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THE EFFECT OF DIGITAL PAYMENTS AND FINANCIAL VULNERABILITY MODERATED BY FINANCIAL LITERACY

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Abstract

Purpose: To determine the effect of digital payments and financial literacy on financial vulnerability in UBP Karawang management students.

Research Methodology: Quantitative research; population: UBP Karawang management students (Class of 2020-2023, n=1948); sample: 95 students; data collection via Google Forms; analysis using moderated regression analysis.

Results: Digital payments did not significantly affect financial vulnerability; 88.7% influence of digital payments and financial literacy on financial vulnerability; financial literacy moderates the relationship.

Limitations: The study is limited to UBP Karawang management students, which may affect generalizability.

Contribution: Useful for fields such as financial education, digital finance, and consumer behavior in Indonesia.

Keywords: *Financial Vulnerability, Financial Literacy, Digital Payment*

1. INTRODUCTION

In following the hedonistic lifestyle trend, students compete to adopt habits that they enjoy. Students who embrace a hedonistic lifestyle easily integrate it into their daily lives (Khairat et al., 2019). The basic needs of students continue to increase along with the development of lifestyle, which is reflected in a dignified and elegant self-image. Therefore, students use money as a tool to meet their needs without sacrificing their desires (Sartika & Hudaniah, 2018). The hedonistic lifestyle is very visible and common in society, especially among students. Hedonistic behavior that appears among students today, along with changes that occur in modern society and are considered to have an impact on individual development (Purnomo & Ichsannudin, 2021). In a recent study by Heo et al. (2021), respondents with higher levels of financial difficulties tend to use financial technology more. The fact that this payment method is less transparent and easier to use than, for example, cash and credit cards, may make

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some consumers more susceptible to purchasing temptations. Liu et al. (2020) found that the use of mobile payments increases willingness to pay (WTP) compared to using cash.

The use of non-cash payments is increasingly popular across all levels of society in Indonesia, both in urban and rural areas. Electronic money is considered more efficient in making payment transactions and is one of the main drivers of economic growth today. According to Bank Indonesia (BI), in August, there was an increase of 8.62% in the value of electronic money transactions compared to the previous year, reaching a total of 38.51 trillion. The growth in non-cash payments was driven primarily by online payments and the use of electronic money (Antaranews, September 21, 2023).

A recent study concluded that mobile payment users in America are at higher risk of experiencing financial management problems compared to those who do not use digital payment methods. In an era that is increasingly shifting the use of cash towards digital finance, a trend that has been accelerated by the COVID-19 pandemic (Shearman, 2020; eMarketer, 2021), it is important to investigate whether the findings from this American study can be generally applied to other countries and different generations. Gaining this understanding can have a significant impact on taking steps to prevent financial management problems from occurring.

The use of digital payments has had a significant impact on cash usage habits, resulting in changes in people's behavior and lifestyles. A person who is unable to meet their needs, has no savings, and does not have an emergency fund is considered financially unstable, with disproportionate consequences for financial vulnerability (Arifin, 2017).

In today's digital era, non-cash transactions are increasingly becoming the main choice for people to make payments. According to Susanto (2019), non-cash transactions are transactions carried out without using cash, but using electronic media such as credit cards, debit cards, and transfers via internet banking or mobile banking, qris. Although non-cash transactions have many advantages, such as security, efficiency, and convenience, many people still do not understand how to use them and have inadequate digital financial literacy (Iskandar, 2021).

The millennial generation is a generation that demands convenience in all aspects of life, including in transactions. Indonesian society, especially the millennial generation, is increasingly shifting to a cashless society, where financial transactions no longer use physical money but focus more on credit cards, debit cards, and cash cards (Dini Haryati et al., 2021).

However, financial literacy in Indonesia is still among the lowest in the world, with the 2018 Pisa Report showing that Indonesia's financial literacy index is lower than the country average (OECD, 2019). Lack of understanding of digital currencies can lead to consumer distrust and disrupt the stability of the fintech industry. Although the percentage of Indonesian consumers using digital financial services has reached 79.9% (DSR, 2019), 75% of fintech companies reported that their consumers are still reluctant to use financial literacy in their target market (Aftech, 2020). Therefore, more and more countries are developing nationally coordinated financial education programs, especially for the younger generation. The government is increasingly aware that the younger generation needs to have sufficient financial understanding to live their daily lives, including the use of electronic cards as a means of payment and available investment options, and so that students can be more independent in managing their own finances.

