THE INFLUENCE OF ECONOMIC LITERACY, ECONOMIC RATIONALITY, AND PEER GROUPS ON CONSUMPTIVE BEHAVIOR OF ECONOMIC EDUCATION STUDENTS UNIVERSITAS NEGERI MALANG

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ABSTRACT

Consumptive behaviour is the behaviour of individuals in utilizing the resources they have to maximize the use-value or utility of an item or service. This consumptive behaviour is quite a problem for today's teenagers, students who should have acquired the basic knowledge of economics also still find it difficult to allocate their resources to fulfil their needs and desires. This study aims to determine the level of influence of the variables of economic literacy, economic rationality and peer groups on the consumptive behaviour of students of economic education at the Universitas Negeri Malang. This type of research is associative research with 163 respondents determined by a simple random sampling method. Data collection techniques using a questionnaire. The data collection tool uses a questionnaire. Analysis of the data used is multiple linear regression. The results showed that the variables of economic literacy, economic rationality and peer groups affected consumptive behaviour. Based on the coefficient of determination, the variables of economic literacy, economic rationality, and peer groups contributed 28.70% to the consumptive behaviour of students of economic education at the State University of Malang. Based on the results of this study, it is suggested to students as the subject of this research to always improve their ability to behave economically and also theoretically to be a reference for further research.

Keywords: Consumptive Behavior, Economic Literacy, Economic Rationality.

INTRODUCTION

Basic knowledge of economics or economic literacy is very meaningful in the life of students, Bagi (Kanserina, 2015) Says that a person who in life has poor economic literacy generally has irrational economic activities. (Daroin, 2013) explains that economic literacy is one of the conditions that can describe a person being able to master economic problems well related to everyday life in fulfilling every need of their life.

The Theory of Consumptive Behavior by Kotler (2012) states that consumptive behaviour is influenced by three factors, namely social factors, consisting of the reference group, family, and socioeconomic status, personal factors, consisting of age, stages in the life cycle, self-concept and personality, and psychological factors, consisting of motivation, perception, literacy, belief and attitude. Based on the above theory, social factors make the reference group, in this case, the peer group, the things that influence consumptive behaviour. The definition of a peer group is a close friendship between an individual and his/her school friends. Usually, it occurs based on mutual care and shared activities, and has characteristics such as mutual understanding and mutual assistance, mutual trust, mutual respect and acceptance (Monks, 2008). In a peer group, everyone feels that they are similar to each other, such as age, needs, and goals that can improve the group (Susanti, 2016).

Shaffer (Nurachma & Arief, 2017) defines peers as a group that is more influential in choosing clothes, hobbies, associations (clubs) and other social activities. Adolescents often face acceptance or rejection from their peers in interpersonal relationships. In order not to be rejected by their peers, adolescents tend to follow the same principles in their peer group to be well received in their peer group (Mappiare, 1982). One of them is by following the lifestyle of peer consumers. Therefore, if a friend buys a certain product or item, other young women will also buy it. In recent years, economic education researchers have increasingly focused their attention on the issue of economic literacy. The importance of financial literacy for individuals, households and nations is also very clear. Economic well-being at all levels is a function of making economic choices (Lo Prete, 2013). The extent to which improved decision-making in the economy can promote well-being is of particular concern in developing countries. Several international aid projects are now incorporating elements of specific economic education as part of their efforts to sustain economic growth (Lo Prete, 2013).

In other studies, the concept of rationality used by individuals is also a central feature, which defines the current economy (Tomer, 2008). This is important because the concept is positive and normative. Unfortunately, this is a feature that is problematic on both sides. A large number of articles and books have been written about the shortcomings of rationality as a positive or descriptive concept, but relatively few have dealt with the shortcomings of economic rationality as a normative concept (Tomer, 2008).

Based on the background of the problem above, the researchers took research on: "The Influence of Economic Literacy, Economic Rationality, and Peer Groups on Consumptive Behavior of Economic Education Students, Universitas Negeri Malang."

