

THE EFFECT OF MATERIALISM AND FINANCIAL KNOWLEDGE ON FINANCIAL STRESS: THE ROLE OF PRESENT FATALISTIC AND MARITAL STATUS

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ABSTRACT

The conditions of the Covid 19 outbreak during 2019 and 2020 made some people lose their jobs or income, which resulted in increased financial pressures. This research examines the influence of present fatalistic, materialism, financial knowledge, and marital status on financial stress. Data were collected using a questionnaire. The number of samples that can be processed in the study was 484 respondents. The analysis technique used is the partial least squares structural equation modeling (PLS-SEM). The direct test results show that present fatalistic and materialism significantly increase financial stress, while financial knowledge and marital status reduce financial stress. Present fatalistic has been shown to positively mediate materialism's effect on financial stress. Meanwhile, marital status strengthens the negative influence of financial knowledge on financial pressure. It means that marital status encourages someone with good financial knowledge to use their ability to manage their finances to avoid financial stress. This study recommends to the public the importance of controlling materialistic behavior, reducing hopelessness, and increasing self-control to reduce financial pressure.

JEL : D12, D14.

Keywords : *financial stress, materialism, financial knowledge, present fatalistic, marital status.*

ABSTRAK

Kondisi wabah Covid 19 selama tahun 2019 dan 2020 membuat sebagian masyarakat kehilangan pekerjaan atau penghasilannya, yang mengakibatkan tekanan keuangan semakin meningkat. Penelitian ini menguji pengaruh fatalistik masa kini, materialisme, pengetahuan keuangan, dan status perkawinan terhadap tekanan keuangan. Pemilihan sampel didasarkan pada metode *purposive sampling*, dan pengumpulan data dilakukan dengan menggunakan kuesioner. Jumlah sampel yang dapat diolah adalah 484 responden. Teknik analisis yang digunakan adalah *Partial Least Square Structural Equation Modeling* (PLS-SEM). Hasil pengujian pengaruh langsung menunjukkan bahwa fatalistik masa kini dan materialisme secara signifikan meningkatkan tekanan keuangan, sedangkan pengetahuan keuangan dan status perkawinan mengurangi tekanan keuangan. Fatalistik masa kini terbukti secara positif memediasi pengaruh materialisme pada tekanan keuangan. Sementara itu, status perkawinan memperkuat pengaruh negatif pengetahuan keuangan terhadap tekanan keuangan. Hal ini berarti bahwa status perkawinan mendorong seseorang yang memiliki pengetahuan keuangan yang baik untuk menggunakan pengetahuan tersebut dalam mengelola keuangannya agar terhindar dari tekanan keuangan. Studi ini merekomendasikan kepada masyarakat pentingnya mengendalikan perilaku materialistis, mengurangi keputusasaan, dan meningkatkan pengendalian diri untuk mengurangi tekanan keuangan.

Kata Kunci : *tekanan keuangan, materialisme, pengetahuan keuangan, fatalistik masa kini, status perkawinan.*

1. INTRODUCTION

One problem often found in metropolitan cities, such as Surabaya, is the economic problem. A poor economy's impact is a high poverty level, compounded by the Covid-19 pandemic, worsening the situation. Data from the Central Bureau of Statistics (BPS) shows that

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Surabaya's poor population in 2019 was 130.55 thousand people, while in 2020, Surabaya's poor population increased to 145.67 thousand people (BPS, 2020). It shows that more people in Surabaya are experiencing a decline in financial welfare during the Covid outbreak. This deteriorating level of financial well-being can create financial stress.

Financial stress can cause various problems, such as decreased work productivity, difficulty achieving goals, and increased life dissatisfaction (Bailey, Woodiel, Turner, & Young, 1998; Osman, Madzlan, & Ing, 2018). Financial stress can occur because households or individuals have insufficient income to meet expenses or have excessive debt. In other words, financial stress can occur because households or individuals mismanage personal or family finances (Alsemgeest, 2019; Payne, Kalenkoski, & Browning, 2019). Financial stress can occur because of poor financial management and when individuals experience emergencies such as bankruptcy, accidents, illness, and investment losses (Hunter & Shannon, 2020; Thayer & Gildner, 2021). In such situations, the individual or family may be under pressure from the condition that may cause financial stress.

