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The Influence of Fintech Payments and Hedonistic Lifestyle on Financial Behavior Through Financial Self-Efficacy as a Mediating Variable on Generation Z in Sidoarjo Regency

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Abstract

*This study aims to analyze the influence of fintech payments and a hedonistic lifestyle on financial behavior through financial self-efficacy as a mediating variable in Generation Z in Sidoarjo. The development of digital financial technology has changed Generation Z's transaction patterns through the use of e-wallets and QRIS payment systems that offer convenience and efficiency, but also have the potential to encourage consumptive behavior and impulsive purchases. This study uses a quantitative approach with an explanatory research design involving 150 Generation Z respondents in Sidoarjo Regency who were selected using probability sampling techniques. Data collection was carried out through a structured questionnaire with a Likert scale and analyzed using the Partial Least Squares–Structural Equation Modeling (PLS-SEM) method with the help of SmartPLS 4. The variables studied include*Fintech payments and a hedonistic lifestyle serve as independent variables, financial behavior as the dependent variable, and financial self-efficacy as the mediating variable. The results of this study are expected to provide empirical evidence regarding the direct and indirect influence of fintech payments and a hedonistic lifestyle on financial behavior through financial self-efficacy, as well as contribute to the development of financial behavior literature and serve as a reference in improving digital financial literacy and management among Generation Z.

Keywords:Fintech payment, Hedonistic Lifestyle, Financial Self-Efficacy, Financial Behavior, Generation Z

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INTRODUCTION

The development of the digital era has brought significant changes to the economic system, including in Indonesia, by encouraging a shift in people's activities to digital-based services. The presence of financial technology reflects this change by providing fast, efficient, and practical transaction services without the use of cash.(Ferdiansyah, 2025; Santika, 2025)This impact is most visible in Generation Z, individuals born between 1997 and 2012 and now aged 12 and 28. Based on the results of the 2020 Population Census, the Central Statistics Agency (BPS)(BPS, 2021), noted that Generation Z numbers 75.49 million people or 27.94 percent of Indonesia's total population, making it the largest demographic group and a potential and dominant group in the use of technology-based services, including fintech payments. Their proximity to technology has contributed to shaping financial behavior that is increasingly dependent on digital services. However, the ease of transactions encourages a hedonistic lifestyle, so using fintech without financial awareness can trigger excessive spending and reduce the ability to save.(M. Mustaqim et al., 2025)As a result, Generation Z's financial decisions tend to be influenced by trends and momentary impulses, potentially neglecting wise and sustainable financial management.(Magneta Hisyam et al., 2025)This condition emphasizes the importance of comprehensively examining the influence of fintech payments and a hedonistic lifestyle on Generation Z's financial behavior.(Sanggarwati et al., 2025).

In the local context, this research focuses on Sidoarjo Regency, which has strategic demographic characteristics for studying the financial behavior of the younger generation. Data from the Central Statistics Agency (BPS) shows that the population aged 10-29 years is more than 600,000, with an estimated Generation Z population born between 1997 and 2012, currently aged 12-28 years, reaching more than 500,000, thus dominating the population structure of the area.(BPS Sidoarjo, 2024)Financial technology penetration in Sidoarjo is also relatively high, reflected in its 8.59% contribution to the total QRIS merchants in East Java.(Bak Indonesia, 2023)Nationally, Generation Z is also recorded as one of the largest digital payment user groups, particularly through e-wallet and QRIS services. This indicates that a large portion of the younger generation in Sidoarjo Regency has been exposed to and uses fintech payment services in their daily transactions. Furthermore, the local government, through the Sidoarjo UMKM Cooperatives and SMEs Office, and the East Java Financial Services Authority (OJK) are actively promoting financial literacy and business digitalization.(Sidoarjo UMKM Cooperatives and SMEs Office, 2024; East Java OJK, 2025)The predominance of a young population makes Sidoarjo Regency

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an ideal location to study Generation Z's financial behavior, particularly regarding fintech payment usage and consumer tendencies.

The large number of Generation Z in Sidoarjo Regency, supported by easy access to fintech payments and exposure to a consumerist lifestyle, raises important issues regarding the quality of their financial behavior. Generation Z is known to be the group that most frequently uses fintech payment services such as OVO, GoPay, ShopeePay, and DANA.(Elsalonika, 2025)The convenience, speed, and cashless nature of these services can potentially reduce the perception of immediate spending, potentially encouraging impulsive buying behavior if not balanced with adequate self-control.(Monica et al., 2025)Several studies have shown that without good financial management skills, the use of fintech payments actually risks reducing the quality of financial behavior and increasing unplanned spending.(Arumalaita & Kusuma, 2025).

