

The Role of Financial Literacy in Students in Increasing Interest in Using Mobile Banking

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ABSTRACT. This study aims to analyze the extent to which the level of financial literacy in college students affects students' interest in using mobile banking. With a better understanding of the factors that influence students' interest in using mobile banking, can help develop more effective educational and promotional strategies to increase financial literacy and the use of mobile banking among college students. The data in this study were generated from interviews with several students at the Faculty of Economics and Islamic Business, Fatmawati Sukarno State Islamic University Bengkulu. The number of respondents in this study was 20, namely 10 Sharia economics study program students, and 10 Sharia banking study program students. From the interviews that researchers have conducted, 90% of respondents have used mobile banking in conducting daily transactions. This mobile banking service is also very easy to access using only a cellphone. In addition, the features available in mobile banking also provide comfort and convenience, such as quick access to balances, transferring funds without having to go to the bank, transaction notifications so that users can see funds in or out of the account, and additional security from two-step verification. The ease of use of the features contained in mobile banking is also one of the reasons that many students are interested in using the mobile banking service because the mobile banking service can be accessed anytime and anywhere.

Keywords: Financial Literacy; Increasing Interest; Mobile Banking;

INTRODUCTION

In today's digital era, the development of information technology has had a major influence in the financial industry. One of the significant changes is the use of banking services through mobile banking devices. Mobile banking is becoming increasingly important in everyday life, providing convenience and high accessibility for users. However, most students have not fully utilized the potential of mobile banking.

Research into financial literacy and behavioral use of mobile banking has become an increasingly important topic in financial science. In this context, financial literacy refers to an individual's knowledge of personal finance concepts, including money management, investment, and understanding of banking services. Low levels of financial literacy can be an obstacle for individuals to adopt mobile banking effectively.

Students, as one of the target groups, are interesting subjects to study in this context. They are a digital generation that grew up with technology, but not all students have adequate financial literacy. Therefore, it is important to understand the extent to which students' financial literacy affects students' interest in using mobile banking services.

This study aims to analyze the extent to which the level of financial literacy in students affects student interest in using mobile banking. With a better understanding of the factors that influence student interest in using mobile banking, it can help develop more effective educational and promotional strategies to increase financial literacy and mobile banking usage among students.

This research is expected to find insights that can help educational and banking institutions in increasing financial literacy and student interest in adopting mobile banking, which in turn can support the growth and development of digital banking services.

Definition of Roles

In the context of investment or financial decision-making, role refers to the functions or responsibilities played by various elements, such as investors, investment managers, and financial institutions. Each party has a specific role in the investment cycle, from research and analysis to decision-making, investment strategy execution, and performance monitoring.

Financial Literacy

Financial literacy is the ability of individuals to understand and manage their financial aspects wisely. It includes an understanding of basic financial concepts, such as income, expenses, savings, and investments. A person who has good financial literacy can make informed financial decisions, manage risk, and plan for their financial future.

It's important to understand the basics of personal financial planning, including budgeting, debt management, and developing saving habits. Financial literacy also involves knowledge of various investment instruments, such as stocks, bonds, and mutual funds, as well as understanding the risks associated with each type of investment.

In addition, financial literacy includes an understanding of retirement planning, insurance, and other financial risk management. The ability to read and understand financial statements, both personal and corporate, is also an integral part of financial literacy.

Financial literacy is not just about knowledge, but also involves developing practical skills, such as the ability to manage time, make decisions based on financial goals, and overcome financial challenges. With good financial literacy, one can optimize their financial potential, avoid financial pitfalls, and achieve long-term financial well-being.

Student Definition

A student is an individual who is undergoing higher education at a college or university. Student status involves involvement in academic, research, and self-development activities. During this time, students engage in immersive, focused learning in their chosen particular field of study.

The lecture process involves active participation in lectures, seminars, and group discussions, to understand academic concepts and expand their knowledge. In addition, students also engage in research, either as part of an academic curriculum or personal initiative, to gain deeper insight into their field of study.

In addition to the academic aspect, student life also involves developing social and leadership skills. Many students are involved in student organizations, clubs, or other social activities, which can help them build social networking, leadership, and interpersonal skills.

During their journey, students also face challenges such as academic pressures, time management, and financial management. While this can be a challenging period, students also have opportunities for personal growth, exploration of interests, and self-discovery.

It is important to note that student status is not just about achieving an academic degree, but also about building a foundation of knowledge and skills that will equip them for the future, both in their professional careers and personal lives. During this journey, students have the opportunity to define their identity, pursue their interests, and become active contributors to society.

Definition of Interest

An interest is a strong internal drive or tendency that drives an individual to engage, pursue, or explore a particular activity or topic. This is often reflected in interest, enthusiasm, and liking for a particular field or activity. Interests can vary from individual to individual and can include various aspects of life, such as academics, hobbies, or work.