Based on the description above, it is necessary to examine various factors influencing financial stress to avoid bad conditions. Financial stress factors include present fatalistic, materialism, financial knowledge, and marital status. Present fatalistic is related to perceptions of a lack of self-control in life and feelings of helplessness and hopelessness about the future and life (Ponchio, Cordeiro, & Gonçalves, 2019). When a person cannot control themselves and are hopeless, he tends to make less effort to overcome financial problems for now and in the future. It will cause him to experience more financial difficulties. The results of previous studies have proven that present fatalistic has a positive effect on financial stress (Ponchio et al., 2019). Zsótér (2018) states that the more fatalistic individuals are today, the lower their financial well-being.

The second factor that influences financial stress is materialism. According to Nye & Hillyard (2013), materialism is an internal urge to buy goods and services that are not needed. Materialism can encourage consumptive behavior (Islam, Wei, Sheikh, Hameed, & Azam, 2017; Tarka, 2020). Consumptive behavior is a tendency to overspend, such as buying branded goods to attract people's attention. This materialistic behavior can increase financial stress because it is more likely that the income earned is insufficient to meet expenses and can even lead to excessive debt. Cappelto & Tadros (2022) and Ponchio et al. (2019) prove that more materialistic individuals will experience greater financial pressure. At the same time, Leavitt, Dew, Allsop, Runyan, & Hill (2019) show no relationship between materialism and financial stress. Differences in the results of the previous studies indicate that the effect of materialism on financial pressure is indirect. Watson (2017) proves that temporal orientation mediates the relationship between materialism and well-being. Materialism can cause weak self-control, and tend to think more for the sake of the moment (Kim, 2013; Watson, 2019). Lee & Ahn (2016) prove that materialism reduces self-control and increases a sense of helplessness, reducing well-being.

The third factor that influences financial pressure is financial knowledge. Financial knowledge is an understanding of the financial concept and is essential to determining financial behavior and well-being (Fatmawati & Lutfi, 2021; Iramani & Lutfi, 2021). Financial knowledge is indispensable in making the right financial decisions. When someone has good knowledge about investment and saving, that person tends to set aside his income for savings and investment so that his welfare increases and his financial pressure is lower (Henager & Cude, 2019; Lusardi & Mitchell, 2017). Likewise, with an understanding of the dangers of excess debt, someone will reduce debt or pay it off on time. It will reduce the financial pressure faced. Thus, financial knowledge will reduce

financial stress. Ponchio et al. (2019) show that financial knowledge can reduce financial stress. (Taft, Hosein, Mehrizi, & Roshan, 2013) state that higher financial literacy causes fewer financial problems and improves financial well-being.

The fourth factor that influences financial stress is marital status. Marital status encourages a person to manage finances better as a person's sense of responsibility toward family (Bárcena-Martín et al., 2017). In addition, Iramani & Lutfi (2021) state that marital status strengthens the influence of financial knowledge on financial well-being because people with families will try harder to maintain and improve their welfare. When a person is not married, that person only thinks about his own life, so the income earned is often used to pay for desires that are not needed. The impact is that people who are not married are less able to set aside funds for future needs, which can cause higher financial pressure. In contrast, Taft et al. (2013) show that marital status does not moderate the effect of financial knowledge on financial pressure. The difference in the results becomes a research gap that needs further investigation.

Based on the description of the research background, this study aims to examine the effect of materialism, present fatalistic, financial knowledge, and marital status on financial stress. This research is important because, during the Covid 19 pandemic, there were 29.4 million people who were negatively affected by this outbreak caused by being laid off without pay or reduced working hours and wages (Gladiaventa, 2022). It can certainly increase the family's financial pressure. Therefore, the novelty of this research is the first to examine the determinants of family financial pressure in Indonesia, especially during the Covid 19 outbreak. Another novelty is using present fatalistic as a mediator of the relationship between materialism and financial stress and marital status as the moderator between financial knowledge and financial stress.

Previous studies conducted in Indonesia have focused more on examining the effect of financial knowledge, materialism, and financial behavior on financial well-being in general (Elgeka & Query, 2021; Iramani & Lutfi, 2021; Johan, Rowlingson, & Appleyard, 2021; Tanoto & Evelyn, 2019; Yuesti, Rustiarini, & Suryandari, 2020). These studies were also carried out under normal conditions. Meanwhile, this study examines financial stress as one of the crucial dimensions of financial well-being and the mediating role of present fatalistic behavior. Thus, the theoretical contribution of this study lies in the collective examination of the impact of personal and behavioral factors on financial well-being, particularly financial stress. This research referred to the concept of financial well-being developed by (Brüggen, Hogreve, Holmlund, Kabadayi, & Löfgren, 2017).

