

Digital Financial Literacy and Financial Behavior of Millennials: Empirical Findings from Makassar City

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Abstract: Advances in financial technology have changed how financial services and products are accessed and delivered, significantly influencing the financial behavior of millennials. This study examines the influence of digital financial literacy on millennials' financial behavior in Makassar City, Indonesia. Using a quantitative approach, data were collected via an electronic questionnaire distributed on social media platforms such as LinkedIn and Facebook. Six hundred ten valid responses were analyzed using Structural Equation Modeling (SEM) to examine the relationships among variables. The results show that all dimensions of digital financial literacy, namely digital knowledge, digital experience, digital skills, and digital awareness, positively and significantly influence financial behavior. Digital financial literacy equips millennials with the knowledge and skills to make informed financial decisions, access online financial tools, and manage their financial resources effectively. This study contributes to the literature on digital financial literacy in developing countries and offers strategic recommendations for policymakers, educators, and financial institutions to empower millennials in the digital era.

Keywords: financial literacy, financial behavior, millennial generation, managing finances

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INTRODUCTION

Financial behavior is an important aspect of individual, organizational, and societal life (Grohmann et al., 2015; Katou, 2017). A deep understanding of financial behavior is beneficial for achieving individual financial well-being and impacts policy-making at the government and corporate levels (Katnic et al., 2024; Zhou et al., 2024). In Makassar City, Indonesia, studying millennials' financial behavior is relevant to exploring the patterns and trends that influence this generation's financial management. By studying financial behavior, we can identify key factors that influence financial decision-making, such as personal values, beliefs, attitudes, and socioeconomic conditions (Pardo-Piñashca, 2024; Shi et al., 2025; Wage et al., 2025).

Financial behavior encompasses various aspects of decision-making, including saving, spending, investing, borrowing, and budgeting (Sabri et al., 2024; She et al., 2024). However, psychological factors such as cognitive and emotional biases also influence individual financial decision-making (Issac & Seranmadevi, 2024). Basir et al. (2024) identified loss aversion, present-tense bias, herd mentality, and overconfidence as significant factors influencing financial behavior. By understanding these behavioral biases, individuals and organizations can make wiser decisions, avoid common financial

mistakes, and build more effective strategies (Gafoor & Amilan, 2024; Kovács & Terták, 2024).

Other research shows that in recent decades, digital technologies have brought significant changes to the global financial system (Polishchuk et al., 2024). Financial transactions, services, and information are increasingly connected, making digital financial literacy an inevitable need, especially among the millennial generation in Makassar City. Digital financial literacy is the knowledge, skills, and awareness needed to use digital financial products and services effectively and safely (Elrayah & Tufail, 2024; Serhiichuk et al., 2025). Understanding digital financial literacy can help individuals make smart financial decisions, manage personal finances effectively, and protect themselves from financial risks such as digital fraud and identity theft (Bedük & Harkness, 2024; Henager & Cude, 2016).

Digital technologies provide great opportunities for people to improve their financial management (Kovács & Terták, 2024; Strömbäck et al., 2017). Research by Serhiichuk et al. (2025) shows that digital technology can improve access to financial services, simplify budget management, and encourage more rational decision-making. However, despite the widespread adoption of financial technology, digital financial literacy among millennials in Makassar still requires special attention. Therefore, this research is needed to fill the gap, especially in Makassar City.

This research focuses on digital financial literacy and its influence on the financial behavior of the millennial generation in Makassar City. Millennials are defined as individuals born between 1981 and 1996 who, in recent years, have become the most active age group using digital technology in their daily lives, including in their financial management. Against this background, this study aims to measure the extent of digital financial literacy possessed by millennials in Makassar City and how it affects their financial behavior.

This study also aims to identify factors influencing millennials' digital financial literacy and financial behavior. A quantitative approach is expected to provide a comprehensive picture of millennials' digital financial literacy in Makassar City. The results of this study are relevant not only for academics and practitioners. However, they can also serve as a reference for the government, educational institutions, and financial institutions in designing educational programs and interventions to improve digital financial literacy and positive financial behavior.