METHOD

This study uses explanatory quantitative research methods, which research tries to provide answers to questions that have been formulated in problems that will be prioritized in further research. The total population in this study were 275 students. Based on the data obtained, a sample of 163 students was taken using the formula T Yamanee.

RESULT AND DISCUSSION

RESULT

Based on the objectives of this previous study, the following are the results of the research produced after data processing with the help of SPSS 25 software. The data obtained from the results of the questionnaire distribution were analyzed to obtain the results of the classical assumption test, and hypothesis testing from the research.

Normality Test Results

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: consumptive behavior
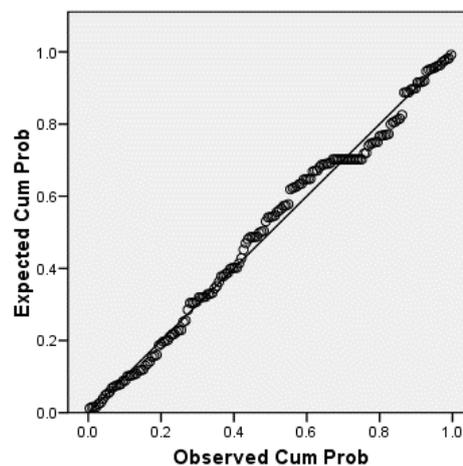
Based on the P-P Plot image above, it can be seen that the distribution of data points spreads around the line and follows the direction of the diagonal line, this means that the regression model used in this study meets the assumption of normality and is suitable for use in the subsequent data processing. In addition to using the P-P Plot, the normality test in this study also uses the Kolmogorov-Smirnov test, along with the results of the Kolmogorov-Smirnov test:

One-Sample Kolmogorov-Smirnov Test

		literasi ekonomi	rasionalitas ekonomi	kelompok teman sebaya	perilaku konsumtif
N		163	163	163	163
Normal Parameters a,b	Mean	10,93	55,56	50,27	48,41
	Std. Deviation	4,334	4,219	5,659	6,665
Most Extreme Differences	Absolute	,089	,075	,068	,048
	Positive	,089	,075	,068	,044
	Negative	-,067	-,061	-,053	-,048
Kolmogorov-Smirnov Z		1,140	,953	,872	,607
Asymp. Sig. (2-tailed)		,149	,323	,432	,854

a. Test distribution is Normal.

b. Calculated from data.

From the table above, it can be concluded that the variables studied do not follow the non-parametric distribution shown by the Asymp number. Sig (2-tailed) > 0.05 which is equal to (0.85 > 0.05) which means that the data in this study is normally distributed and can be used for further data analysis processes.

Multicollinearity Test

Coefficientsª

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	6,588	6,578		1,001	,318		
	Economic literac ... li	,338	,116	,220	2,902	,004	,782	1,279
	Heteroscedasticity Testy ...onomi	,462	,112	,292	4,135	,000	,897	1,115
	Economic rationality ...n sebaya	,248	,089	,211	2,781	,006	,781	1,280

a. Dependent Variable: consumptive behavior

Based on the results above, it can be seen that the tolerance value of each independent variable is 0.10 as follows: economic literacy (0.782 0.10), economic rationality (0.897 0.10), peer group (0.781 0.10). In addition, the VIF value of each variable 10 is as follows: economic literacy (1,279 10), economic rationality (1,115 10), peer group (1,280 10). This shows that the regression model used in this study is free from the presence of multicollinearity symptoms.