This condition is reinforced by the tendency towards a hedonistic lifestyle among Generation Z, where an orientation towards short-term pleasure, the urge to follow trends, and the need for social recognition encourages consumption patterns that are emotional and pay less attention to long-term financial priorities.(Almiyani & Riyadi, 2025). Vulnerability to consumer behavior increases when self-control is low, which is closely related to financial self-efficacy (FSE) as an individual's belief in managing finances effectively.(Ruski, 2025).

StudyWulandari Pipit & Yessi Nesneri, (2024), shows that financial self-efficacy plays a mediating role in the influence of various factors, including lifestyle, on financial management behavior. However, empirical findings regarding the influence of fintech payments and a hedonic lifestyle on Generation Z's financial behavior still show inconsistent results.(Ariska & Jusman, 2023; Magneta Hisyam et al., 2025; Santika, 2025), indicating an internal mechanism that has not been fully explained. Therefore, financial self-efficacy is considered relevant as a mediating variable to explain the influence of fintech payments and a hedonic lifestyle on Generation Z's financial behavior.

Although fintech payments offer convenience and efficiency in transactions, their use does not always have a positive impact on financial behavior, especially for Generation Z who have a high intensity of digital technology use.(Arumalaita & Kusuma, 2025; Sari & Listiadi, 2021). The ease of access to fast and practical digital payments has the potential to increase the tendency for impulsive consumption if not balanced with self-control and individual confidence in managing finances responsibly.(Monica et al., 2025; Wulandari Pipit & Yessi Nesneri, 2024)In this context, financial self-efficacy is understood as an individual's belief in their ability to manage and control financial decisions, thus acting as an internal

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psychological mechanism that influences the quality of financial behavior.(Bandura, 1997; Ruski, 2025)Individuals with high levels of financial self-efficacy tend to be able to utilize fintech payments more wisely and in a planned manner, while individuals with low levels of financial self-efficacy are at risk of overusing digital payment services without proper financial planning.(Sari & Listiadi, 2021; Waspada & Mulyani, 2020)Therefore, financial self-efficacy is considered relevant as a mediating variable because it functions as an internal psychological mechanism that explains how and to what extent fintech payments and a hedonistic lifestyle influence the financial behavior of Generation Z, especially in Sidoarjo Regency.(Wulandari Pipit & Yessi Nesneri, 2024).

This research is expected to contribute both theoretically and practically. Theoretically, this research adds to the study of financial behavior through a model that integrates fintech payments, hedonistic lifestyle, and financial self-efficacy as mediating variables to explain the differences in previous research results. In addition, this research broadens the understanding of the role of technology, lifestyle, and financial self-confidence in shaping the financial behavior of Generation Z. Practically, the research results can be a reference for local governments, educational institutions, and fintech service providers in developing more effective financial education programs, particularly in improving financial control and management of the younger generation, especially Generation Z. Thus, this research is expected to be able to encourage healthier financial behavior among Generation Z in Sidoarjo Regency.

RESEARCH METHODS

This research uses a quantitative research method with an explanatory research approach. According toSugiono, (2019)Explanatory research aims to explain the causal relationship between variables through empirical hypothesis testing. Based on the characteristics of the relationship between variables, this study falls into the causal associative research design, which aims to analyze the influence of one variable on another. Therefore, this approach was chosen to examine the influence of fintech payments and a hedonistic lifestyle on financial behavior, with financial self-efficacy as a mediating variable among Generation Z in Sidoarjo Regency, both directly and indirectly.

Population and Sample

The population in this study is Generation Z who live in Sidoarjo Regency with individuals born between 1997-2012 and are now aged 12-28 years with an estimated number of Generation Z in Sidoarjo of 533,585 and who have or are currently using fintech

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payment services such as OVO, GoPay, ShopeePay, DANA, and the like. The sampling technique used probability sampling with a simple random sampling method of 5-10 times the number of research indicators. In this study, the researcher used a constant of 10 with 15 indicators so that the number of samples in this study was 150 respondents.

