

The Influence of The Social Environment and Modern Culture on The Financial Expenditure Pattern of Students of The Loli Student Association Throughout Malang Region

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INDEXING	ABSTRACT
Keywords: Keyword 1; Social Environment Keyword 2; Modern Culture Keyword 3; Financial Expenditure Keyword 4; Loli Student Association Keyword 5; Influence	The social environment and contemporary culture play a crucial role in addressing student financial issues. This study aims to find out and analyze the influence of the social environment and modern culture on the financial expenditure pattern of students of the Loli Student Association Throughout Malang Region partially and simultaneously. The study employs quantitative methods, with data gathered via a questionnaire. For data analysis, the researcher utilizes multiple linear regression in the SPSS software. The results of the study prove that the social environment partially affects the pattern of student financial expenditure with a t-value of 3.555 and a t-table of 1.660 and modern culture affects the pattern of student financial expenditure with a t-value of 7.843 and a t-table of 1.660. Then simultaneously the social environment and modern culture affect the pattern of student financial expenditure with an F value of 116.665 and an F table of 2.21. The conclusion of this research is the Social environment has a significant effect on financial expenditure patterns of Students of The Loli Student Association Throughout Malang Region. Then, the modern culture variable has a significant effect on the financial expenditure patterns of Students of The Loli Student Association Throughout Malang Region. Last, the social environment and modern culture together or simultaneously, have a positive and significant effect on the financial expenditure patterns of Students of The Loli Student Association Throughout the Malang Region. The development of the next research can be examined by using other variables and other variable indicators that are more relevant in measuring the variables used, so that different and more accurate results can be obtained.

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INTRODUCTION

Social phenomena, such as shifts in lifestyles and consumption patterns, have evolved with technological and informational advances in the modern era. These changes have influenced general behavior and perspectives, particularly among students. As future leaders, students play a vital role in development and the economy. However, they are also affected by their environment and contemporary culture, which can impact their financial habits. Managing finances is often challenging for students, especially those living away from their parents (Sima *et al*, 2020).

Students constitute a significant segment of society and greatly impact development and the economy. Due to continuous advancements in science and technology, students' living needs have grown. According to Soleha and Hartati (2021), students often encounter financial difficulties as they typically lack their

income and parental remittances are frequently delayed and insufficient. This is in line with the view (Amelia, 2020) which states that a consumptive lifestyle that is not adjusted to the income owned can cause financial failure. It will indirectly make an increase in a person's lifestyle. A student tends to want to update his appearance to be more modern according to the trends that are developing in society.

But unconsciously, this is just a fulfillment of his desire to be recognized by the environment for his existence. The impact of this behavior is that it will cause behavior that is not in line with their financial condition. So that a student with a modern environment and culture must have financial intelligence to manage financial spending patterns wisely and appropriately. According to Napitupulu *et al* (2021), understanding the importance of financial management is essential, as managing finances is a fundamental aspect of human life. This aligns with the perspective of Yusuf and Taruh (2022), who assert that individuals must act wisely in managing their finances to avoid challenges that lead to financial mismanagement. Therefore, students should acquire the necessary knowledge and skills to manage their finances prudently.

The Loli Student Association Throughout Malang Region (IML) is a group of students with various unique characteristics. IML Semalang Raya students have strong ties with organizations and regions of origin, and receive financial support from certain parties. This gives IML Semalang Raya students access to good resources with other students in general. However, on the other hand, IML students are also vulnerable to the influence of the modern social and cultural environment which can encourage excessive spending patterns. IML students generally have a higher financial burden, because IML students have to pay for their education and daily life. Managing finances effectively is a challenge, especially amid the temptation of the modern social and cultural environment that encourages excessive spending. Increased financial awareness and the ability to manage finances are important so that IML students can achieve a balance between needs and wants.

The financial spending habits of IML students are influenced by the social environment and modern culture in various ways. Firstly, the ease of access to goods and services through numerous online and offline platforms encourages students to increase their consumption for both essential and non-essential needs. Technological advancements have led to the creation of numerous e-commerce platforms and delivery services, simplifying access to a broad range of products and services, from everyday necessities to luxury items. Secondly, technological advancements like smartphones and the internet have fostered a digital lifestyle that requires expenses for internet access, the latest devices, and digital entertainment. Smartphones and the internet have become essential for modern students, not only for studying and communication but also for keeping up with trends, engaging with social media, and accessing diverse forms of information and digital entertainment. Thirdly, the rapid rise of trends and peer pressure on social media can compel students to adopt specific lifestyles and consumption habits. Social media has become a crucial platform for students to share information, follow trends, and build their social identities. Peer and influencer pressure on these platforms can motivate students to spend money on certain products and services to be seen as "trendy" and "up-to-date" with the latest trends.