UBP Management students as future leaders need to understand and improve digital financial literacy and utilize digital payment technology wisely to avoid the risk of digital financial crime.

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In addition, prevention efforts and community literacy play an important role in dealing with digital financial crime. Therefore, this study aims to improve UBP Management students' understanding of digital financial literacy and the use of digital payment technology in order to better manage their finances.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1. Literature Review

Grand theory

Financial management

Financial management refers to a part of business management activities that are totally focused on all activities related to profit and loss that the company needs to do to achieve predetermined goals. According to Mushtafa (2017), financial management explains several decisions that must be made, namely investment decisions, funding decisions or funding needs decisions, and dividend policy decisions.

Financial management is the process of implementing financial activities or activities in an organization. In this process there are activities such as planning, analysis, and control of financial activities carried out by financial managers (Mulyawan, 2020). All activities that are closely related to business efforts in earning money and the ability to use or change that money (Mulyawan, 2020)

According to James Van Horne and John Wochowiez (2020), financial management refers to any activity related to managing money and allocating resources to achieve certain goals. Therefore, the functions used to make decisions from financial management can be divided into three categories: investment decisions, funding decisions, and activation decisions (Mulyawan, 2020).

Based on the opinions of experts, the conclusion of financial management is anticipating financial needs, obtaining funding sources, and allocating funds in business to maximize profits for the company.

Middle Theory

Personal Financial Management

Personal financial management is an activity of planning, managing and supervising personal finances (Humairo & Yuliana, 2020). Personal financial management is the science and art of managing a person's money (individual), family or company. The process of financial management requires many systematic actions that are difficult to do. However, understanding what financial management is is only the first step towards the ability to manage finances well. This is based on the fact that everything that starts from the beginning means having to think before doing something.

Lifestyle must be prioritized when managing personal finances. Basically, the power of priority known as (the power of priority) affects a person's discipline in managing their own finances. With this discipline means voluntarily following the rules and being able to adjust or adapt to change. Therefore, discipline is part of self-control. Based on this, the fact that self-control also greatly influences a person's success or failure (Widiawati, 2020).

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The technique of balancing a person's consumptive lifestyle is by living productively, such as saving, doing business, or investing, which is known as financial management. In addition, financial control means regulating and supervising activities related to finance. Financial management is very helpful in avoiding difficult situations in meeting needs and conditions that involve more expenses than income. (Aulianingrum & Rochmawati, 2021). One way to implement financial management at the individual level is by managing personal finances. Financial management, which includes financial planning, management, and control, is important for achieving financial prosperity (Indarto & Dananti, 2021).

Applied Theory of Financial Literacy Financial literacy (Deb, 2020) implies an individual's ability to manage, understand, and plan their personal finances. By having financial literacy, a person can develop critical thinking, judgment, and other skills to make the right personal financial decisions. Financial literacy (Panos & Wilson, 2020) plays an important role in financial independence, stability (Sharkey, S 2020), and well-being and financial knowledge acquired early on can explain most of the financial and general well-being in adult life. According to Fatihudin (2023) financial literacy is the ability to manage finances regularly with a number of knowledge and skills in order to achieve well-being in life.

Financial Literacy is also a form of understanding and knowledge about the best possible financial management to minimize risks in the future. Financial Literacy. Financial literacy also includes four financial concepts, including (Fariana et.al.2021): 1. General knowledge related to finance, 2. Knowledge related to money management, 3. Knowledge related to investment and savings 4. Knowledge related to risk Other studies have found that these skills include the ability to effectively find, evaluate, and use information, resources, and services and make informed decisions about financial obligations, budgeting, credit, debt, and future planning (Sharkey, S. 2020). Another definition is divided into four parts (Foster, Sukono, and Johansyah, 2022):

1. The ability to understand financial concepts, so that financial literacy can be realized in financial decision making.
2. The ability to manage personal finances, by using their financial literacy to carry out financial activities such as recording income and expenses.
3. The ability to make the right decisions, using their own financial literacy.
4. Carrying out effective financial planning for future financial needs using financial literacy.