This research is expected to make a significant contribution to the literature on digital financial literacy in developing countries, especially in Indonesia. With greater digital financial literacy, millennials are expected to manage their finances more effectively, reduce financial risks, and improve their financial well-being.

LITERATURE REVIEW

Theory of Planned Behavior

The Theory of Planned Behavior, introduced by Ajzen (1985), is the main theoretical framework for understanding how digital literacy influences millennials' financial habits. This theory explains that human behavior is influenced by intentions formed from individual attitudes towards certain behaviors, subjective norms, and perceived behavioral control. In terms of financial habits, this theory is relevant as it highlights the important role of digital literacy in shaping young people's mindsets and financial decisions (Stolper & Walter, 2017). As explained by Katnic et al. (2024), this theory is relevant for understanding behavior in the financial world, especially because aspects of

digital literacy affect intentions and individuals' ability to make wise financial decisions in the digital era.

Digital Financial Literacy

Digital financial literacy encompasses the knowledge, skills, and understanding to effectively utilize digital financial products and services (Pardo-Piñashca, 2024; Zhou et al., 2024). It involves accessing, evaluating, and applying digital resources in managing personal and organizational finances (Deenanath et al., 2019; Wage et al., 2025). Different from conventional financial literacy, it emphasizes the digital aspects of financial management, including the use of technology in transactions, services, and information distribution (Shi et al., 2025). Digital literacy, according to Potrich et al. (2025), includes the ability to use technology to solve problems, innovate, improve communication, and face the challenges of the digital era. Chaturvedi Sharma (2025) emphasizes the importance of using information technology to obtain, evaluate, and convey financial information, which requires technical and cognitive competencies.

Key dimensions in digital financial literacy include digital knowledge, which refers to the understanding and ability to use technology to support financial decision-making through platforms such as financial applications and online portals (Fong, 2025). Digital experience includes integrating and using technology across platforms, such as online payments, digital investments, and budget management (Reisdorfer-da-Silva et al., 2025). Digital awareness refers to an individual's understanding of financial technologies, potential risks, opportunities, and impacts, including data security and the threat of online fraud (Serhiichuk et al., 2025). Digital skills involve effectively using digital tools and platforms, such as payment applications or online investment tools (Kovács & Terták, 2024). This literacy helps individuals manage their finances more wisely, improve their financial well-being, and protect themselves from risks arising from a poor understanding of digital technology. This study examines how the four dimensions of digital financial literacy influence millennials' financial behavior in Makassar.

Financial Behavior

Individuals must understand and manage their financial behavior to achieve financial stability, security, and long-term goals. This requires smart financial decision-making strategies and adopting sustainable financial habits to manage resources and achieve desired outcomes effectively (Bedük & Harkness, 2024). As described by Elrayah and Tufail (2024), financial behavior encompasses habits, patterns, and decisions related to managing, using, and allocating financial resources. Ideas, attitudes, values, socioeconomic conditions, and cultural norms influence this behavior (Anwar et al., 2023; Dewi et al., 2024). Financial behavior reflects how individuals determine their priorities and make decisions to achieve financial well-being (Asmarany et al., 2024; Ferine et al., 2024; Sjahrudin et al., 2024). Serhiichuk et al. (2025) highlighted that negative financial behaviors include overspending, impulse buying, living beyond one's means, accumulating debt, neglecting savings, and speculative investments without adequate understanding.

Three main dimensions of financial behavior were identified. The first dimension is saving behavior, which includes setting aside a portion of income for future needs or emergencies (Polishchuk et al., 2024). It reflects financial choices that focus on accumulating resources for a specific purpose (Ferine et al., 2023). The second dimension is spending behavior, which refers to the habits and patterns of using money to buy goods

or services. These decisions reflect financial management in daily consumption activities (Kovács & Terták, 2024). The last dimension is investment behavior, which encompasses the processes and decisions for allocating financial resources to generate profit or achieve specific financial goals. This behavior includes strategies and methods for selecting investment opportunities (Gafoor & Amilan, 2024).

