

THE IMPACT OF DIGITAL FINANCIAL LITERACY ON PERSONAL SAVING BEHAVIOR AMONG GENERATION Z IN HO CHI MINH CITY: THE MEDIATING ROLE OF FINANCIAL DISCIPLINE

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ABSTRACT

The effect of digital financial literacy on personal saving behavior of Generation Z in HCMC is investigated, focusing on financial discipline as a mediator. Using behavioral finance and self-control theory, the research paper presents a theoretically grounded conceptual argument about the issue of transferring digital financial knowledge into saving behavior based on disciplined financial practices. The data from the survey were collected for 312 participants of Generation Z and analyzed using the partial least squares structural equation modeling (PLS-SEM). Based on empirical results, the findings indicate that digital financial literacy positively influences financial discipline and personal saving behavior, and financial discipline is a significant mediator between digital financial literacy and financial saving behavior. The structural model has good explanatory power, with 53.7% of the variance in financial discipline and 58.9% of the variance in personal saving behavior being explained. These results indicate that digital financial literacy cannot be used to promote the development of regular saving habits unless it is coupled with sufficient financial discipline. This study adds to the literature by explaining the behavioral process that makes digital financial literacy predictive of saving behavior and provides practical implications for the financial education and policy efforts to influence saving behavior in Generation Z in Ho Chi Minh City and other metropolitan situations in Vietnam.

Keywords: Digital financial literacy, financial discipline, personal saving behavior, Generation Z.

1. INTRODUCTION

The quick evolution of digital financial services has revolutionized individual financial management, especially among the younger generations. Digital platforms like mobile banking and e-wallets have increased access to financial products and information, but they have also added to the complexity of financial decision-making[1]. In this regard, there is the growing relevance of digital financial literacy, the capacity to comprehend and successfully utilize digital financial data.

As a generation that has been brought up in a digital world, Generation Z is very exposed to digital financial technologies. Nevertheless, the previous research suggests that the familiarity with technologies does not consistently provide appropriate financial conduct, particularly in emerging economies where young people tend to experience income instability and a lack of financial experience [2], [3]. Due to this, the saving behavior of Generation Z is still unstable even with the increased access to digital financial tools.

Available literature points out that financial knowledge may not be enough to guarantee good financial results [4]. Recent behavioural finance research highlights financial discipline as a dominant process through which people can change financial information into actual saving behaviour [5]. Financial discipline is the capacity to manage expenditures, stick to budgets, and save regularly.

Although there is increasing focus on digital finance, existing studies on the mediating effect of financial discipline on the correlation between digital financial literacy and saving behavior are scarce, especially in the case of Generation Z in the emerging economies. More to the point, it is possible to define three gaps. First, most of the past research is conducted on general financial literacy as opposed to digital financial literacy, yet young consumers are increasingly making saving and spending choices, using mobile banking, e-wallets, and online financial services. Second, previous studies are more likely to examine direct correlation, whereas how the behavioral channel of converting digital financial literacy into real saving behavior works has not been clearly elucidated. Third, there is not much empirical data on Generation Z in Ho Chi Minh City, but the selected group is very topical as the city is the largest urban and financial centre in Vietnam, and due to the high rates of exposure of young consumers to digital financial services, dynamic consumption patterns, and increasing living expenses, the population in this city is highly relevant. To fill these gaps, this research examines how digital financial literacy influences personal saving behavior in Ho Chi Minh City among the Generation Z, with financial discipline as the mediating variable. It is proposed through the use of PLS-SEM to elucidate the behavioral process between digital financial literacy and saving behavior and deliver implications for financial education and policy efforts.

2. LITERATURE REVIEW

2.1. Digital Financial Literacy

Digital financial literacy is a response that has been created in response to the fast growth of digital financial services, as a continuation of traditional financial literacy. It is defined as the capacity of people to gain access, comprehend, and productively utilize online financial resources and applications, including mobile banking, e-wallets, and Web-based investment systems [1]. Foundational research indicates that digital financial literacy is paramount in the development of financial decisions in the digital space, where financial decisions are becoming more sophisticated and technologically oriented [2].

Nevertheless, according to empirical evidence, the increase in digital financial literacy levels does not necessarily translate into positive financial behavior. More specifically, young people might have sufficient digital skills, yet they spend impulsively or save insufficiently because of their limited financial experience and poor self-control [3]. This indicates that it is necessary to investigate not only digital financial knowledge but also the behavioral processes that such knowledge influences financial results.

2.2. Financial Discipline, Behavioral Finance

Financial discipline is often referred to as the capacity of an individual to manage his or her expenditure, to maintain a budget, and to save regularly over the course of time. As a behavioral finance approach, financial discipline is a self-control behavior and the ability to make short-term financial choices to align with the long-term financial objectives [4]. Past research highlights that disciplined financial behavior is a major factor in financial stability and long-term financial success.