Heteroscedasticity Test

Correlations

			literasi ekonomi	rasionalitas ekonomi	kelompok teman sebaya	ABRESID
Spearman's rho	literasi ekonomi	Correlation Coefficient	1,000	,147*	,368**	-,037
		Sig. (1-tailed)	.	,031	,000	,318
		N	163	163	163	163
	rasionalitas ekonomi	Correlation Coefficient	,147*	1,000	,167*	-,056
		Sig. (1-tailed)	,031	.	,016	,237
		N	163	163	163	163
	kelompok teman sebaya	Correlation Coefficient	,368**	,167*	1,000	-,031
		Sig. (1-tailed)	,000	,016	.	,348
		N	163	163	163	163
	ABRESID	Correlation Coefficient	-,037	-,056	-,031	1,000
		Sig. (1-tailed)	,318	,237	,348	.
		N	163	163	163	163

*. Correlation is significant at the 0.05 level (1-tailed).

**. Correlation is significant at the 0.01 level (1-tailed).

Based on the table above, it can be seen that the significance value of each independent variable is > 0.05 as follows: economic literacy (0.318 > 0.05), economic rationality (0.237 > 0.05), and peer groups (0.348 > 0, 05). This proves that based on spearman's rho test, the data used in this study does not occur heteroscedasticity.

Multiple Linear Regression

Coefficientsª

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6,588	6,578		1,001	,318
	literasi ekonomi	,338	,116	,220	2,902	,004
	rasionalitas ekonomi	,462	,112	,292	4,135	,000
	kelompok teman sebaya	,248	,089	,211	2,781	,006

a. Dependent Variable: consumptive behavior

In the coefficients section, it can be seen that the constant $b_0 = 6.588$ and the coefficient $b_1 = 0.338$, the coefficient $b_2 = 0.462$ and the coefficient $b_3 = 0.248$, so the regression equation becomes $Y = 6.588 + 0.338 X_1 + 0.462 X_2 + 0.258 X_3$. The constant of 6.588 states that if there is no score for economic literacy, economic rationality and peer groups ($X = 0$) then the score for consumptive behaviour is 6.588. The regression coefficient for X1 of 0.338 states that each addition (because of the + sign) one unit of X will increase consumptive behaviour by 0.338. The regression coefficient for X2 is 0.462 which states that each addition (because of the + sign) one unit of X will increase consumptive behaviour by 0.462. The regression coefficient for X3 is 0.248 which states that each addition (because of the + sign) one unit of X will increase consumptive behaviour by 0.248.

Simultaneous Test

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2067,411	3	689,137	21,359	,000[a]
	Residual	5130,049	159	32,264		
	Total	7197,460	162			

        a. Predictor (constant): peer group, economic rationality, economic literacy.
        b. b. Dependent Variable: consumptive behavior

Based on the calculation results above, it shows that the calculated F is 21.359 > F table is 2.66 or (Sig.) 0.000 <0.05. Thus, there is a simultaneous (together) influence between economic literacy (X1), economic rationality (X2), and peer groups (X3) on consumptive behaviour (Y).

DISCUSSION

Economic Literacy Has a Significant Influence on Consumptive Behavior of Economic Education students Universitas Negeri Malang

Based on the data presented in the previous section, shows that economic literacy has a significant effect on the consumptive behaviour of Economic Education students at the Universitas Negeri Malang. This fact shows that the better the economic literacy of students, the better the consumptive behaviour of the students of Economics Education, Universitas Negeri Malang. Economic literacy is one of the basic things that influence the consumptive behaviour of students, where this behaviour is based on their economic literacy. The results in this study are also in line with several previous studies which also stated that economic literacy had a significant effect on the consumptive behaviour of students. This is also in line with the theory put forward by Kotler which states that consumptive behaviour is influenced by psychological factors which in this case are students' economic literacy.

This variable is measured using four indicators, namely understanding economic problems related to individual needs, scarcity and the economic system. Understand the economic concepts related to the economic activities of consumers and producers. Understand economic concepts related to the demand, supply, equilibrium prices and markets. Understand government policies in the economic field. One of the factors that influence consumer behaviour is the learning process, namely the learning process to explain changes in a person's behaviour that arise from experience (Haryani & Dewanto, 2015). From this learning process, a person has good economic literacy which makes a person tend to behave well in consumption as well. This learning process can be obtained by students from economic education in their families, economic education in the school environment, and economic education in the community (Ningsih & Bawono, 2016).