2. THEORETICAL FRAMEWORK AND EMPIRICAL STUDIES

2.1. Financial Well-being

Financial well-being is influenced by environmental (context) and internal factors (Brüggen et al., 2017). Context factors include economic, legal, political, socio-cultural, technological, and market conditions. Internal factors include behavioral and personal aspects. Financial intervention, such as financial education and consulting, determines financial behavior. Personal factors consist of socio-demographics (gender, age, education, income, occupation), skills, attitudes, and financial motivation, personal traits or characteristics (self-efficacy, trust, values), and life events (related to work and personal).

Furthermore, Netemeyer, Warmath, Fernandes, & Lynch (2018) divide financial well-being into two dimensions: current financial stress and future financial security. Current financial stress is influenced by financial knowledge, materialism, self-control, and time perspective consisting of present fatalistic and future orientation (Netemeyer et al., 2018; Ponchio et al., 2019).

This research is the development of (Ponchio et al., 2019). The difference lies in using the present fatalistic as a mediator between materialism and financial stress. Weak self-control and helplessness in life, which are indicators of present fatalistic, can be caused by materialism. In other words, materialism encourages present fatalistic and further increases financial stress. The following sections describe this relationship in more detail.

2.2. Financial Stress

Financial stress comes from three sources: personal, family, and financial situations (Joo & Grable, 2004). For instance, personal circumstances stresses include investment losses, injuries, disabilities, accidents, illness, and wage deductions. Meanwhile, family stress includes prime life cycle events, such as marriage, birth, retirement, job loss, divorce, and death. These types of events often require large sums of money, which in itself can be the cause of serious financial problems. Financial stress also includes situations of personal consumer choice, such as paying for household and vehicle repairs, foreclosures, legal problems, bankruptcy, medical bills, and pre-existing excessive consumer credit (Achtziger, Hubert, Kenning, Raab, & Reisch, 2015; Bartholomae & Fox, 2021; Lim, Heckman, Montalto, & Letkiewicz, 2014). Financial stress relates to feeling depressed or worried about the financial situation and the inability to manage money effectively today to fulfill financial obligations and the desired life (Netemeyer et al., 2018). Someone who feels pressured or worried about their current financial situation and cannot manage money effectively to fulfill financial obligations and live as they wish is also considered financially stressed (Ponchio et al., 2019). This stress can lead to financial vulnerability and mental health.

2.3. Present Fatalistic and Financial Stress

Present fatalistic is related to how people perceive the impact of current actions on future outcomes (Widjaja, Arifin, & Setini, 2020). According to Zsótér (2018), present fatalistic is a perception of a lack of self-control over life. Present fatalistic causes financial pressure because when a person cannot control himself and despair in life, the person will not make significant efforts to prepare for his future. If a person is hopeless in life, he tends to make less effort to overcome his life problems, including finances, for now, and in the future. It will cause the person to experience more financial difficulties or financial pressure. Ponchio et al. (2019) prove that present fatalistic positively affects financial stress. Zsótér (2018) states that the higher the present fatalistic, the lower the financial well-being. Furthermore, Widjaja et al. (2020) prove that high fatality causes lower savings accumulation, which can negatively affect financial well-being. Thus, present fatalistic increases financial stress.

H1: Present fatalistic increase in financial stress.

2.4. Materialism and Financial Stress

Materialism can encourage compulsive buying, namely, goods that are not wholly needed (Pradhan, Israel, & Jena, 2018; Srikant, 2013; Tarka, 2020). Compulsively purchased goods are generally expensive goods beyond the consumer's needs. This behavior can encourage consumers to go into a high costly debt (Japutra, Ekinci, & Simkin, 2019; Mrad & Cui, 2020). As a result, the

person may make financing decisions without fully considering the long-term implications and appropriately evaluating financing options (Nye & Hillyard, 2013). A person with materialism also tends to judge others and himself based on material ownership (Ponchio et al., 2019).

