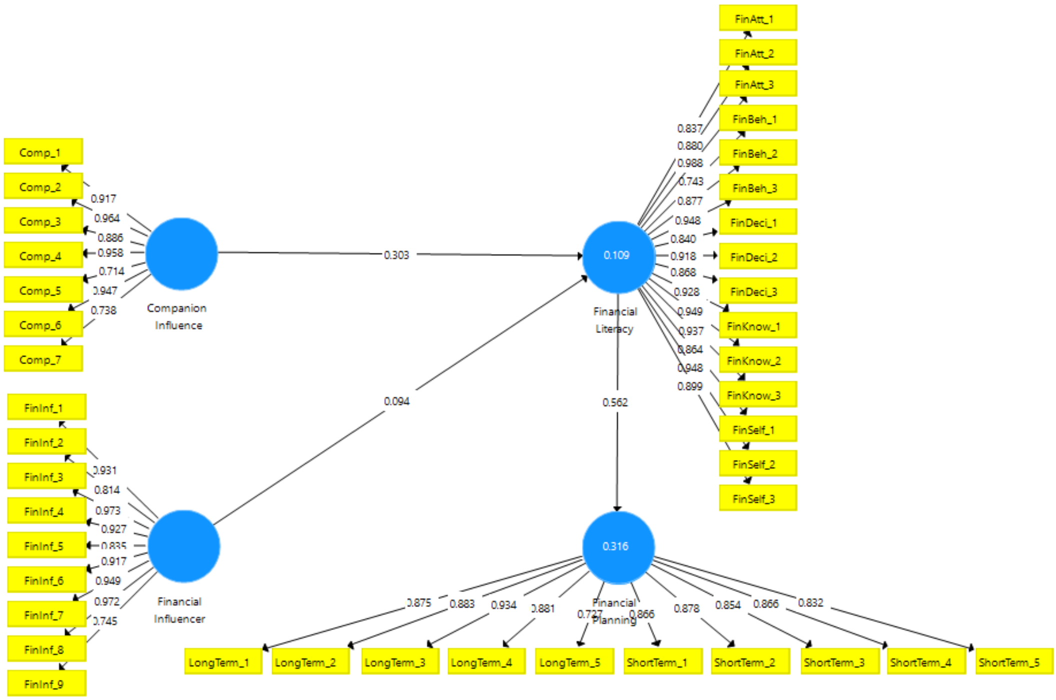

Figure 2.
Path (correlation) coefficient of PLS algorithm

10.21, p < 0.001). Regarding mediation effects in the Table 6, Financial Literacy partially mediates the relationship between Companion Influence and Financial Planning (β = 0.1705, T = 3.68, $p < 0.001$), indicating that part of the effect of Companion Influence on Financial Planning operates through Financial Literacy. Conversely, Financial Literacy does not mediate the effect of Financial Influencer on Financial Planning (β = 0.0527, T = 0.99, p = 0.325), showing no significant indirect effect.

Discussion

The findings of this study provide a clear explanation of how the four core variables—companion influence, financial influencer exposure, financial literacy, and financial planning interact in shaping the financial behaviour of Indonesian Generation Z. Interpreted through Social Learning Theory (SLT), the results show that learning derived from close, trusted social environments exerts a stronger educational impact than learning derived from digital influencer exposure.

The analysis first reveals that companion influence has a significant positive effect on financial literacy. This supports the assumption in SLT (Bandura, 1997), that individuals learn more effectively from models who are observed frequently, trusted personally, and embedded within their social context. Companions friends, classmates, partners, and peers serve as everyday behavioural examples, making financial information easier to interpret and internalize. Prior studies similarly show that peer interaction strengthens financial knowledge, saving motivation, and financial habits (Agnew et al., 2025; Potrich et al., 2016; Suratno et al., 2021). In the Indonesian context, where discussion and consultation with peers are commonplace, the effect becomes even more substantial. Thus, Hypothesis 1 is supported, confirming that companions act as effective role models for financial learning.

In contrast, financial influencers did not significantly affect financial literacy, leading to the rejection of Hypothesis 2. This non-significant result aligns with the growing literature showing that influencer-generated financial content is often heuristic-driven, trend-focused, and shallow in analytical depth (Angelica & Zen, 2023; Gunawan et al., 2020). Several explanations emerge. First, trust in influencers remains inconsistent, especially when content is sponsored or lacks evidence-based analysis. Second, users typically consume financial content passively scrolling quickly, watching fragmentary clips, or multitasking reducing the attention and retention processes required for learning according to SLT (Bandura, 1997). Third, information overload on social media may lead individuals to discount or ignore financial advice altogether. These factors weaken the cognitive processing required to convert exposure into literacy, explaining why influencer content does not translate into meaningful financial understanding for Gen Z.

The significant positive effect of financial literacy on financial planning confirms Hypothesis 3. Individuals with higher financial literacy possess greater capability to evaluate options, manage cash flow, interpret financial risks, and construct structured financial strategies. This is consistent with prior studies showing that financial literacy enhances budgeting, saving, investment behaviour, and long-term financial decision-making (Chun et al., 2021; Jungo et al., 2023). SLT also supports this relationship: cognitive competence is essential for converting observed behaviour into action, meaning that literacy functions as a key mechanism enabling individuals to transform financial knowledge into planning behaviour.