It is important to understand that interests are not simply temporary preferences or pleasures, but rather a deep connection with a subject or activity. Interests can arise from a variety of life experiences, the discovery of natural talents, or environmental influences. The process of developing interests often involves exploration and self-reflection, where individuals gradually discover what they enjoy and what motivates them.

Interest can be a key driver in driving educational, career, and day-to-day activity choices. When someone pursues their interests, they tend to be more motivated, feel more satisfied, and achieve higher achievements in those areas. Therefore, recognizing and understanding personal interests can be the key to positive self-development and building a fulfilling life.

It is important to keep exploring interests, both existing and newfound because interests can also develop over time. Having a deep understanding of interests can help individuals make better decisions, guide personal development, and provide a sense of purpose in everyday life.

Understanding Mobile Banking

Mobile banking is an innovation in the financial industry that allows individuals to access and manage banking services through their mobile devices. By using a special application or mobile banking website, users can perform various financial transactions without having to visit a physical bank office.

Through mobile banking, users can transfer funds between accounts, check balances, pay bills, and even manage their investment portfolios. The accessibility afforded by mobile banking allows users to take control of their finances anytime and anywhere, providing tremendous flexibility in personal financial management.

Security is a key aspect of mobile banking. Double authentication processes, data encryption, and the latest security technologies are used to protect users' financial information. In addition, additional security features such as transaction notifications or security control settings provide an additional level of protection.

Mobile banking not only provides benefits to individual customers but also facilitates businesses and companies. Employee payroll management, vendor payments, and business transaction monitoring can be done quickly and efficiently through a dedicated mobile banking platform for businesses.

With the continuous development of technology, mobile banking continues to bring innovations such as digital payments, financial integration, and artificial intelligence-based financial services. It has not only changed the way individuals interact with financial services, but it has also changed the overall banking landscape by speeding up processes and increasing user convenience. Mobile banking is an important representation of the shift towards more inclusive, efficient, and up-to-date financial services.

METHOD

Types of Research

In this study, the author used qualitative research methods. The location of this research is located at UIN Fatmawati Sukarno Bengkulu, Pagar Dewa Selebar District, Bengkulu City. The population in this study is UIN Fatmawati Sukarno Bengkulu students who use the mobile banking application to make transactions to meet their various needs. The sampling technique in this study is by accidental sampling method or chance sampling technique.

Data Collection Techniques

Data collection techniques carried out by researchers are:

- a) This interview is used as a data collection technique if the researcher wants to conduct a structured interview, face-to-face or using the telephone
- b) A questionnaire is a data collection technique by provides a list of questions that the author will ask respondents, namely UIN Fatmawati Sukarno Bengkulu students

Data Processing Techniques

After the data needed by the researcher is collected, the next step taken by the researcher is to process the data. In this study, the data processing techniques carried out are as follows:

1. Data reduction, is the process of simplifying, classifying, and disposing of data parts that are less important but do not affect the results of data analysis.
2. Display data, which is presenting data by structuring data systematically and easily understood.
3. Conclusion and verification, are the final steps in the data analysis process. However, the conclusions drawn may change if supporting evidence is found for the next stage of data collection.

FINDINGS AND DISCUSSION

The data in this study was produced from interviews with several students at the Faculty of Economics and Islamic Business, State Islamic University, Fatmawati Sukarno, Bengkulu. The number of respondents in this study was 20, namely 10 students of the Islamic Economics Study Program, and 10 students of the Islamic Banking Study Program.

From interviews that have been conducted by researchers, as many as 90% of respondents have used mobile banking in conducting daily transactions. This mobile banking service is also very easy to access using only a mobile phone. In addition, the features available in mobile banking also provide convenience and convenience, such as quick access to balances, fund transfers without having to go to the bank, transaction notifications so that users can see funds entering or leaving the account, and additional security from two-step verification. The ease of use of the features contained in mobile banking is also one of the reasons many students are interested in using the mobile banking service because the mobile banking service can be accessed anytime and anywhere.

The results of this study are supported by an analysis of research that found that financial literacy in students has a good effect on a person's financial behavior. If a person has a good knowledge of financial products and knows the benefits and risks that will be faced from each product, then his daily behavior in using finance will also be better.

Someone who has a high level of financial understanding will find it easier to determine financial products or services that suit their needs. In addition, someone who has a high

understanding of finance will find it easier to manage finances well so that they can access Mobile Banking to meet their daily needs.

For teenagers or students, financial literacy is influenced by parental education. If parents have high education, then parents will give direction to their children in managing money so that children's financial literacy also increases and they can manage finances well and be able to use financial products including Mobile Banking.

CONCLUSION

Good economic literacy can improve one's understanding of the benefits and ease of use of banking services through mobile phones. This can encourage them to utilize mobile banking to manage finances more efficiently. Based on the results of the researcher's analysis, it can be concluded that financial literacy has a positive influence on a person's interest in using Mobile Banking. This research implies that banks can provide education to their customers to use Mobile Banking so that it can increase public interest in using Mobile Banking.

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