Digital Financial Literacy and Financial Behavior

Digital financial literacy is important in helping millennials in Makassar City make more informed financial decisions, access digital financial services effectively, and protect themselves from financial risks in the digital era. This literacy enables them to navigate the digital financial landscape more confidently. In this context, Basir et al. (2024) examined the impact of digital financial literacy on Indonesian millennials' saving and spending behavior. The results showed that individual social and economic factors influence digital financial literacy and positively impact saving and spending habits.

She et al. (2024) also highlighted the relationship between digital financial literacy and financial behavior, including saving, spending, and investing, among Indonesian millennials. Based on a structural equation modeling analysis of 741 respondents, they found that digital financial literacy significantly influenced all three types of behavior. Furthermore, Issac and Seranmadevi (2024) investigated the factors determining the adoption rate of digital financial literacy in rural areas in the Aligarh district, India, using 500 respondents and multiple regression models. The study identified various factors such as age, gender, income, education level, social status, and marital status that have a significant influence on digital financial literacy. Based on this literature review, this study formulates the following hypotheses:

H1: Digital knowledge has a positive impact on financial behavior.

Digital knowledge encompasses understanding digital concepts, technologies, and tools that support financial management. Millennials with strong digital skills tend to understand better the benefits and risks of financial technologies, such as banking apps, budgeting software, and investment portals (Fong, 2025). This knowledge allows them to make wiser financial decisions, such as setting aside income for savings or planned investments.

H2: Digital experience positively impacts financial behavior.

Digital experiences include interactions with technology, such as digital payment apps, e-commerce sites, or online investment platforms. These experiences give millennials practical insights into managing their finances through technology (Chaturvedi Sharma, 2025). Regular use of technology also helps them build good financial habits, such as tracking expenses, taking advantage of online discounts, and using investment apps to achieve long-term goals.

H3: Digital awareness positively impacts financial behavior.

Digital awareness refers to understanding the risks and opportunities associated with digital finance, such as data security, potential fraud, and the benefits of digital financial services. Individuals with high digital awareness are more cautious when using financial technology, such as ensuring the security of their personal data when conducting online transactions. This awareness also enables them to utilize innovative features, such as automatic savings or budget alert services, to improve their financial well-being (Potrich et al., 2025).

H4: Digital skills have a positive impact on financial behavior.

Digital skills are the technical ability to use financial tools and technologies effectively and efficiently. Examples include skills in using payment apps, financial software for budgeting, or online investment platforms for portfolio diversification. Millennials with strong digital skills tend to be more organized in their financial management, thereby developing healthy, sustainable financial habits (Reisdorfer-da-Silva et al., 2025).

Based on the phenomena and research gaps previously described, further study is needed to understand the effect of digital financial literacy on the financial behavior of the millennial generation. This research focuses on millennials in Makassar City, Indonesia, who are increasingly dependent on digital financial tools in their financial management.

This study examines how exogenous variables, namely the dimensions of digital financial literacy (knowledge, experience, awareness, and skills), influence endogenous variables and financial behavior, which includes saving, spending, and investment habits. By exploring these relationships, this study is expected to provide insights into the role of digital financial literacy in shaping prudent financial behavior in the digital era. The research model proposed in this study is presented in Figure 1 as follows:

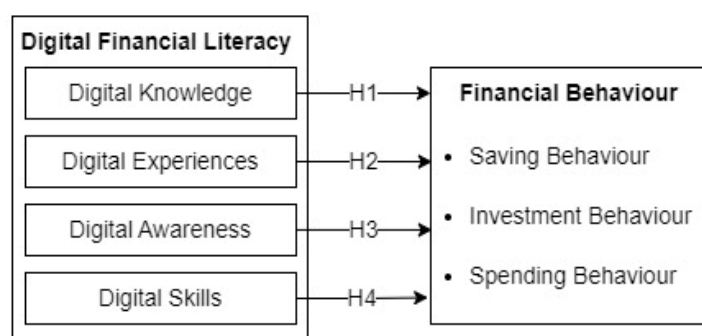


Figure 1. Research model

RESEARCH METHODOLOGY

Sample and Data Collection

This study used a cross-sectional design to investigate the relationship between digital financial literacy and financial behavior among millennials in Makassar City, Indonesia. The study population consisted of individuals born between 1981 and 1996, meaning that the demographic data verification process was designed to ensure that all respondents belonged to this generation.