Abdurahman & Oktapiani (2020) found that students tend to showcase fashion and lifestyle on campus, using it as a platform to prioritize appearance and prestige. This aligns with the view of Eldista *et al* (2020), who suggests that one's expressed lifestyle and social interactions influence financial management patterns. A simpler lifestyle among students is associated with better financial management. Conversely, a

more extravagant lifestyle leads to increased financial expenditure, often resulting in excessive behaviors like hedonistic consumption driven by desires rather than needs. In addition, modern culture that emphasizes materialistic values, consumerism, and hedonism can also have a significant influence on IML student spending patterns. The desire to get instant pleasure and satisfaction can encourage students to spend money on entertainment, food, and also consumptive experiences.

This phenomenon can pose several challenges for IML students. First, IML students are vulnerable to the influence of the modern social and cultural environment that encourages excessive consumption. Second, peer pressure and social media can encourage students to spend money beyond their means. Third, a lack of knowledge and understanding of financial management can lead to expenses not being controlled appropriately. With these various challenges, if not managed properly, the influence of the social environment and modern culture can hurt the financial spending patterns of IML students. So increased spending, dependence on loans, and financial imbalances can be a consequence faced by students.

Therefore, this study aims to examine the influence of the social environment and modern culture on the financial spending patterns of IML students. This research is also expected to provide deeper knowledge and understanding of the factors that affect the spending patterns of IML students, as well as provide useful recommendations to increase financial awareness and financial management of IML students.

LITERATURE REVIEW

The Social Environment

The social environment can be defined as a social interaction that occurs in society either directly or indirectly, for example by discussing with friends, or with vicarious, which is an individual's observation of what is being done or worn by others (Rosdiana, 2020). According to Chen and Antonelli (2020), the concept of social environment is related to the influence of others on that person in a consumption situation. For example, the existence of a group can cause pressure on environmental conformity. According to Jin *et al* (2018), the social environment is everyone who influences us. Direct influences like our daily interactions with family, friends, other people, and colleagues. Meanwhile, indirect influence can be through television, radio, newspapers, and other electronic media.

Modern Culture

Culture is a way of life that is carried out from generation to generation, it can include the procedures of dress, language, buildings, artworks, and the political field, as well as described by Salih and Dweik (2021). Because this culture is carried out from generation to generation by ancestors. Modern is leaving life, the old (traditional) way to life, the advanced or new (modern) way. Or it can be simplified modern, this is an adjustment to the demands of the times or the development of the times. Modern is a word that may be familiar to us. Where in this modern era science and technology have become more sophisticated. The demands of the times make us inevitably have to follow the development of the advanced times. Meanwhile, modern culture is a culture that arose in the era of the development of the times. These developments are usually said to have an extraordinarily positive impact if they make it easier to take steps and save more time in the way humans work and also by covering satisfactory results (Tajuddin, 2016).

Financial Expenditure Patterns

Financial Expenditure Pattern refers to the excessive and unplanned consumption of an item. With a tendency to consume without limits, based on desire rather than need, and not based on rational considerations (Taujanskaitė, 2016). Meanwhile, based on another opinion, the Financial Expenditure Pattern is a behavior of purchasing goods because it prioritizes secondary and tertiary desires over primary desires and can cause waste. Financial spending patterns begin to appear when consumer behavior changes, which is when consumer behavior does not make sense or changes but is based on emotional factors (Lichev, 2017, 2019). Next, the pattern of financial spending is interpreted as consuming excessively without prioritizing goods and services, but only wanting to satisfy their desires through purchases, or in other words prioritizing satisfaction over needs (Ariesta and Nurhidayah, 2020).

RESEARCH METHOD

This type of research is quantitative research and the source of the data is primary data collected directly through the distribution of questionnaires to respondents (Mohajan, 2020). The population in this study is all members of the Loli Student Association of Semalang Raya. The total population in this study is as many as 538 student members and to determine the number of samples is calculated using the Slovin formula with an error value of 5% so that the number of samples obtained is 230 respondents. The sample is a selected part of the population that was selected through the sampling method in a study (Mujere, 2016).

1. In this study, there are two independent variables and one bound variable, and each variable has several indicators that are used to measure these variables in the form of statements. Each indicator of the variables in this study is: Variable X1 (social environment) indicators are: Family environment, work or education environment, peers, reference group, and role and status.
2. The X2 (modern culture) variables are indicators, namely: Advertising, Influencers, trends, and technology.
3. Variable Y (financial management) indicators are: Excessive consumption, Buying goods and services based on desires and Consumption attitude.

The variable measurement in this study uses a Likert scale consisting of 5 points, namely SS: strongly agree (5), S: agree (4), N: neutral (3), TS: disagree (2), and STS: strongly disagree (1) (Fatoni *et al*, 2024). The data management in this study used SPSS version 21 by conducting a Questionnaire Instrument Test, Classical Assumption Test, multiple regression analysis test, determination coefficient (R²) analysis test, and Hypothesis test, with the significance level used is 5%. The model of multiple linear regression equations can be expressed as follows: $Y = a + b_1X_1 + b_2X_2 + e$, as well as explained by Gogtay *et al* (2017) and also Dahlia and Fadli (2022).