Data Analysis Techniques

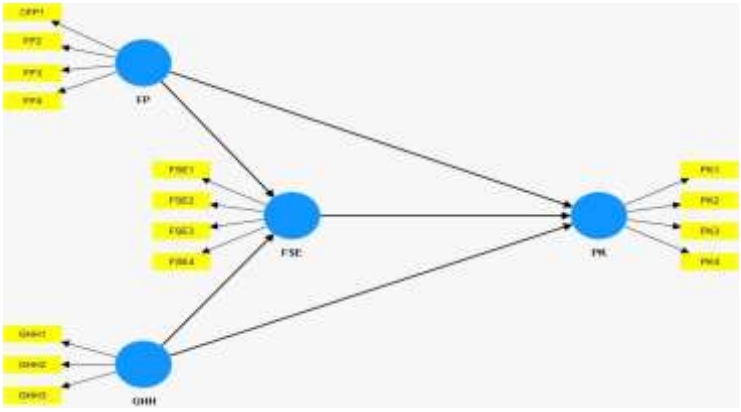
This research uses primary data as the main data source.Sugiono, (2019)explains that primary data is data obtained directly from the primary source through a data collection process carried out by the researcher. In the context of this study, primary data was collected from Generation Z respondents in Sidoarjo Regency who were selected based on certain criteria, through the distribution of structured questionnaires. The research instrument was measured using a Likert scale with five assessment categories, ranging from a score of 1 indicating strongly disagree to a score of 5 indicating strongly agree to represent the level of agreement with the indicators of fintech payment variables, hedonistic lifestyle, financial self-efficacy, and financial behavior. All collected data was then processed and analyzed to answer the problem formulation and test the formulated hypotheses.

The data analysis technique in this study used the Partial Least Square-Structural Equation Modeling (PLS-SEM) method with the help of Smart-PLS 4 software. The analysis was carried out through testing the outer model, inner model, and hypothesis testing to determine the direct and indirect influences between research variables.

RESULTS AND DISCUSSION

Results

Figure 1. Partial Least Square (PLS) Model Scheme



Source: Researchers using Smart-PLS 4 (2026)

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Convergent Validity

Convergent validity is used to assess the extent to which each indicator accurately reflects the latent construct being measured. According toHair, (2022)This assessment is carried out through the outer loading of each indicator, with the provision that an indicator is considered valid if it has an outer loading value of more than 0.70, which indicates a fairly strong and appropriate relationship between the indicator and the construct.

Table 1. Outer Loadings

Variables	Indicator	Outer Loadings	Information
Fintech payment (FP)	FP1	0.839	Valid
	FP2	0.815	Valid
	FP3	0.966	Valid
	FP4	0.844	Valid
Lifestyle*Hedonism*(GHH)	GHH1	0.750	Valid
	GHH2	0.874	Valid
	GHH3	0.851	Valid
Financial Self-Efficacy (FSE)	FSE1	0.835	Valid
	FSE2	0.756	Valid
	FSE3	0.834	Valid
	FSE4	0.791	Valid
Financial Behavior(PK)	PK1	0.840	Valid
	PK2	0.969	Valid
	PK3	0.784	Valid
	PK4	0.798	Valid

Source: Researchers processed using SmartPLS 4 (2026)

As can be seen in Table 1 above, convergent validity testing is carried out by assessing the outer loading of each indicator against the latent construct being measured. All indicators in the variable*Fintech payment*(FP), Hedonistic Lifestyle (GHH),*Financial Self-Efficacy*(FSE), and Financial Behavior (PK) have an outer loading value > 0.70, so it can be said to be valid and shows that the relationship between the indicators and the construct is at a strong and adequate level.

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Discriminant Validity

The discriminant validity test is used to ensure that each construct in the research model has a clear difference from the other constructs. According toHair, (2022)testing was carried out using the Fornell-Larcker criteria, namely by comparing the square root values*Average Variance Extracted*(AVE) for each construct with the correlation value between other constructs. A construct is declared to meet discriminant validity if the square root of the AVE value is greater than the correlation value of that construct with other constructs. This indicates that the construct has unique characteristics and is able to explain its indicators better than other constructs. The following are the results of the discriminant validity test using the Fornell-Larcker criteria for each variable:

Table 2. Fornell-Larcker Values

Variables	***Fintech payment*** **(FP)**	***Financial Self-Efficacy*** **(FSE)**	**Lifestyle*Hedonism*** **(GHH)**	**Financial Behavior (PK)**
Fintech payment **(FP)**	**0.868**			
Financial Self-Efficacy **(FSE)**	0.564	**0.802**		
Lifestyle*Hedonism*(GHH)	0.440	0.405	**0.827**	
Financial Behavior (PK)	0.655	0.579	0.411	**0.851**

Source: Researchers processed using SmartPLS 4 (2026)

Based on the results of the discriminant validity test using the Fornell-Larcker criteria in Table 2 above, all variables in this study were declared to have met the requirements for discriminant validity. This can be seen from the square root value.*Average Variance Extracted*(AVE) on each construct is higher than the correlation value with other constructs, namely the AVE value of Fintech payment is 0.868 > construct value 0.655 (PK), the AVE value*Financial Self-Efficacy*of 0.802 > construct value of 0.579 (PK), AVE value of Hedonism Lifestyle of 0.827 > construct value of 0.411 (PK), and AVE value of Financial Behavior of 0.851 > counter value of 0.655 (FP). These results indicate that each construct has a clear level of difference and is able to represent its indicators better than other constructs in the research model, so that the model can be declared to meet the criteria of discriminant validity based on the Fornell-Larcker method.

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Reliability Test

Reliability tests are conducted to assess the extent to which indicators consistently measure latent constructs. According toHair, (2022), this test can be done using*Cronbach's Alpha*, with the criteria that the construct is considered reliable if the value*Cronbach's Alpha*greater than 0.70. Achieving this value indicates that the indicator has an adequate level of internal consistency and is reliable for further analysis.

Table 3. Reliability Test

Variables	Cronbach's Alpha	Information
Fintech payment	0.889	Reliable
Lifestyle*Hedonism*	0.770	Reliable
Financial Self-Efficacy	0.815	Reliable
Financial Behavior	0.870	Reliable

Source: Researchers processed using SmartPLS 4 (2026)

Based on the data in table 3. above, reliability testing was conducted to assess the internal consistency of indicators in measuring latent constructs. All variables, namely*Fintech payment*(FP), Hedonistic Lifestyle (GHH), F*Financial Self-Efficacy*(FSE), and Financial Behavior (PK), have a value*Cronbach's Alpha*above 0.70. This indicates that all indicators in each construct have a good level of consistency and that these constructs are considered reliable for use in further analysis.

R Square Test

The R-square test is used to assess the ability of independent variables to explain the variation of dependent variables in a structural model. According toHair, (2022), the R-square value serves as an indicator of model strength, with 0.70 indicating a strong model, 0.50 moderate, and 0.25 weak, thus providing a measure of how effectively the independent variables predict the dependent variable.

Table 4. R Square Value

Variables	R Square	R Square Adjusted
Financial Self-Efficacy	0.349	0.340
Financial Behavior	0.500	0.490

Source: Researchers processed using SmartPLS 4 (2026)

Based on the analysis results presented in Table 4 above, the R Square value for the variable*Financial Self-Efficacy*of 0.349, which is equivalent to 34.9%. This value is classified

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as a moderate influence, indicating that the independent variables in the research model are able to explain 34.9% of the variation that occurs in*Financial Self-Efficacy*, while the remaining 65.1% is influenced by other factors outside the research model.

Meanwhile, the R-square value for the Financial Behavior variable is 0.500, equivalent to 50.0%. This value is also classified as a moderate influence, indicating that the independent variables in the research model can explain 50.0% of the variation in Financial Behavior, while the remaining 50.0% is influenced by factors outside the research model.

F Square Test

To see whether the influence of exogenous latent variables on endogenous latent variables has a substantive influence, Effect Size is used. The Effect Size f² test aims to determine the magnitude of the contribution of each independent variable to the dependent variable in the structural model. According toHair, (2022)measurement criteria: an f² value of 0.35 indicates a strong influence, 0.15 indicates a moderate influence, and 0.02 indicates a weak influence.