Financial vulnerability

Currently, there is no universally accepted definition of household financial vulnerability (O'Connor et al., 2019). In fact, "financial vulnerability" as a term is used interchangeably with terms such as financial fragility (Ampudia et al., 2016), financial distress (Anderloni et al., 2012), debt burden (Poh & Sabri et al., 2016), and excessive debt (Daud et al., 2019). Many different variables are used to indicate financial vulnerability, but one aspect that seems to emerge across all studies is debt (Anderloni et al., 2012; Bankowska et al., 2017; Daud et al., 2019; Leika & Marchettini, 2017; Noerhidajati et al., 2021), and in many cases, unsecured debt (e.g., credit card debt and other consumer debt) (Aenngdguenrlaoann.i.. et al., 2012; Fuenzalida & Tagle, 2009; Lusardi et al., 2020). This type of debt makes households highly vulnerable to adverse shocks such as job loss, reduction in work hours, illness, and death of a breadwinner. Households are also considered fragile and vulnerable if they are unable to pay their monthly expenses (Bridges & Disney, 2004). Conversely, having savings will ensure that households are less financially vulnerable to such shocks (Gjertson, 2016; O'Connor et al., 2019).

Researchers have also found a relationship between financial vulnerability and financial literacy, where higher levels of financial literacy combined with financial education reduce financial vulnerability (Anderloni et al., 2012; Yusof et al., 2015). In line with this, Heo et al., (2021) with higher levels of financial stress are more likely to be users of financial technology. For the purpose of our study, we define financial vulnerability as the lack of reserves for unexpected expenses, difficulty meeting living needs, and borrowing to purchase goods. Indicators of financial vulnerability according to Seldal & Nyhus 2022 are the level of difficulty in meeting financial obligations, use of consumer credit to purchase consumer goods, level of financial resilience, and savings for 3 months.

Digital Payments

Fintech is a general term for all technological breakthroughs related to financial services. This term refers to various financial services offered and accessible through any digital media (He et al., 2019). According to the definition of the Financial Services Authority, fintech is any financial innovation supported by technology that produces new business models, applications, processes, or products that have an impact on the market and financial institutions as well as the delivery of financial services (OJK, 2019).

Digital payment according to Musthofa et al (2020), is a payment made online using software, networks, and virtual accounts. The function of cash has changed into a non-cash payment instrument with many choices of media and non-cash payment systems. The three characteristics of digital payments according to Puspita (2019) are the convenience of using digital payments, as well as providing convenience in using digital payments anytime and anywhere, in addition to the benefits that can be enjoyed by users who use this digital payment method either directly or indirectly.

Fintech covers a wide range of mobile services, including payment processing, money transfers, loan applications, insurance purchases, asset management and investment management (Bharadwaj et al., 2019; Chen et al., 2019).

Digital payments are a type of fintech service that uses electronic media as a payment method. This definition includes payments made by bank transfer, mobile money, and payment cards including credit, debit and prepaid cards. Examples of current digital payment programs and e-wallets include go-pay, OVO, LINK aja, LINK Aja Syariah, DOKU, i.Saku, Sakuku, PayTren, True Money, QRIS mobile banking, QRIS sharia bank, and others (BI, 2020).

According to Michael Agustio Gosal and Nanik Linawati in 2008, the digital payment indicators are Perceived Easy of Use, Perceived Usefulness, Perceived Credibility, Social Influence, Behavior Intentions

2.2. Hypothesis Development

a. Digital payments affect financial vulnerability in UBP Karawang management students.

Proper use of digital payments can affect the financial vulnerability of UBP Karawang management students. According to the results of the study by Seldal and Nyhus 2022, it was found that the use of digital payment methods, such as payments by mobile phone, did not significantly increase financial vulnerability. The results showed that the use of digital payment methods was associated with more behaviors that reduced vulnerability compared to previous studies. This suggests that the adoption of digital payment methods does not significantly

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increase financial vulnerability, and may even be associated with behaviors that reduce financial vulnerability.

In addition, the use of digital payments has had a significant impact on cash usage habits, resulting in changes in people's behavior and lifestyles. A person who is unable to meet their needs, has no savings, and does not have an emergency fund is considered financially unstable, with disproportionate consequences for financial vulnerability (Arifin, 2017).

b. Financial literacy affects financial vulnerability in UBP Karawang management students.

Financial literacy plays a vital role in financial independence, stability, and well-being and early financial knowledge can explain a large part of financial and general well-being in adult life (Panos & Wilson, 2020). Financial literacy is a basic need According to Lusardi,

Scheresberg et al. (2020) found that the use of mobile payments is associated with lower financial literacy. They associated the use of mobile payments with a higher likelihood of overdraft and extensive credit card use among Millennials (aged 22-37 years), and found that higher financial literacy reduced the negative impact of mobile payment use. Mitchell, & Oggero (2020) found that financial literacy plays an important role in determining an individual's financial vulnerability.

c. Financial Literacy Moderates Digital Payments and Financial Vulnerability

In managing finances, of course, you must have good financial literacy, where according to Seldal & Nyhus (2022) found that financial literacy moderates the effect of digital payment methods on financial vulnerability. They found that individuals with lower financial literacy were more financially vulnerable, regardless of digital usage. This suggests that financial literacy plays a moderating role in the relationship between digital payment method usage and financial vulnerability.