This study employed convenience sampling, collecting data via an electronic questionnaire distributed via social media platforms such as LinkedIn and Facebook. This approach enabled the researcher to reach a large number of millennial respondents efficiently. However, the use of convenience sampling may limit the generalizability of the findings, as the sample may not fully represent the broader population of millennials in Makassar City. Respondents who are more active on social media and more familiar with digital technologies may be overrepresented in the sample.

Table 1. Sample Profile (N=610)

Variable	Kategori	N	%
Gender	Male	378	62,0%

Variable	Kategori	N	%
Education Level	Female	232	38,0%
	Below Diploma	66	10,8%
	Diploma	117	19,2%
	Undergraduate	404	66,2%
	Postgraduate	21	3,4%
Sector	Government (ASN)	285	46,7%
	Private	248	40,7%
	Military (TNI/Police)	79	12,6%
Income	Less than 10 million	301	49,3%
	From 10 to less than 15 million	239	39,2%
	From 15 to less than 20 million	41	6,7%
	20 million and higher	29	4,8%
	Total	610	

Data was collected quantitatively using a carefully designed electronic questionnaire to measure digital financial literacy and financial behavior. The questionnaire was distributed via leading social media platforms, including LinkedIn and Facebook, during the data collection period from May 2024 to July 2024. The sampling methodology used was convenience sampling, which enabled a broad distribution of data among millennials in Makassar City.

In total, 830 questionnaires were collected, but 220 responses were removed after data quality evaluation due to invalid or repetitive response patterns. Thus, the final dataset consisted of 610 valid responses, which accounted for 73.6% of the total questionnaires received. This process was carefully conducted to ensure data quality and reliability. The sample's demographic characteristics are presented in detail in Table 1, providing a comprehensive overview of the respondent profile. The data collection strategy and rigorous data selection process ensure that the results of this research analysis can reliably explore the relationship between digital financial literacy and financial behavior among millennials in Makassar City.

Measurement

The research questionnaire was carefully prepared through an in-depth literature review to ensure its relevance and quality. It was designed in electronic format to support environmentally friendly practices, reflecting the researcher's commitment to sustainability. As part of the commitment to research ethics, the questionnaire consisted of three main sections and an introduction.

The first section of the questionnaire collected demographic information from respondents, including age, gender, education level, employment sector, and income level. This information provides important context for in-depth data analysis.

The second section focused on the main research variables, measured using a five-point Likert scale. Respondents were asked to rate statements on a scale from "strongly disagree" (1) to "strongly agree" (5). This approach enabled the researcher to capture the nuances of respondents' attitudes and opinions toward the research variables, yielding detailed, quantifiable data.

The third part of the questionnaire measured the independent variable, digital financial literacy, using 15 items adapted from Katnic et al. (2024). These items fall into four dimensions: digital knowledge, digital experience, digital awareness, and digital skills. Each dimension involves measurements such as understanding digital financial

concepts, experience using digital tools, awareness of digital risks, and technology-based financial management skills.

The last section of the questionnaire focuses on the dependent variable, financial behavior. The assessment comprised 12 items adapted from Pardo-Piñashca's (2024) research, covering the dimensions of saving, investment, and spending behavior. These dimensions evaluate respondents' habits in setting aside money, making investments, and managing expenses effectively. This questionnaire was comprehensively designed to measure the relationship between digital financial literacy and the financial behavior of millennials in Makassar City. Using Likert scales and a careful structure ensures valid, reliable data and supports in-depth analysis of the research results.