This materialistic behavior can increase financial stress. The more material a person is, the more likely his income is needed to meet expenses, which can lead to debt. As a result, the person needs more wealth and has more debt. Ponchio et al. (2019) and Netemeyer et al. (2018) prove that more materialistic individuals will experience greater financial pressure. Furthermore, Chatterjee, Kumar, & Dayma (2019) and Matos, Vieira, Bonfanti, & Mette (2019) prove that higher levels of materialism increase financial problems. In other words, high materialism increases financial stress.

H2: Materialism increases financial stress.

2.5. Financial Knowledge and Financial Stress

Financial knowledge is understanding financial concepts and being a factor that determines behavior and financial well-being (Fatmawati & Lutfi, 2021; Iramani & Lutfi, 2021). Financial knowledge includes basic financial knowledge, credits, investments, and financial protection (Henager & Cude, 2019; Lusardi & Mitchell, 2017). Financial knowledge enables family financial managers to use money wisely, improve financial welfare, and control various financial problems (Taft et al., 2013).

People with good financial knowledge tend to set aside their income for savings and investment, so welfare increases and financial pressure is low. Likewise, when someone understands the dangers of excessive debt, the debt will try to be reduced or paid off on time. (Ponchio et al., 2019) prove that financial knowledge can reduce financial stress. Taft et al. (2013) state that higher financial literacy causes fewer financial problems, leading to better financial well-being. Iramani & Lutfi (2021) and Sabri & Falahati (2013) prove that financial knowledge positively affects financial well-being. It means financial knowledge will reduce financial problems.

H3: Financial knowledge reduce financial stress.

2.6. Marital Status, Financial Knowledge, and Financial Stress

Bárcena-Martín et al. (2017) state that marital status encourages a person to manage his finances better as that person's responsibility to his family. Marital status also reinforces the moderation between financial knowledge and financial stress because marital status encourages people with good financial knowledge to meet family needs and avoid financial stress. Thus, a married person will try harder to maintain and improve the welfare of his family. When a person is not married, that person only thinks about his own life, so the income earned is often used up to pay for desires that are not in need. The impact is that an unmarried person cannot set aside funds for future needs, which can cause higher financial stress.

Iramani & Lutfi (2021) prove that marital status strengthens the influence of financial knowledge on financial well-being because a person with a family has to think about his own life and that of his family. It encourages more efforts related to financial management (Sahi, 2013). (Oksanen, Aaltonen, & Rantala, 2015) prove that married people have good welfare because

marital status encourages those with good financial literacy to be more responsible for their finances.

H4: Marital status effect financial stress.

H5: Marital status moderate the effect of financial knowledge on financial stress.

2.7. Materialism, Present Fatalistic, and Financial Stress

Materialism is related to the habit of buying things that are not a necessity, especially luxury goods, even using debt (Nepomuceno & Laroche, 2015; Pradhan et al., 2018). This condition may lead a person to experience stress, lose self-control, and become helpless (Kim, 2013; Lee & Ahn, 2016). Materialism also encourages a person to think for the sake of short-term interests at the expense of long-term needs (Watson, 2017, 2019). It causes a person to not prepare well for his future, such as saving, investing, and setting aside a pension fund. Thus, materialism causes a decrease in self-control and thinking for current interests, which results in increased financial pressure.

H6: Present fatalistic mediates the effect of materialism on financial stress.

Based on the previous description, the conceptual research framework of this study is presented in Figure 1.