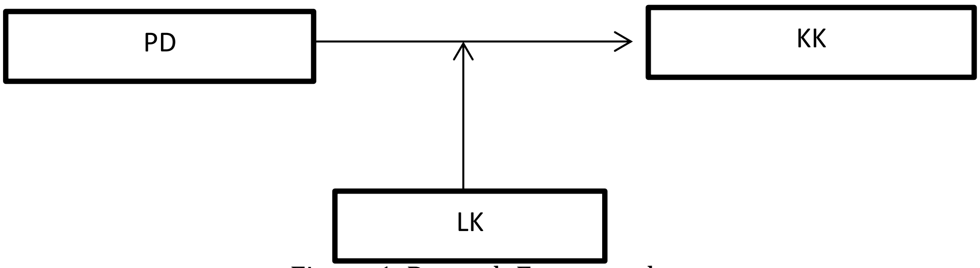

Figure 1. Reseach Framework

Research Hypothesis

H1: Digital Payments have an effect on financial vulnerability in management students of UBP Karawang

H2: Financial literacy has an effect on financial vulnerability in management students of UBP Karawang

H3: Financial Literacy moderates Digital Payments on financial vulnerability in management students of UBP Karawang

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3. RESEARCH METHODOLOGY

This research was conducted at Universitas Buana Perjuangan Karawang, Faculty of Economics and Business, Management Study Program. This research uses a quantitative approach as a research design model. Sugiyono (2016) stated that this method is considered a research approach based on positive philosophy and can be used to study a particular population or sample. Data were collected using research instruments and analyzed quantitatively with the aim of testing the established hypothesis. As a source of data for this research, the population to be studied is students from the 2020 to 2023 intake who are currently studying at Universitas Buana Perjuangan Karawang, especially in the Faculty of Economics and Business, Management and Accounting education program. Sugiyono (2018) stated that population is part of a generalization consisting of subjects or objects with certain quantities and characteristics determined by researchers to be studied before drawing conclusions.

After determining the population, the researcher then selects a sample to describe the population as a whole, according to Riyanti and Hatmawan (2020), the research sample has the same or almost the same characteristics as the population to ensure that the sample used can describe the population being observed. The following are the characteristics of respondents determined by the researcher in conducting this study: Respondents are management students from the 2020-2023 intake. The Slovin formula determines the sample size of this study based on the error rate value. The number of samples taken is smaller if the error rate used is higher. The following is the Slovin formula:

$$n = \frac{N}{1 + N(e)^2}$$

Description:

n : Sample size

N : Population size

e : Percentage of allowance for inaccuracy due to sampling errors that is still tolerable or desired, for example 10%

$$n = \frac{1948}{1948\,(0{,}1)^2 + 1}$$

n= 95,01 or rounded up to 95 respondents

Based on the calculation above, the number of samples determined was 95 people. The number of respondents is considered representative to obtain data from the 2020 to 2023 intake for management students at Buana Perjuangan University, Karawang, which reflects the state of the population.

Data collection techniques are a type of sample preparation intended to describe and summarize existing data. The type of data used in this study is quantitative. Quantitative data is data based on calculations or percentages. In accordance with its form, with this, quantitative data can be analyzed or evaluated using statistical or

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systematic techniques. This data collection instrument is a questionnaire. A questionnaire is a set of previously recorded questions that are previously answered systematically by the researcher and then answered again by the respondents. The questionnaire was used to collect data from Management Students at Buana Perjuangan University, Karawang.

In this study, a Likert scale measurement was used. Sugiyono (2014) stated that the Likert scale can be used to measure the awareness, perception, and understanding of a person or group about social phenomena. The Likert scale is based on the number of respondent points in a series of answers to questions related to a set of indicators or variables to be measured. According to Sugiyono (2019), the descriptive survey method is used to obtain actual data on beliefs, opinions, characteristics, behaviors and relationships between variables, as well as to test hypotheses about the relationship between sociological and psychological variables from selected population samples. The results of the study tend to be generalized, and data collection techniques are usually carried out using questionnaires

The scale technique used is the semantic differential scale technique. The data analysis technique in this study is moderated regression analysis. To test the regression with moderating variables using MRA, namely:

Description:
Y: Financial Vulnerability α: constant
ß1, ß2: regression coefficient direction numbers X1: Digital Payments
X2: financial literacy Ɛ: standard error

4. RESULTS AND DISCUSSIONS
4.1. Results

Normality Test Results

The results of the normality test can be seen in the table below:

Table 1. One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		95
Normal Parameters[a,b]	Mean	0E-7
	Std. Deviation	3.71569198
Most Extreme Differences	Absolute	.091
	Positive	.076
	Negative	-.091
Kolmogorov-Smirnov Z		.891
Asymp. Sig. (2-tailed)		.405

From table 1 above, the results of the normality test show that the data used is normal or good with an asymp.sig result of 0.405 where in the normality test Asymp.sig must be greater than 0.05.

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Results of the t-test

The results of the t-test can be seen based on table 2 below:

Table 2. Results of the t-test

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	-2.031	4.637		-.438	.662
digital payments		.265	.160	.161	1.655	.101
financial literacy		.793	.136	.569	5.838	.000

a. Dependent Variable: financial vulnerability

Source: processed data spss 2023

The effect of digital payments on the financial vulnerability of UBP Karawang management students

Based on table 2, it is known that the significant value is 0.101 (<0.05) and for the t-value of 1.655, <1.986, so it can be concluded that the digital payment variable does not have a significant effect on the financial vulnerability variable.

The effect of financial literacy on the financial vulnerability of UBP Karawang management students.

Based on table 2 above, it can be seen that the significant value of the financial literacy variable is 0.000 (<0.05) and the t-value is 5.838> 1.986, so it can be concluded that the financial literacy variable can have a significant effect on the financial vulnerability variable.

Table 3. Coefficient test results

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.680[a]	.463	.451	3.756

a. Predictors: (Constant), financial literacy, digital payments
b. Dependent Variable: financial vulnerability

Source: processed data spss 2023

The influence of financial literacy and digital payments has a stimulant effect on the financial vulnerability of UBP Karawang management students

Based on table 3, it can be seen that the R Square value is 0.463, so it can be concluded that the influence of financial literacy and digital payments as a stimulant on financial vulnerability is 46.3%.

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Moderated Regression Analysis

The results of the coefficient test can be seen based on table 4 below

Coefficients[a]

Model	Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1 (Constant)	108.894	32.088		3.394	.001
Digital Payments	-3.010	.950	-1.834	-3.167	.002
Financial Literacy	-2.443	.936	-1.751	-2.609	.011
Digital Payment*Financial Literacy	.095	.027	3.894	3.490	.001

a. Dependent Variable: financial vulnerability

Source: processed data spss 2023

The effect of digital payments on the vulnerability of ubp karawang management students moderated by financial literacy.

Based on table 4 above, the significant value of the interaction variable between digital payments and financial literacy is 0.001 (<0.05), so it can be concluded that the financial literacy variable is able to moderate the effect of digital payment variables on ubp karawang management students. The results of the R Square test can be seen based on table 5 below

Table 5. R Square Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.725[a]	.526	.511	3.756

Source: processed data spss 2023

From table 5 above, the R Square value can be seen as 0.526 with the contribution of the influence of digital payments on financial vulnerability moderated by financial literacy of 52.6%.

4.2 Discussions

The effect of digital payments on financial vulnerability in UBP Karawang management students

Digital payments do not affect financial vulnerability which has a significant value of 0.101 (> 0.05) so that H1 is rejected. This is reinforced by the results of research by Seldal & Nyhus (2022), the results of the study showed that the use of digital payments, such as payments via mobile phones, did not significantly increase financial vulnerability. Mobile payment users are less financially vulnerable compared to non-users. In addition, they also found that digital payment users overall tended to have less difficulty paying their bills. These results suggest that the use of digital payments may not be too worrying in terms of financial vulnerability, especially based on research in Norway.

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The use of digital payments has significantly changed cash usage habits, influencing changes in behavior and lifestyles of society as a whole. Individuals who are unable to meet their needs, have no savings, and do not have emergency funds are often considered financially unstable. This can have disproportionate consequences for their financial vulnerability, causing a greater impact on difficult financial situations (Arifin, 2017). In addition, a recent study by Heo et al., (2021) found that respondents with higher levels of financial distress were more likely to use financial technology. However, digital payment methods like this can also make some consumers more susceptible to purchasing temptations due to their lack of transparency and ease of use. Research by Liu et al. (2020) also found that using mobile payments can increase willingness to pay (WTP) compared to using cash.