RESULT AND DISCUSSION

Based on the results of the variable instrument test, namely the validity and reality test, the calculated r value of each variable statement is greater than the r value of the table (>0.138) and the Cronbach's Alpha value of each variable is greater than the significance level of (>0.50), so it can be said that the data is valid and reliable. Based on the results of the normality test, the data shows that the Asymp value. Sig. (2-tailed) is 0.515 which means > 0.05 so it can be concluded that the data is normally distributed. Based on the results of the multiple regression analysis test of the equation in the study, the following can be explained as follows: $Y = 5.276 +$

$0.237X_1 + 0.437X_2$ can be explained as follows:

- The value of the constant is 5.276; This can be interpreted if the value of variable X is 0, then the level of variable Y of the financial expenditure pattern is 5.276.
- The value regression coefficient of the X1 variable has a positive value (+) which is 0.237, it can be interpreted that with every increase in the X1 variable of the social environment by one time, the Y variable of the financial expenditure pattern of the students of the IML Student will also increase by 0.237 assuming that other variables are fixed.
- The value regression coefficient of the X2 variable has a positive value (+) which is 0.437, then it can be interpreted that with every increase in the X2 modern culture variable by one time, the Y variable of the financial expenditure pattern of the student association of the IML Student will also increase by 0.437 assuming that other variables are fixed.

Based on the results of the multiple linear regression analysis test (R Square) obtained an R Square value of 0.507, it can be interpreted that 50.7% of the financial expenditure pattern of the students of the IML is influenced by the social environment and modern culture. While the remaining 49.3% was influenced by other variables that were not included in this study.

This study conducted hypothesis tests to examine the relationship between independent and dependent variables using both partial (t-test) and simultaneous (F-test) methods. The t-test was used to determine whether there was a significant partial effect of the independent variables on the dependent variables. The decision-making criterion for the t-test was to compare the calculated probability value with the significance level (α) of 0.05. If the significance value (Sig) is less than 0.05, it indicates a significant effect. Conversely, if the significance value is greater than 0.05, the variable does not have a significant partial effect. The t-test results in this study are as follows:

Table 1. Partial Test Results (t-Test)

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	5.276	.774		6.821	.000
X1 lingkungan sosial	.237	.067	.237	3.555	.000
X2 modern culture	.437	.056	.523	7.843	.000

Source: SPSS 2025 data processing

Based on the table above, it can be explained that:

- The Sig. value of the Financial Literacy variable (X1) is 0.000 (0.05) so it can be concluded that the X1 variable Social environment has a significant effect on financial expenditure patterns.
- The Sig. value of the Modern culture variable (X2) is 0.000 (0.05) so it can be concluded that the X2 modern culture variable has a significant effect on the pattern of financial expenditure.

The F test is used to show whether all the independent variables included have an effect simultaneously or together on the bound variable. The results of the F test of this study are as follows:

Table 2. Simultaneous Test Results (Test F)

ANOVA^a

Model	Sum Squares	df	Mean Square	F	Sig.
Regression	1616.896	2	808.448	116.665	.000 ^b
Residual	1573.034	227	6.930		
Total	3189.930	229			

Source: SPSS 2025 data processing

Based on the results of the F test above, the significance value is less than 0.05, namely $0.000 < 0.05$, it can be concluded that the independent variable (X), namely the social environment and modern culture together or simultaneously, has a positive and significant effect on the dependent variable (Y) of the financial expenditure pattern of the ILM. The findings of this study are consistent with those of Abdurahman & Oktapiani (2020) in their research titled "The Influence of Financial Literacy and Social Environment on the Financial Behavior of Sumbawa University of Technology Students." Their study indicated that financial literacy significantly affects student financial behavior, with a probability value of 0.022. Additionally, the social environment also has a significant impact, as evidenced by a probability value of 0.017. Similar results were observed in the research conducted by Ariska *et al* (2023).

The results of the study show that financial technology has a positive and significant effect on financial behavior, financial literacy has a positive and significant effect on student financial behavior, and hedonism lifestyle has a positive and significant effect on financial behavior, as well as described by Wahyudi *et al* (2020), Kamel and Sahid (2021), and also Yana and Setyawan (2023).

CONCLUSION

The conclusion of this research is

1. First, the Social environment has a significant effect on the financial expenditure patterns of Students of The Loli Student Association Throughout the Malang Region.
2. The modern culture variable has a significant effect on the financial expenditure patterns of Students of The Loli Student Association Throughout the Malang Region.
3. The social environment and modern culture together or simultaneously, have a positive and significant effect on the financial expenditure patterns of Students of The Loli Student Association Throughout the Malang Region.

The development of the next research can be examined by using other variables and other variable indicators that are more relevant in measuring the variables used, so that different and more accurate results can be obtained.

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