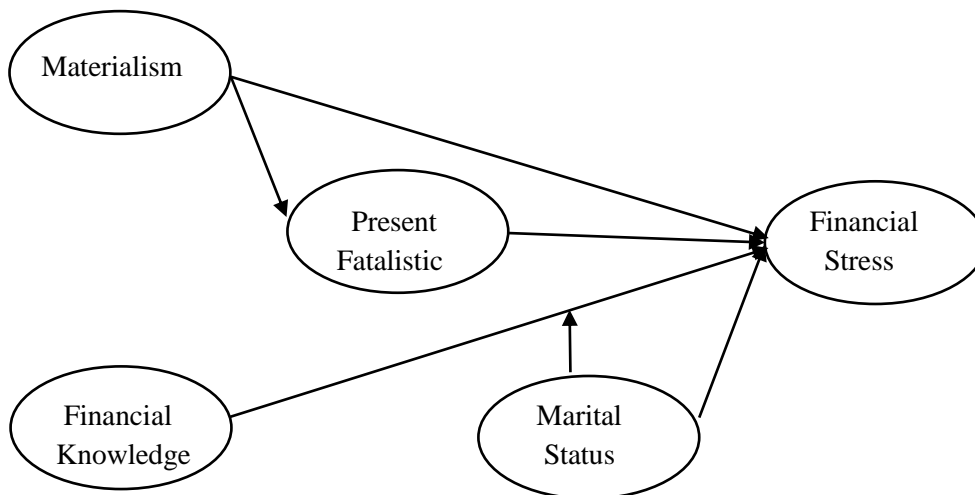


Figure 1. Conceptual Framework

3. RESEARCH METHODS

3.1. Population, Sample, and Sampling

The population of this study is the people who live in the city of Surabaya. The sampling technique uses purposive sampling because it aims to take samples from the population based on certain criteria according to the research objectives. The criteria are people who live in Surabaya, are at least 19 years old, and have an income (if married, including husband/wife/child income) of at least Rp. 4,000,000 per month, considering that the minimum wage for the city of Surabaya is around Rp. 4,300,000.

This study uses primary data obtained directly from respondents using a questionnaire compiled using Google Forms. The sample size is determined using the Slovin formula with a margin of error of 5 percent. The population of Surabaya City in 2021 is 2,970,730 people (<https://surabayakota.bps.go.id/statictable.html>). Thus, the minimum number of samples is 400 people. The google form link was sent to 500 respondents to anticipate the possibility of respondents not meeting the criteria. There are five regions in Surabaya, so the questionnaires were distributed proportionally to five regions with one hundred questionnaires each. The google form link will be distributed through social media networks, including Whatsapp, Facebook, and Instagram, from November - December 2021. When the number of respondents from a specific area reaches one hundred, the questionnaire distribution for that area is stopped, and the following respondents are ignored. All respondents who fill in the questionnaires are then selected according to the pre-determined criteria. Sixteen respondents do not meet the criteria, so the remaining 484 can be processed and analyzed.

3.2. Variable and Measurement

The dependent variable of this study is financial stress, the independent variables are materialism and financial knowledge, the moderating variable is marital status, and the mediating variable is present fatalistic. Financial stress is feeling depressed or worried about the financial situation and the inability to manage money effectively today to fulfill financial obligations and live the desired life. Netemeyer et al. (2018) state that indicators for measuring financial stress include anxiety over the current financial situation, ability to pay obligations, financial problems that control life, anxiety over future financial situations, and ability to achieve financial goals. Financial stress is measured using a Likert scale: (1) strongly disagree, (2) disagree, (3) doubtful, (4) agree, and (5) strongly agree.

Materialism is an impulse in a person to buy goods or services that are desired but not needed. Davidson, Habibi, & Laroche (2018) state that indicators for measuring materialism include admiring people who wear luxury goods, seeing that possessions reflect success, enjoying buying luxury goods, liking luxury goods, and being able to buy more goods. Ponchio et al. (2019) state that present fatalistic is a perception including 1) lack of self-control, 2) fatalistic attitude, 3) helplessness, and 4) hopelessness about the future and life. Stolarski, Fieulaine, & Zimbardo (2018) state that the indicators to measure present fatalistic include the belief that fate determines life, the inability to plan for the future, the belief that external factors control life, and desperation for the future. Materialism and present fatalistic are measured using a Likert scale: (1) strongly disagree, (2) disagree, (3) doubtful, (4) agree, and (5) strongly agree. Financial knowledge is an understanding of financial concepts important for daily financial management. (Iramani & Lutfi, 2021) state that there are several indicators of financial knowledge, including general financial knowledge, savings knowledge, loan knowledge, insurance knowledge, and investment knowledge. The financial knowledge is measured using a ratio scale. Marital status is the legal status in married life. The variable's measurement is a nominal scale, where married is given a score of 1 and 0 for unmarried.

3.3. Analysis Techniques and Research Instruments

This study uses the Structural Equation Model-Partial Least Squares (SEM-PLS) analysis technique. Testing of research instruments includes validity and reliability tests. The validity test is carried out by looking at the loading factor, which is the value that must exceed 0.70 (Hair, Hult,

Ringle, & Sarstedt, 2014). Meanwhile, the reliability test is based on the composite reliability value, which must exceed 0.60 (Hair et al., 2014).