RESULTS AND DISCUSSION

Results

Evaluation of Measurement Model

Confirmatory Factor Analysis (CFA) is a statistical method used in this study to evaluate the validity and reliability of the constructs underlying the research instruments, specifically those related to digital financial literacy and financial behavior. In structural equation modeling, CFA is generally used when researchers have a strong theoretical basis or prior understanding of the latent constructs and their relationships (Banoğlu, 2011; Wider et al., 2021). CFA is important in ascertaining whether the observed data conform to a predetermined theoretical framework (Fahrudin & Saefudin, 2025; She et al., 2024).

Through a comprehensive statistical analysis, this study ensures that the measurement tools used are highly reliable and valid, thereby supporting the accuracy and credibility of the research findings. Table 1 summarizes the results of the validity and reliability evaluation of the research instruments. Data generated through CFA provides an overview of the instruments' performance and the suitability of the theoretical constructs under analysis.

The findings summarized in Table 2 indicate a strong relationship between the observed variables and the latent constructs, as evidenced by factor loadings ranging from 0.637 to 0.825. These values significantly exceed the minimum threshold of 0.50, confirming the validity of the constructs in this measurement model.

Table 2. Results of Confirmatory Factor Analysis

Variables	Items	Loading factor	Path	MSV	$\sqrt{\text{AVE}}$	VIF
Digital Knowledge (DK)	DK1	0.825	0.560	0.482	0.748	1.371
	DK2	0.715				
	DK3	0.772				
	DK4	0.671				
Digital Experience (DE)	DE1	0.732	0.586	0.435	0.765	1.228
	DE2	0.751				
	DE3	0.811				
Digital Awareness (DA)	DA1	0.702	0.558	0.468	0.747	1.182
	DA2	0.764				
	DA3	0.782				
	DA4	0.737				
Digital Skills (DS)	DS1	0.637	0.570	0.422	0.755	1.524
	DS2	0.806				

Variables	Items	Loading factor	Path	MSV	$\sqrt{\text{AVE}}$	VIF
Saving Behavior (SAB)	DS3	0.791	0.521	0.447	0.722	---
	DS4	0.773				
	SAB1	0.715				
	SAB2	0.755				
	SAB3	0.734				
Investment Behavior (INB)	SAB4	0.681	0.532	0.532	0.729	---
	INB1	0.733				
	INB2	0.762				
	INB3	0.718				
	INB4	0.703				
Shopping Behavior (SPB)	SPB1	0.741	0.531	0.452	0.728	---
	SPB2	0.676				
	SPB3	0.769				
	SPB4	0.725				

The average variance extracted (AVE) exceeds the minimum threshold of 0.50, confirming convergent validity according to the predefined criteria. In addition, the measurement model demonstrated discriminant validity, as evidenced by the AVE exceeding the maximum shared variance (MSV) and the square root of the AVE exceeding the minimum threshold of 0.70.

The reliability of the measurement model was evaluated using MacDonald's omega coefficient, with results falling within the range of 0.809 to 0.840. These values exceed the 0.70 threshold commonly used to assess composite reliability (Murliasari et al., 2023; Pardo-Piñashca, 2024; Zhou et al., 2024). In addition, the independent constructs reflecting the various dimensions of digital financial literacy were found to be free from multicollinearity. This finding is reinforced by Variance Inflation Factor (VIF) values well below the threshold of 5, as recommended by Sabri et al. (2024). Overall, these results demonstrate the strong reliability and validity of the measurement model, reinforcing the quality of the research instruments used in this study.

Structural Model Evaluation

This study uses structural equation modeling (SEM) to analyze the effect of digital financial literacy on the financial behavior of the millennial generation in Makassar City, Indonesia. SEM is a highly reliable statistical method for testing hypotheses about direct and indirect relationships between latent constructs (Deenanath et al., 2019). This technique also provides various model fit indices that help assess the extent to which the theoretical model fits the empirical data, thus strengthening the validity and suitability of the tested model (Kaiser & Menkhoff, 2020; Morgan & Long, 2020).