Table 5. F Square Value

Variables	***F-Square***
Fintech payment-> Financial Self-Efficacy	0.283
Fintech payment->Financial Behavior	0.256
Financial Self-Efficacy ->Financial Behavior	0.109
Lifestyle*Hedonism->Financial Self-Efficacy*	0.047
Lifestyle*Hedonism*-> Financial Behavior	0.015

Source: Researchers processed using SmartPLS 4 (2026)

Based on table 5. above, the influence of the Fintech payment variable on*Financial Self-Efficacy*of 0.283 is said to be moderate, the influence of Fintech payments on Financial Behavior of 0.256 ...*Financial Self-Efficacy*on Financial Behavior of 0.109 is said to be weak, the influence of Hedonistic Lifestyle on*Financial Self-Efficacy*A value of 0.047 is considered weak, and a value of 0.015 is considered weak. In other words, Fintech payments have a more dominant role in influencing the financial capabilities and behavior of Generation Z in Sidoarjo Regency compared to a hedonistic lifestyle, while*Financial Self-Efficacy*as a mediator has a limited but still important effect in optimizing financial behavior.

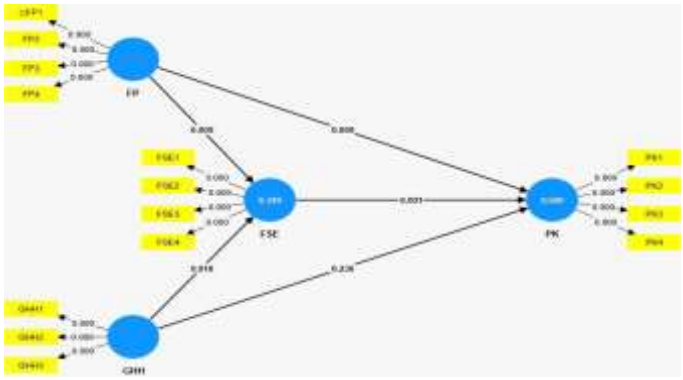
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Significance Test (Hypothesis Test)

Hypothesis testing is conducted to examine the direct and indirect influences between variables in the research model. According toHair, (2022)The testing process was carried out using the bootstrapping technique by considering the t-statistic value of 1.96 and p-value as the basis for decision making. The hypothesis is declared accepted if the p-value is <0.05, while the hypothesis is declared rejected if the p-value is >0.05.

Figure 3. Hypothesis Testing



Source: Researchers using Smart-PLS 4 (2026)

Table 6. Path Coefficients Results

Variables	*Original sample*	T Stat	*P Value*s	Note:
Fintech payment -> Financial Self-Efficacy	0.478	4,143	0,000	Accepted
Fintech payment-> Financial Behavior	0.451	4,669	0,000	Accepted
Financial Self-Efficacy-> Financial Behavior	0.285	3,356	0.001	Accepted
Lifestyle*Hedonism*-> Financial Self-Efficacy	0.195	2,370	0.018	Accepted
Lifestyle*Hedonism*-> Financial Behavior	0.097	1,184	0.236	Rejected

Source: Researchers processed using SmartPLS 4 (2026)

The results of the data processing above can be seen in testing each hypothesis that has been proposed, namely:

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1. Influence*Fintech payment*to*Financial Self-Efficacy*.

Based on the results of the PLS test presented in the path coefficients table, the first hypothesis that tests the influence of Fintech payment (FP) on*Financial Self-Efficacy*(FSE) shows an original sample value of 0.478, with a T-Statistics value of 4.143 > 1.96. Furthermore, the P-Value obtained is also less than 0.05, namely 0.000. This indicates that Fintech payments have a positive and significant influence on*Financial Self-Efficacy*. So H1 for this relationship is accepted.

2. Influence*Fintech payment*on Financial Behavior.

Based on the PLS test results presented in the path coefficients table, the second hypothesis testing the effect of Fintech payments (FP) on Financial Behavior (PK) shows an original sample value of 0.451, with a T-Statistics value of 4.669 > 1.96. Furthermore, the P-Value obtained is also less than 0.05, namely 0.000. This indicates that Fintech payments have a positive and significant influence on Financial Behavior. Therefore, H2 for this relationship is accepted.

3. Influence*Financial Self-Efficacy*on Financial Behavior.

Based on the results of the PLS test presented in the path coefficients table, the third hypothesis that tests the influence of*Financial Self-Efficacy*(FSE) on Financial Behavior (PK) shows an original sample value of 0.285, with a T Statistics value of 3.356 > 1.96. In addition, the P Value obtained is also less than 0.05, namely 0.001. This indicates that*Financial Self-Efficacy*has a positive and significant influence on Financial Behavior. Thus, H3 for this relationship is accepted.