Table 1 presents the results of the validity and reliability tests on financial stress, materialism, and present fatalistic variables. This table shows that all indicators are valid because they have a loading factor above 0.7. Likewise, all constructs are reliable because the composite reliability value is above 0.6.

Table 1. Validity and Reliability

Variable	Indicator	Item	Loading Factor	Composite Reliability
Financial Stress (FS)	Anxiety over current financial situation.	FS1	0.872 (valid)	0.956 (reliable)
	Ability to pay obligations.	FS2	0.895 (valid)	
	Financial problems control life.	FS3	0.898 (valid)	
	Anxiety over future financial situation.	FS4	0.922 (valid)	
	Ability to achieve financial targets.	FS5	0.923 (valid)	
Materialism (M)	Admire people wearing luxury goods.	M1	0.886 (valid)	0.950 (reliable)
	A view that property owned reflects success.	M2	0.821 (valid)	
	Happy to buy luxury goods.	M3	0.906 (valid)	
	Love in luxury goods.	M4	0.931 (valid)	
	Happy to be able to buy more stuff.	M5	0.904 (valid)	
Present Fatalistic (PF)	The belief that destiny determines life.	PF1	0.820 (valid)	0.930 (reliable)
	Unable to plan for the future.	PF2	0.896 (valid)	
	Believe that external factors control life.	PF3	0.884 (valid)	
	Desperate for the future.	PF4	0.904 (valid)	

Source: Primary data processed, 2021.

The discriminant validity test uses the Fornell-Larcker Criterion (FLC) and Heterotrait-Monotrait ratio of correlations (HTMT). A construct is said to be completely different from other constructs if the AVE root is greater than the correlation between constructs and the HTMT value is less than 0.85 (Hair et al., 2014). Table 2 shows that the AVE root value (bold) is higher than the correlation value between constructs, and the HTMT value is smaller than 0.85. Thus, the construct meets discriminant validity, meaning that each construct is significantly different.

Table 2. Discriminant Validity

	Fornell-Larcker Criterion			Heterotrait-Monotrait	
	FS	M	PF	FS	M
Financial Stress (FS)	0.902				
Materialism (M)	0.862	0.890		0.816	
Present Fatalistic (PF)	0.869	0.842	0.877	0.842	0.818

Source: Primary data processed, 2021.

4. DATA ANALYSIS AND DISCUSSIONS

Table 3 presents the demographic characteristics of the respondents. This table shows that based on gender, the majority of respondents are male (51.24 percent). The majority of respondents are aged 19-25 years (41 percent), with the last education of high school (68.60 percent), income from IDR 4,000,000 to IDR 5,500,000 (57.85 percent), and married status (55.37 percent). Based on occupation, most respondents worked as private employees (42.98 percent), followed by entrepreneurs (31.40 percent).

Table 3. Respondent Characteristics

No	Characteristics	Detail	Respondent	Percentage
1	Gender	Male	248	51.24
		Female	236	48.76
2	Age	19-25 year	200	41.32
		26-35 year	128	26.45
		36-45 year	44	9.09
		46-50 year	64	13.22
		> 50 years	48	9.92
3	Education Level	Junior High School	12	2.48
		Senior High School	332	68.60
		3-Year Diploma	40	8.26
		Undergraduate	96	19.83
		Post-Graduate	4	0.83
4	Total Income	Rp 4,000,000 - Rp 5,500,000	280	57.85
		>Rp 5,500,000 - Rp 7,000,000	124	25.62
		>Rp 7,000,000 - Rp 8,500,000	36	7.44
		>Rp 8,500,000 - Rp 10,000,000	20	4.13
		>Rp 10,000,000	24	5.00
5	Marital Status	Married	268	55.37
		Unmarried	216	44.63
6	Job	Entrepreneur	152	31.40
		Private company employee	208	42.98
		Government employees	96	19.83
		State-owned company employees	20	4.13
		Other	8	1.65

Source: Primary data processed, 2021.