(Salemi, 2005) said that in principle, economic literacy is a tool to achieve goals, but in reality, not everyone has high economic literacy, thereby narrowing the chances of achieving prosperity by becoming more consumptive. One of the indicators is to be a smart person in managing their economic resources to achieve prosperity, which is following the findings (Cavdar & Aydin, 2015).

Economic Rationality Has Significant Influence on Consumptive Behavior of Economic Education students Universitas Negeri Malang

From the results of data testing, it was found that economic rationality had a significant effect on the consumptive behaviour of students of economic education at the State University of Malang. This shows that the more effective the economic rationality of students, the better their consumptive behaviour will be. The results in this study are also in line with several previous studies which also stated that economic rationality had a significant effect on the consumptive behaviour of students. This is also in line with the theory put forward by Kotler which states that consumptive behaviour is influenced by personal factors which in this case are students' economic rationality. (Zarri, 2010) argues that economic man is a human being who is seen as an individual who makes rational decisions so that he thinks rationally, he must be aware of the various alternatives available. (De Menil et al., 2016) assume that consumers behave rationally if they carefully consider all alternatives and choose the alternative that provides the greatest utility to them. The concept of rationality states that consumers select targets based on completely objective criteria (Bertoméu-Sánchez & Estache, 2017).

Personal behaviour is called economic rationality when they can perform economic efficiency, where economic efficiency includes minimizing the nominal money consumed and maximizing the results of the consumption of money or its resources (Bhardwaj et al., 2019). The rationality aspect is theoretically able to suppress the high excessive consumption behaviour, consumers who have high rationality will be able to choose several choices for commodities that can satisfy their needs (Bertoli et al., 2020). Rationality relates to aspects of the priority scale regarding the selection of a particular commodity to maximize the benefits of several rational choices (Costa Pinto et al., 2020).

Peer Groups Have a Significant Influence on Consumptive Behavior of Economic Education students Universitas Negeri Malang

Based on the data above, shows that peer groups have a significant effect on the consumptive behaviour of Economic Education students at the Universitas Negeri Malang. This fact shows that the more intense the interaction of a student's peer group, the more effective and efficient the consumptive behaviour of the students of Economic Education, Universitas Negeri Malang will be. Peer groups are also one of the basic things that influence the consumptive behaviour of students, where the behaviour is based on the social interactions of the students themselves. The results in this study are also in line with several previous studies which also stated that economic literacy had a significant effect on the consumptive behaviour of students. This is also in line with the theory put forward by Kotler which states that consumptive behaviour is influenced by social factors which in this case are student peer groups.

In life as a social entity, humans continue to strive to grow themselves to be accepted by their groups. The development of the human ego is described by Cooley. Here Cooley posits that one self-concept develops through interaction with another. The search for identity to explain who we are and our role in society is a means of navigating adolescent identity. Peer groups will allow people to communicate with each other, get along, and provide encouragement and motivation to their peers emotionally. The existence of an emotional bond in group life will bring various benefits and great influence to the individuals in the group, including the consumptive behaviour of branded products that can show their status and support their lifestyle. Therefore, it can be concluded that a peer group is a group of friends with strong emotional ties, who can interact, socialize, exchange ideas and experiences in social and personal life, forming attitudes.

CONCLUSION

Each individual has their unique behaviour, especially in this case, namely consumptive behaviour. Based on the theory that has been stated above, three factors influence a person's consumptive behaviour, namely social factors, in this case, peer groups, personal factors, namely economic rationality, then psychological factors, namely economic literacy. Based on this study, all of these variables have a significant influence on the consumptive behaviour of students at the Universitas Negeri Malang. This research confirms the theory put forward by Kotler, and becomes the basis for further research.

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