Financial literacy was also found to partially mediate the relationship between companion influence and financial planning, supporting Hypothesis 4. This indicates that companions affect financial planning both directly by providing guidance and examples and indirectly through improving financial literacy. This interaction reflects SLT's proposition that observational learning must be accompanied by cognitive interpretation to result in behavioural change. Prior research similarly finds that peer interactions tend to shape knowledge first, which then drives long-term planning (Jorgensen & Savla, 2010; Jungo et al., 2023). This underscores the importance of companions not only as behavioural models but also as facilitators of financial understanding.

However, financial literacy did not mediate the effect of financial influencer exposure on financial planning, resulting in the rejection of Hypothesis 5. The absence of both direct and mediated effects suggests that financial influencer content neither enhances financial literacy nor shapes financial planning behaviour. This aligns with evidence that influencer advice often encourages short-term decision-making such as trend following, speculation, or FOMO-driven behaviour rather than structured planning (Rijanto & Utami, 2024; Xie et al., 2023). From an SLT perspective, this outcome indicates a failure of the learning chain: although influencers are observed, their content does not trigger the cognitive processes needed for retention and behavioural reproduction. Thus, influencers do not play an educational role in the context of financial planning for Gen Z.

Taken together, these results highlight a clear distinction between the two sources of financial learning: companions support both literacy and planning, while influencers do not. For academic research, these findings refine the application of SLT within financial behaviour studies by demonstrating that observational learning depends heavily on trust, frequency of interaction, and depth of information. For practitioners, such as financial educators and institutions, the results emphasize the effectiveness of peer-based learning programs, study groups, and community discussions as mechanisms for improving youth financial literacy. For regulators like OJK, the results reveal the need to strengthen guidelines for financial content creators, enhance labelling transparency, and increase public education efforts to mitigate the risks of misleading online financial advice. Together, these implications suggest that structured educational environments and peer-driven support systems are more effective in enhancing financial outcomes for Indonesian Generation Z compared with influencer-based learning pathways.

This study has several limitations that should be considered when interpreting its findings. First, the sample consists exclusively of Indonesian Generation Z, with a substantial proportion living in major cities. Financial experiences and social environments differ significantly across regions and cultures, limiting the generalizability of the findings to rural populations or international contexts. Future studies should incorporate cross-regional or cross-country samples to enhance external validity. Second, the study relies on a cross-sectional design, which restricts causal inference. Financial literacy and planning are dynamic processes that evolve over time, and the influence of companions or financial influencers may shift with age, income, or life stage. Longitudinal studies are recommended to trace how financial capabilities develop and to establish stronger causal directionality. Third, the 4-point Likert scale used in this study eliminates a neutral option. Although intended to reduce central tendency bias among young respondents, this forced-choice format may have pressured some respondents to choose a position that does not fully reflect their actual view. Future research could compare different response scales to determine their effect on financial attitude measurement. Fourth, the use of an online survey may introduce self-selection bias, favouring individuals who are digitally active or already interested in financial content. This may reduce representativeness of the broader Gen Z population. Mixed-method sampling or offline survey distribution could help minimize this bias. Fifth, although financial influencer exposure was measured clearly, this study did not differentiate between types of influencers such as certified financial professionals, educators, or entertainment-based creators. Future research may categorise influencers by expertise level, credibility, or content style to obtain more nuanced insights into which influencer characteristics matter for financial outcomes. Finally, the study did not incorporate detailed socioeconomic background variables such as parental education, household income, or early financial socialization. Such variables may significantly influence financial literacy and planning ability. Future studies could include these predictors to provide a more comprehensive model of financial capability development.

Overall, these findings reinforce the central role of everyday social environments in shaping financial capability and highlight the need for stronger, evidence-based financial education ecosystems that can bridge the gap between trusted peer learning and the rapidly expanding but often unreliable digital financial landscape.

CONCLUSION

This study provides empirical evidence on how companion influence, financial influencer exposure, and financial literacy shape financial planning among Indonesian Generation Z within the framework of Social Learning Theory. The findings consistently demonstrate that companions such as friends, peers, and close social ties serve as effective learning models who significantly enhance financial literacy, which in turn strengthens financial planning. In contrast, financial influencers do not meaningfully contribute to financial literacy or planning, reflecting the limitations of heuristic-driven and rapidly consumed online financial content. The results collectively affirm that interpersonal environments remain more impactful than digital influencer exposure in shaping financial capability for young adults.

The results further show that financial literacy directly improves financial planning and partially mediates the effect of companion influence on planning, confirming that cognitive understanding is essential for translating observed financial behaviour into structured decisions. However, financial literacy does not mediate the influence of financial influencers, reinforcing the explanation that digital content lacks the depth, trust, and consistency required for effective observational learning. These findings refine the application of Social Learning Theory by illustrating how trust, behavioural proximity, and information quality determine whether observed financial behaviour is retained and reproduced. Practically, the results highlight that peer-based programs, community learning, and interpersonal guidance are more effective strategies for strengthening financial literacy than reliance on social-media-driven financial content.

While the study offers meaningful theoretical and practical insights, its conclusions must be interpreted alongside several limitations already outlined in the discussion, including the urban-dominated Indonesian sample, cross-sectional design, online survey constraints, and absence of detailed socioeconomic segmentation. To address these gaps, future research should adopt longitudinal approaches, broaden demographic coverage beyond major cities, and examine more specific dimensions of influencer characteristics such as credibility, content type, and audience engagement patterns. By incorporating these directions, future studies can develop a more comprehensive understanding of how different social and digital learning environments shape financial capability among emerging generations.

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