4.1. Descriptive Statistics

The descriptive analysis was conducted to provide an overview of the research results related to the scores of each variable obtained. Table 4 shows that the responses of 484 respondents on the financial pressure variable have an average of 3.56, which means that respondents have significant financial problems. This picture indicates that respondents generally experienced financial pressure during the Covid 19 pandemic in Indonesia. The materialism variable has an average of 3.59, which means that the respondents are materialistic. This high level of materialism can be triggered by the condition of Surabaya as a metropolitan city with many shopping and entertainment places. Hence, the temptation to do unnecessary spending or shopping is very high. The current average fatalistic variable is 3.55. It means that the respondent's present fatalistic value is high. The financial knowledge variable has an average of 60.83 percent, which means that respondents have moderate financial knowledge. This level of financial literacy in a study is better than the results of the OJK survey in 2019, which showed that the level of financial literacy in urban communities was 41.41 percent (Otoritas Jasa Keuangan, 2019).

Table 4. Descriptive Statistics

No	Variable	Mean	St. Dev.
1	Financial Stress	3.56	1.36
2	Materialism	3.59	1.41
3	Present Fatalistic	3.55	1.37
4	Financial Knowledge	60.83	19.56

Source: Primary data processed, 2021.

4.2. Hypothesis Testing and Discussion

Table 5 presents the testing results of the basic model (direct effect only), the moderating effect, and the moderating and mediating effect using SEM-PLS. The test results for the direct effect show that all the variables studied significantly affect financial stress.

Table 5. Results of Hypothesis Testing

Relationship	Basic		Moderation		Moderation & Mediation		f ²
	Coefficient	P-Value	Coefficient	P-Value	Coefficient	P-Value	
M → FS	0.454	0.000	0.442	0.000	0.438	0.000	0.291
PF → FS	0.492	0.000	0.462	0.000	0.464	0.000	0.368
FK → FS	-0.084	0.019	-0.052	0.222	-0.052	0.222	0.009
MS → FS	-0.120	0.000	-0.136	0.000	-0.137	0.000	0.096
FK*FS → FS			-0.096	0.001	-0.097	0.001	0.047
M → PF					0.842	0.000	
R ² of FS	0.830		0.837		0.836		
R ² of PF					0.709		

Source: Primary data processed, 2021.

Notes: FS = Financial Stress; M = Materialism; PF = Present Fatalistic; MS = Marital Status

Present Fatalistic and Financial Stress

The results prove that the present fatalistic positively affect financial stress. So it can be concluded that the higher the present fatalistic a person has, the greater the financial pressure. An individual with high present fatalistic indicates that the individual cannot control his life and is easily discouraged about his future. Individuals who feel that fate determines many of their lives, cannot control what happens to them, and cannot plan their future, will not set aside part of their income for savings, investments, and retirement. Individuals like this will have inadequate funds for current and future life, so they are haunted by financial problems and unable to enjoy life. Thus, individuals who cannot control their life are often hopeless about the future and their lives. Therefore, they will experience higher financial stress because they do not have adequate funds for the future. This study's results align with Ponchio et al. (2019), proving that present fatalistic positively affect financial pressure. Zsótér (2018) states that the higher the present fatalistic, the lower the financial well-being. Widjaja et al. (2020) prove that high present fatalistic leads to lower savings accumulation, which lowers financial well-being.

Materialism and Financial Stress

Materialism has a significant positive effect on financial stress. The higher the materialism of a person, the higher his financial pressure. Materialistic individuals are those who admire people wearing luxury goods and view property ownership as reflecting the success of lives, like buying luxury goods, having luxury goods makes them happy, and buying many things is a joy. The danger of liking or being attracted to luxury goods is that the individual does not have adequate funds for savings, investments, or other retirement needs and so does not have sufficient wealth. It causes the individual to be in a depressed financial situation, feeling haunted by financial problems, feeling his life is controlled by financial problems, restless because of the many financial problems he faced, and unable to enjoy life. Overall, the higher a person's materialism, the greater his financial stress. These results align with Netemeyer et al. (2018) and Ponchio et al. (2019), proving that more materialistic individuals will experience greater financial pressure. Chatterjee et al. (2019) and Matos et al. (2019) prove that a higher level of materialism increases financial problems, or in other words, high materialism increases financial stress.

Financial Knowledge and Financial Stress

The results of the direct effect test show that financial knowledge has a significant negative effect on financial stress. A person with better knowledge of savings, investing, and insurance will understand the benefits of these various instruments. Therefore, some of the income will be set aside to accumulate wealth, and the future needs to be more prosperous and have lower financial pressure (Henager & Cude, 2019). This finding is in line with Ponchio et al. (2019) and Taft et al. (2013), proving that higher financial literacy causes fewer financial problems and leads to better financial well-being.