Figure 2 visually represents the structural model used in this study. The graphical representation shows the relationships between latent variables and pathways that illustrate how digital financial literacy affects millennials' financial behavior. This visualization provides a clear framework for understanding the research hypothesis and the complexity of the interactions between the latent constructs under study.

The structural model evaluation results show that the Chi-Squared test value (CMIN/DF) is 1.747, which is below the common threshold of 3. This indicates that the model fits the empirical data well. In addition, fit indices such as the Comparative Fit Index (CFI) and the Tucker-Lewis Index (TLI) exceeded 0.90, indicating that the model effectively captured the relationships among the latent constructs. On the other hand, the

Root Mean Square Error of Approximation (RMSEA) of 0.031 is well below the recommended maximum of 0.08, indicating that the model fits the observed data well and thereby strengthening its validity.

Based on these results, the structural model used in this study is deemed suitable for analyzing the impact of digital financial literacy on the financial behavior of the millennial generation in Makassar City. Table 3 summarizes the path coefficients from the SEM analysis, providing in-depth insight into the relationships among variables and the strength of the proposed influences. The findings support the conclusion that digital financial literacy plays a significant role in millennials' financial behavior in Makassar City. Table 3 summarizes the path coefficients generated from the SEM analysis, providing in-depth insights into the relationships between variables and the strength of the proposed influence. The findings support the conclusion that digital financial literacy plays an important role in shaping millennials' financial behavior, while confirming the importance of strengthening digital literacy in youth financial development strategies.

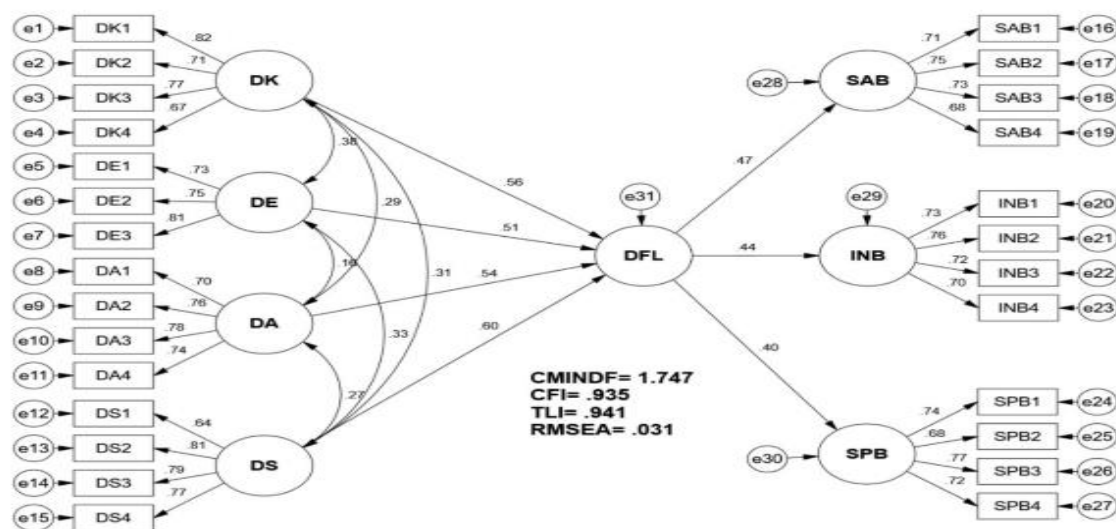


Figure 2. Structural Model for Evaluating Hypotheses

Table 3. Results of SEM Path Coefficients

Assumed Paths	B	S.E	β	t	p
Digital knowledge → Financial Behavior	0.577	0.056	0.561	10.30	0.000
Digital Experiences → Financial Behavior	0.525	0.058	0.506	9.05	0.000
Digital Awareness → Financial Behavior	0.551	0.059	0.539	9.34	0.000
Digital Skills → Financial Behavior	0.624	0.058	0.602	10.75	0.000

Table 3 provides an overall picture of the relationship between the four dimensions of digital financial literacy, namely Digital Knowledge, Digital Experience, Digital Awareness, and Digital Skills, and their effect on Financial Behaviour. Each path coefficient reflects the strength and direction of the relationship between a particular digital financial literacy dimension and individual financial behavior. The path coefficient of 0.577 for digital knowledge indicates a strong, statistically significant positive relationship, supporting the first hypothesis that individuals' digital knowledge influences their financial behavior.