4. The Influence of Hedonistic Lifestyle on*Financial Self-Efficacy*.

Based on the results of the PLS test presented in the path coefficients table, the fourth hypothesis that tests the influence of Hedonistic Lifestyle (GHH) on*Financial Self-Efficacy*(FSE) shows an original sample value of 0.195, with a T Statistics value of 2.370 > 1.96. In addition, the P Value obtained is also less than 0.05, namely 0.018. This indicates that a Hedonistic Lifestyle has a positive and significant influence on*Financial Self-Efficacy*. So H4 for this relationship is accepted.

5. The Influence of Hedonistic Lifestyle on Financial Behavior.

Based on the PLS test results presented in the path coefficients table, the fifth hypothesis that tests the effect of Hedonistic Lifestyle (GHH) on Financial Behavior (PK)

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shows an original sample value of 0.097, with a T Statistics value of 1.184 <1.96. In addition, the P Value obtained is greater than 0.05, namely 0.236. This indicates that Hedonistic Lifestyle does not have a significant effect on Financial Behavior. Therefore, H5 for this relationship is rejected.

Mediation Test

Table 6. Mediation Test Results

Variables	***Original sample***	***T Stat***	***P Values***	**Note:**
Fintech payment -> Financial Self-Efficacy -> Financial Behavior	0.136	2,315	0.021	Accepted
Lifestyle*Hedonism-> Financial Self-Efficacy->* Financial Behavior	0.056	1,874	0.061	Rejected

Source: Researchers processed using SmartPLS 4 (2026)

6. *Financial Self-Efficiency*Mediating Influence*Fintech payment*On Financial Behavior

Based on the results of the mediation test summarized in the total indirect effects table, the indirect influence of Fintech payments (FP) on Financial Behavior (PK) through*Financial Self-Efficacy*proven significant. This is indicated by the original sample value of 0.136, T Statistics 2.315 > 1.96, and P Value 0.021 < 0.05, so the mediation hypothesis for this path can be accepted. These results confirm that*Financial Self-Efficacy*plays an effective role as a mediating variable in explaining the mechanism of influence of Fintech payments on Financial Behavior.

7. *Financial Self-Efficiency*Mediating the Influence of Hedonistic Lifestyle on Financial Behavior

Based on the results of the mediation test summarized in the total indirect effects table, the indirect influence of Hedonistic Lifestyle (GHH) on Financial Behavior through*Financial Self-Efficacy*does not show significance, with an original sample value of 0.056, T Statistics 1.874 < 1.96, and P Value 0.061 > 0.05. This indicates that*Financial Self-Efficacy*does not act as a significant mediator on this path, so the mediation hypothesis for the influence of Hedonistic Lifestyle on Financial Behavior is rejected.

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DISCUSSION

The Influence of Fintech Payments on Financial Behavior.

The results of the PLS-SEM analysis show that*Fintech payment*has a positive and significant impact on financial behavior. The more intensive the use of digital payment services, the better the financial management behavior, including spending management, saving, and making planned financial decisions. Automation features such as bill reminders, expense recording, and instant financial reports facilitate financial discipline and reduce the risk of impulsive consumption. Generation Z in Sidoarjo Regency who actively use digital payment services*fintech*not only showing more consistent saving behavior, but also being able to plan expenses for short-term and long-term needs in a balanced manner.

The results of this study are in accordance with*Theory of Planned Behavior* Ajzen, (1991), which states that perceived behavioral control influences actual actions.*Fintech*improve behavioral control by providing financial data*real-time*transparent. Generation Z in Sidoarjo uses this information to make more rational decisions and reduce risks.*over-budget*This is in line with researchArumalaita & Kusuma, (2025), Erlangga et al., (2020), and Virgiawan & Prawitasari, (2024), which shows that*fintech payment*improve financial discipline through automatic reminders and expense recording, encourage more structured expense planning with financial data*real-time*, and helps change consumer habits to be more rational because users can assess and manage financial decisions based on accurate and transparent information.

The Influence of Hedonistic Lifestyle on Financial Behavior.

The PLS-SEM analysis results show that a hedonistic lifestyle has no significant effect on financial behavior. Generation Z, focused on short-term pleasure, tends to make impulsive spending on entertainment, lifestyle, and social experiences, resulting in less disciplined savings and budget planning. Hedonistic orientation is more dominant in influencing emotional spending than rational financial decisions.