Marital Status, Financial Knowledge, and Financial Stress

The direct effect of marital status has a significant negative coefficient. It means that married status makes a person try to better manage finances because of greater responsibility for the family's survival. Despite having a greater financial burden, someone who is married tries to set aside part of the income for the family's future needs so lower financial pressure (Iramani & Lutfi, 2021).

Furthermore, the results of the moderation test prove that marital status strengthens the negative influence of financial knowledge on financial stress. Getting married encourages someone who has good financial knowledge to use his knowledge in managing his money to avoid financial pressure. This finding is in line with Iramani & Lutfi (2021), proving that marital status strengthens the influence of financial knowledge on financial well-being because a married person will try harder to maintain and improve the family's welfare. An interesting result from Table 6 is that the effect of financial knowledge on financial pressure is insignificant after including marital status as its moderator. This result indicates that financial knowledge only significantly contributes to financial stress. It is reinforced by the f^2 value presented in the rightmost column of Table 6, where the value is 0.009 for financial knowledge. This finding also proves the importance of the moderating role of marital status in reducing financial stress (Oksanen et al., 2015; Sahi, 2013).

Materialism, Present Fatalistic, and Financial Stress

The tests of moderation and mediation models prove that materialism significantly increases the present fatalistic, and this, in turn, increases financial stress. In other words, the present fatalistic partially mediates the effect of materialism on financial stress. The love of buying nonbasic need stuff, especially luxury goods, can cause a person to owe a lot and be less able to set aside income for the future (Lee & Ahn, 2016; Pradhan et al., 2018). This materialism causes a person to feel stressed, helpless, resigned to fate, and not adequately prepared for his future well. This finding is in line with (Watson, 2019), proving that materialism causes a person to think short-term, not prepare for the future well, and experience many financial problems.

Table 5 also presents the R^2 values of all models. Overall, the three models are good because they have R^2 values above 0.75 (Hair et al., 2014). The variables studied can explain the variation in respondents' financial stress well. Furthermore, the value of f^2 , which shows the contribution of a construct to the variation of the endogenous variable of financial stress, shows that the present fatalistic has a substantial contribution to financial stress, with a value above 0.35 (Hair et al., 2014). Materialism contributes moderately to explaining financial stress, with a value of 0.291.

5. CONCLUSION, SUGGESTION, AND LIMITATION

This study examines the influence of materialism, present fatalistic, financial knowledge, and marital status on financial stress using a sample of 484 respondents during the Covid 19 outbreak in Indonesia. Research also examines the mediating role of the present fatalistic and moderating role of marital status. Responses to financial stress indicated that respondents experienced considerable financial stress during the Covid 19 outbreak. Test results show that materialism and present fatalistic directly increase financial stress, while financial knowledge and marital status directly reduce financial stress. The interaction between financial knowledge and marital status has a negative effect on financial pressure, which means that marital status magnifies the negative impact of financial knowledge on financial pressure. An examination of the present fatalistic role in mediating the effects of materialism on financial stress proves the existence of partial mediation. This finding provides evidence that materialism causes decreased self-control, increased feelings of helplessness, and encourages short-term orientation so that it increases financial problems and decreases welfare.

Based on these findings, it is recommended that family financial managers control their level of materialism because materialism makes it hard to set aside funds for savings, investments, or other retirement needs and, in some cases, forces them to have excessive debt. By controlling materialism, people can reduce financial stress. Family financial managers also need to reduce the present fatalistic, especially regarding the desperation for the future, because this indicator has the highest loading factor. Reducing surrender to destiny will encourage a person to try harder and prepare for the future so that financial pressure decreases. Furthermore, banks and financial advisors are recommended to create tools to control customers' day-to-day spending and demonstrate that their actions impact future financial well-being. Banks, financial advisors, and financial authorities must also encourage public self-awareness to improve financial well-being.

There are two main limitations of this study. First, the research sample only covers the Surabaya metropolitan area, so the results cannot be generalized to other areas with different community characteristics, such as rural areas with lower incomes and education. Therefore, further research can be carried out in various regions of Indonesia with various cultures, incomes, and education characteristics. Second, this study only covers one of the two dimensions of financial well-being. Future research is expected to examine financial well-being more comprehensively, including the dimensions of current financial stress and future financial security.

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