The effect of financial literacy on financial vulnerability in management students of UBP Karawang

Financial literacy has an effect on financial vulnerability with a significant value of 0.000 (<0.05) so that H2 is accepted. This is in line with the results of research by Lusardi, A., & Mitchell, O. S. (2020) Financial literacy has an effect on financial vulnerability. Studies have shown that individuals with lower financial literacy tend to have higher financial vulnerability, such as excessive debt accumulation, debt problems, and suboptimal use of credit cards. Low financial literacy is also related to the ability to pay bills on time, plan for retirement, and accumulate savings and wealth. Therefore, increasing financial literacy can help reduce individual financial vulnerability.

Financial literacy is considered a basic need in financial life. According to Lusardi et al., (2020), the use of mobile payments is associated with lower levels of financial literacy. They highlighted the relationship between the use of mobile payments with the possibility of higher debt and the tendency to use credit cards extensively among Millennials (aged 22-37 years). This study also shows that higher levels of financial literacy can reduce the negative impacts of using mobile payments. Another finding by Mitchell and Oggero (2020) underlines the important role of financial literacy in determining an individual's level of financial vulnerability.

The effect of digital payments on financial vulnerability moderated by financial literacy in UBP Karawang management students

Financial literacy is able to moderate digital payments on financial vulnerability with a value of 0.001 (<0.05) so it can be concluded that financial literacy is able to moderate digital payments on financial vulnerability in UBP Karawang management students. With high financial literacy, financial vulnerability can be minimized and vice versa, low financial literacy can increase financial vulnerability. This is in line with the results of research conducted by Seldal and Nyhus (2022), financial literacy can moderate the effect of digital payments on financial vulnerability. Found that individuals with lower financial literacy tend to be more financially vulnerable, but this is not directly related to the use of mobile payments or other digital payment methods. These results indicate that financial literacy can play a role in moderating the impact of digital payments on individual financial vulnerability. In the digital era, non-cash transactions are increasingly becoming the main choice for people, according to Susanto (2019) who stated that non-cash transactions refer to payments that do not involve cash, but use electronic devices such as credit cards, debit cards, and transfer services via internet banking, mobile banking, and QRIS. Although it has various advantages such as security, efficiency, and convenience, there are still many individuals who do not understand its use and have limitations in digital financial literacy (Iskandar, 2021).

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5. CONCLUSION

Digital payments do not significantly affect financial vulnerability in UBP Karawang management students, with the use of digital payment methods does not provide benefits in financial management cannot increase control and security over personal financial aspects.

Financial literacy affects financial vulnerability in UBP Karawang management students, with good financial literacy they can manage finances better and can avoid unwanted financial risks, with low financial literacy can increase financial vulnerability in students especially those related to personal finance and poor financial decision making.

The use of digital payments can increase the productivity and effectiveness of students in making payments, with sophisticated digital payment technology and driven by financial literacy can affect financial vulnerability, financial literacy can moderate the use of digital payments on financial vulnerability in students, but with low financial literacy can increase financial vulnerability in students especially related to personal financial management and vice versa with high financial literacy can minimize financial vulnerability in students related to personal financial management.

Digital payments have great potential to be an effective tool in managing personal finances. By prioritizing security, providing appropriate education, and encouraging the use of trusted applications, individuals can.

LIMITATION AND STUDY FORWARD

The study is limited to UBP Karawang management students, which may affect generalizability. Forward Studi can be optimizing the use of financial technology to help them manage their personal finances better and more efficiently. Encouraging the use of trusted digital payment applications is an important step to ensure that individuals use financial technology safely and efficiently. By choosing applications that are trusted and have a good reputation, individuals can have confidence that their transactions will be carried out safely and their personal data will be protected. In this regard, education also plays an important role in helping individuals understand the risks and benefits of the various digital payment applications available.

Recognizing financial vulnerabilities is an important first step to improving personal financial management. By identifying areas where you are vulnerable, such as a lack of emergency savings or unmanageable debt, you can take proactive steps to reduce risk and improve financial stability. It is also important to build financial reserves, seek help from financial consultants when needed, and manage risk prudently. With these steps, you can strengthen your financial position and face financial challenges with more confidence.

Improving financial literacy can be the key to better managing your personal finances. By understanding basic concepts such as budgeting, managing debt, and investing wisely, you can make better financial decisions. Taking steps to improve financial literacy, such as reading books, attending seminars, or using online resources, can help you manage your money more effectively and better achieve your financial goals.

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