*Self-efficacy*can balance consumer impulses, but not completely curb the influence of hedonism. Generation Z in Sidoarjo still needs financial education, self-control strategies, and digital literacy to maintain optimal financial behavior. This aligns with research.Aprilia Afni Furoidah, (2024) and Ferdiansyah, (2025),which emphasizes the importance of financial education and self-control. Education helps Generation Z understand how to manage expenses and save, while self-control reduces impulsive spending, leading to more rational and planned financial decisions.

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The influence of Fintech payments on*Financial Self-Efficacy*.

The results of the PLS-SEM analysis show that*Fintech payment*has a positive and significant effect on*Financial Self-Efficacy*Generation Z in Sidoarjo Regency who regularly use digital services such as e-wallets, QRIS, and mobile banking apps show increased confidence in managing their personal finances. They can monitor their spending effectively.*real-time*, budgeting, and making more rational financial decisions. Ease of access, automatic recording, and instant transaction notifications provide greater control over their financial situation. Respondents reported that the use of*fintech*making them more aware of spending limits, able to avoid wasteful habits, and better prepared to face sudden needs, so that*self-efficacy*increased significantly.

The results of this study are in line with*Social Cognitive Theory* Bandura, (1997), which emphasizes that an individual's belief in their own abilities influences decision-making and behavior.*Fintech payment*provides a monitoring mechanism that strengthens self-competence while providing a real sense of control over financial management. Generation Z in Sidoarjo is utilizing this technology to improve their financial capabilities, balance spending and savings, and prepare for future financial challenges. This aligns with research.Arumalaita & Kusuma, (2025) and Lestari et al., (2024), confirming that the use of*fintech*regularly can improve*self-efficacy*and financial awareness. Users learn to manage spending, save, and make more informed financial decisions with the help of automated features like instant reports and transaction notifications.

The Influence of Hedonistic Lifestyle on*Financial Self-Efficacy*.

The results of the PLS-SEM analysis show that the Hedonistic Lifestyle has a positive and significant effect on*Financial Self-Efficacy*. Generation Z, who tends to be hedonistic, still uses*self-efficacy*to balance personal satisfaction and financial obligations. They take advantage of*fintech*to monitor spending and curb consumer impulses, thus enabling them to manage their budget and prioritize essential needs. Using fintech makes them more aware of their spending limits, and despite their active social lifestyles, they are still able to set aside funds for savings or urgent needs.

A hedonistic lifestyle can increase financial management awareness if accompanied by self-control skills.*Self-efficacy*It is an internal mechanism that restrains impulsive behavior, allowing Generation Z in Sidoarjo to manage their finances optimally. This is in line with research.Aprilia Afni Furoidah, (2024) and Aryani & Manganti, (2024), emphasizing that*self-efficacy*Strong financial literacy and support helps Generation Z manage spending, avoid impulsive behavior, and balance short-term pleasures with financial obligations.

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Influence*Financial Self-Efficacy*on Financial Behavior.

The results of the PLS-SEM analysis show that*Financial Self-Efficacy*has a positive and significant impact on financial behavior. Generation Z with high confidence in their financial management abilities tend to create structured budgets, save consistently, and make simple investment decisions. They are better able to restrain impulsive spending and utilize*fintech*to manage expenses and plan future needs well. This shows that*self-efficacy*act as an internal driver that enables financial capabilities to be translated into concrete actions, in line with*Social Cognitive Theory* Bandura, (1997)which emphasizes the role*self-efficacy*in motivation and behavioral control.

Generation Z in Sidoarjo Regency who have*self-efficacy*height can optimize features*fintech*, such as automatic recording, budget reminders, and instant transaction reports, to streamline financial management.Jannatun, (2023) and Sinta Cahyatullah, (2024), supports that*self-efficacy*is an important mediator between financial knowledge, experience, and behavior, and is a determining factor in converting financial capabilities into real and consistent actions.

***Financial Self-Efficiency*Mediating the Influence of Fintech Payments on Financial Behavior.**

The results of the PLS-SEM analysis show that*Financial Self-Efficacy*mediating influence*Fintech payment*on Financial Behavior has been proven to be significant. Generation Z in Sidoarjo Regency utilizes*self-efficacy*to transform the convenience of digital transactions into more disciplined financial behavior. They are able to plan expenses, save, and manage their budgets more rationally. This mediation confirms that*fintech payment*not just a digital transaction tool, but also a means of developing internal financial competencies.