In addition, the path coefficient for the digital experience of 0.525 indicates a significant positive relationship, supporting the second hypothesis that digital experience is important in shaping financial behavior. The path coefficient of 0.551 for digital awareness indicates a significant positive relationship with financial behavior, supporting the third hypothesis. Meanwhile, digital skills had a path coefficient of 0.624, indicating a very strong and significant relationship, confirming the important role of digital skills in influencing financial behavior and supporting the fourth hypothesis.

Overall, the SEM analysis confirmed that all four evaluated dimensions of digital financial literacy significantly shape millennials' financial behavior. This finding highlights the importance of strengthening digital literacy to improve individual financial management.

Discussion

This study examines the impact of digital financial literacy on millennials' financial habits in Makassar City, Indonesia. The results reveal that all dimensions of digital financial literacy, namely digital knowledge, digital experience, digital skills, and digital awareness, positively influence financial behavior. This finding underscores the importance of digital financial literacy as a key factor in enabling wiser, more strategic financial decision-making among millennials. The following discussion will elaborate on the influence of each dimension of digital financial literacy on millennials' financial behavior in Makassar City. It will also provide strategic recommendations to improve this literacy as part of efforts to support their financial sustainability.

Digital knowledge was found to significantly influence millennials' financial behavior in Makassar City. This knowledge involves understanding digital-based financial concepts, including recognizing online financial products and services. With this knowledge, millennials can make smarter and more strategic financial decisions. As Katnic et al. (2024) stated, digitally savvy individuals can evaluate financial options, compare product benefits, and select financial products that best suit their needs. This also enables them to avoid impulsive or ill-informed financial decisions.

Digital knowledge also provides a foundation for financial inclusion by opening access to a wider range of financial services (Kaiser & Menkhoff, 2020). Millennials who understand the concept of financial technology can take advantage of a wider range of investment opportunities through online platforms such as digital mutual funds and apps that offer easy ways to save and invest. This knowledge also enriches their insight into the risks and benefits of certain financial products, such as how to take advantage of interest rates, understand investment return calculations, and analyze hidden costs (Morgan & Long, 2020). With this knowledge, millennials in Makassar can take more deliberate steps to achieve financial stability.

Digital experience plays an important role in shaping millennials' financial behavior in Makassar City. The experience of using digital financial applications, such as e-wallets, investment platforms, or banking apps, improves practical skills in managing income and expenses. Deenanath et al. (2019) reported that direct interaction with digital financial tools helps individuals understand how to track spending and budget, and to identify consumption patterns. In Makassar, using apps such as e-wallets and digital transfers has become part of millennials' daily activities, contributing to more efficient financial management.

This experience promotes financial inclusion by facilitating access to banking services and investment products that were previously out of reach. Millennials

accustomed to using digital tools can leverage these technologies to optimize their income, such as taking advantage of online discounts, cashback, or bill-splitting features available on digital apps (Stolper & Walter, 2017). This hands-on experience strengthens individuals' confidence in managing their accounts, applying for online loans, and participating in more complex financial activities such as crowdfunding or community-based investments (Strömbäck et al., 2017).

Digital awareness plays a key role in building healthy financial habits among millennials. With a high level of digital awareness, individuals can understand the risks associated with financial technology, such as online fraud, identity theft, and data breaches. Awareness of the importance of security measures such as two-factor authentication, strong passwords, and safe surfing habits is integral to digital financial literacy (Henager & Cude, 2016; Pardo-Piñashca, 2024). In the context of Makassar, millennials, with this awareness, can protect their personal information when using digital financial applications.