FSE acts as an internal mechanism that bridges capabilities with actual behavior. Generation Z maximizes the benefits*fintech payment*through strengthening self-confidence, so that financial management becomes more rational and consistent. Previous research byArumalaita & Kusuma, (2025) and Lestari et al., (2024), showing that the combination*fintech*And*self-efficacy*can help individuals manage expenses, save, and make financial decisions more confidently and effectively. Regular use of financial technology allows individuals to monitor transactions in real time.*real-time*, manage budgets, and improve financial discipline. With this*self-efficacy*, users become more confident in facing financial risks, optimizing benefits*fintech*, and maintain consistency in long-term financial planning.

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***Financial Self-Efficacy*Mediating the Influence of Hedonistic Lifestyle on Financial Behavior.**

The results of the PLS-SEM analysis show that*Financial Self-Efficacy*unable to mediate the influence of Lifestyle*Hedonism*significantly impacts financial behavior. This finding indicates that individual confidence in managing finances is not enough to reduce consumer behavior influenced by pleasure orientation and lifestyle. Generation Z in Sidoarjo Regency, which tends to have a hedonistic lifestyle, still predominantly fulfills the needs for entertainment, trends, and social experiences, resulting in less than optimal financial management behavior. Despite having a high level of*financial self-efficacy*good, this belief is not necessarily able to change consumer behavior into more disciplined financial behavior. Research bySari & Listiadi, (2021)as well asWulandari Pipit & Yessi Nesneri, (2024)also shows that*self-efficacy*is not always enough to restrain the influence of hedonistic lifestyle on consumer behavior, so that the findings support the conceptual explanation of this study.

The results of this study can be explained through*Social Cognitive Theory* Bandura, (1997)which states that*self-efficacy*It will be more effective if supported by adequate behavioral control and financial management strategies. In this study, the emotional impulses arising from a hedonistic lifestyle tended to be stronger than an individual's confidence in managing finances, so*Financial Self-Efficacy*is unable to act as a bridging variable between the influence of a hedonistic lifestyle and financial behavior. Therefore, other supporting factors are needed, such as financial literacy, self-control, and utilization.*fintech*wisely to help improve better financial behavior.

CONCLUSION

The results of this study indicate that fintech payments and financial self-efficacy have a positive and significant influence on the financial behavior of Generation Z in Sidoarjo Regency. Furthermore, fintech payments and a hedonistic lifestyle also have a positive and significant influence on financial self-efficacy. However, a hedonistic lifestyle does not significantly influence financial behavior. Empirically, these findings indicate that the use of digital payment services can help Generation Z control spending, monitor transactions, and increase confidence in managing finances independently. On the other hand, the modern lifestyle of Generation Z does not directly determine good or bad financial behavior, although it still contributes to increasing individuals' confidence in their financial capabilities.

The findings of this study strengthen the Social Cognitive Theory put forward byAlbert Bandura, (1997)which emphasizes that an individual's belief in their own abilities plays a

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crucial role in shaping behavior. In this study, financial self-efficacy was shown to encourage better financial behavior and mediate the influence of fintech payments on financial behavior. Furthermore, the results of this study align with the Theory of Planned Behavior proposed byIcek Ajzen, (1991), where the use of fintech payments helps individuals increase control over their financial activities through easy access to information and real-time transaction monitoring. Thus, this study confirms that the integration of financial technology use and individual confidence in managing finances is a crucial factor in shaping Generation Z's financial behavior.

Practically, the results of this study indicate that efforts to improve Generation Z's financial behavior depend not only on improving financial literacy but also need to be supported by optimizing the use of fintech payments and strengthening financial self-efficacy. The use of digital payment services needs to be directed not only as a means of transaction, but also as a means of financial control and planning. Furthermore, strengthening individual confidence in managing finances is also crucial so that Generation Z can control spending and make more rational financial decisions amidst the current development of digital lifestyles and consumer trends.

However, this study still has limitations, particularly in the sample size and variables used. Therefore, future research is recommended to expand the research model by adding other variables such as financial literacy, self-control, or consumer behavior. Furthermore, the use of other moderating or mediating variables can also be used to examine the relationships between variables in greater depth, thereby providing stronger theoretical and empirical contributions to future research on Generation Z's financial behavior.

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