In addition, digital awareness encourages millennials to evaluate the credibility of their financial platforms. For example, they can distinguish between legitimate investments and suspicious investment schemes. In a previous study, Basir et al. (2024) emphasized that digital awareness also enhances individuals' ability to understand information about hidden costs, interest rates, and investment risks. Thus, millennials with strong digital awareness tend to make wise, responsible financial decisions.

Digital skills were the most powerful dimension of digital financial literacy in shaping millennials' financial behavior in Makassar City. These skills include using budgeting apps, expense-tracking tools, investment calculators, and other financial planning platforms. As She et al. (2024) explain, these skills enable individuals to remain disciplined in managing their finances, including setting financial goals, monitoring progress, and adjusting strategies as needed.

Digital skills enable millennials to make the most of technology to achieve financial stability (Katnic et al., 2024). For example, apps with gamification features can encourage savings habits, while others provide automated analysis of consumption patterns and recommendations for better financial management (Morgan & Long, 2020; Pardo-Piñashca, 2024). Millennials with good digital skills can also adapt quickly to innovations in finance, such as digital assets, blockchain-based investments, or digital payment systems (Sabri et al., 2024). In this context, digital skills improve individuals' financial management capabilities and expand their opportunities to achieve financial independence.

In Southeast Asia, where financial technology adoption is accelerating, these findings are particularly relevant. Countries such as Indonesia, Malaysia, and the Philippines have experienced rapid growth in digital payment systems and online investment platforms (Henager & Cude, 2016; Pardo-Piñashca, 2024). This regional trend underscores the importance of enhancing digital financial literacy to enable individuals to benefit from financial innovation while fully mitigating potential risks. Therefore, the results of this study not only align with regional evidence but also provide empirical support for strengthening digital financial education policies in emerging markets.

The results of this study highlight the importance of improving digital financial literacy among millennials in Makassar City. First, collaboration between the government, educational institutions, and financial institutions is needed to develop educational programs focusing on digital financial literacy. These programs can cover budget management, investment, digital security, and technology-based decision-making. Second, public education initiatives should utilize various digital platforms to reach more

individuals. Social media, online campaigns, and gamification-based apps can make digital financial literacy learning more engaging and interactive. Finally, the development of mobile apps tailored to millennials' needs can help them practice digital financial literacy in their daily lives. These apps can include financial planning tools, investment calculators, and interactive educational materials to help them achieve their financial goals.

This study has several limitations that should be acknowledged. First, the focus on millennials in Makassar City may limit the generalizability of the findings to other regions with different socioeconomic contexts. Second, the use of convenience sampling through online questionnaires may introduce selection bias, as digitally active respondents are more likely to participate. In addition, reliance on self-reported data may introduce response bias, while the cross-sectional design limits the ability to capture causal relationships over time. Therefore, future research is encouraged to expand the geographic scope, apply probability sampling techniques, and adopt longitudinal or mixed-method approaches to enhance the robustness of the findings.

CONCLUSION AND RECOMMENDATIONS

This study shows that digital financial literacy significantly influences millennials' financial behavior in Makassar City, Indonesia. All dimensions of digital financial literacy, namely digital knowledge, experience, skills, and awareness, consistently contribute positively to personal financial management, including saving, investing, and spending habits. Digital financial literacy helps millennials make more informed financial decisions, utilize digital financial technology effectively, and protect themselves from digital security risks. In addition, this study confirms the importance of integrating digital financial literacy in public education programs and government initiatives to increase millennials' awareness and ability to manage their finances. By utilizing interactive tools, gamification-based applications, and digital educational materials, millennials can be empowered to achieve sustainable financial stability.

The results of this study make an important contribution to the digital financial literacy literature, especially in developing countries, and offer insights for policymakers, educational institutions, and financial institutions to design strategic interventions that support prudent financial behavior among young people. Further research is needed to explore additional factors that may strengthen digital financial literacy and its impact on future financial sustainability.

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