Empirical studies indicate that financially disciplined people tend to convert financial knowledge into actual financial behaviour, such as saving regularly and spending usefully [5]. On the other hand, not being disciplined can make people fail to use their financial knowledge

efficiently, especially in the online space that enables easy and painless spending [2]. These results indicate that financial discipline is the core of the association between financial literacy and behavioral results.

2.3. Personal Saving Behavior

Personal saving behavior is the behavior by individuals to set aside some of their income to be used at a later time, such as emergency funds and long-term financial objectives. The saving behavior is emphasized as an important aspect of financial resilience and economic security by earlier research, particularly in the younger generations with economies of uncertainty and rising living expenses [6].

Young people have access to more financial information and digital financial saving devices but are not saving regularly. However, empirical evidence suggests that knowledge of financial matters is not sufficient to ensure regular saving behaviour, with the importance of behavioural factors (such as self-control and discipline) on saving decisions being highlighted [4]. This highlights the need to consider saving behaviour as a part of a wider behavioural model.

2.4. Digital Financial Literacy, Financial Discipline, and Saving Behavior

Recent literature is becoming more and more aware of the fact that there is more than a direct relationship between financial literacy and saving behavior. On the contrary, the mediating role is played by behavioral mechanisms in determining financial outcomes. One important process by which financial knowledge is converted into regular financial behavior is financial discipline [5].

Financial discipline is a concern, especially in the digital financial spaces, where the option of spending is easily accessible. Even those who are more digitally financially literate but poorly disciplined might not save, whereas those who combine the knowledge of finances with good discipline are more likely to establish sustainable saving habits [3]. Nevertheless, there is limited empirical research that directly tests the mediating effect of financial discipline, particularly with digital financial literacy.

2.5. Research Gap

To conclude, recent research yields some useful information on the topic of digital financial literacy, financial discipline, and saving behavior. However, there are still several gaps. First, there is limited empirical research on digital financial literacy, as opposed to financial literacy on the whole. Second, the behavioral model of the association between digital financial literacy and saving behavior has not been adequately studied, particularly the mediation of financial discipline. Third, the evidence on emerging economies and the population of Generation Z is still scarce, with the Ho Chi Minh City evidence being especially applicable since it is a highly digitalized urban environment with high fintech exposure and active young consumers.

3. THEORETICAL BASIS

3.1. Theory of Planned Behavior and Saving Behavior

The Theory of Planned Behavior (TPB) has offered a universally accepted theory of how individual beliefs and attitudes affect behavior in terms of behavioral intentions. TPB suggests behavior is determined by attitudes to the behavior, perceived behavioral control, and beliefs [1]. Saving behavior as a personal finance concept is not only the result of financial knowledge but also an indication of the intentions and perceived control of financial behavior in individuals.

The evidence from earlier research on the application of TPB to the financial situation indicates that people who feel that they have more control over their financial resources and

choices have a higher chance of developing a stable behavior in saving [2]. In the case of Generation Z, the perceived behavioral control could be limited by a lack of income stability and experience in financial matters, which can undermine the conversion of financial knowledge into saving behavior. This theoretical approach underlines the significance of behavioral control mechanisms beyond financial literacy.

3.2. Self-Control Theory and Financial Discipline

Self-control theory focuses on the capacity of individuals to control impulses, overcome short-term temptations, and perform actions according to the long-term objectives [3]. Self-control in personal finances is closely linked to financial discipline, which demonstrates the ability of individuals to control spending, stick to budgets, and save regularly.

There are empirical studies that show that financial discipline is a key determinant of financial performance. Those who have a greater degree of discipline will have a better chance of utilizing financial knowledge appropriately and prudently, using financial behavior such as saving and budgeting [4]. On the other hand, undisciplined people might not be able to save despite having the relevant financial literacy, especially in the online world, which makes it easy to spend money more often and with less thought.

3.3. Digital Financial Literacy and Behavioral Mechanisms

Digital financial literacy builds traditional financial literacy by adding skills to navigate and use digital financial platforms and tools [1]. Although digital financial literacy helps increase access to financial-related information and services, it does not necessarily translate to positive financial behavior. Theoretically, financial knowledge affects behavior indirectly by behavioral mechanisms like self-control and discipline.

Combining TPB and self-control theory implies that digital financial literacy influences the attitudes of people about money and the belief in their control, yet financial discipline is the key to whether such knowledge will be converted into regular saving patterns. This position is supported by earlier research, which has shown that the relationship between financial literacy and financial behavior is mediated by behavioral factors [5].

3.4. Financial Discipline as a Mediating Mechanism

This paper is based on the TPB and self-control theory to conceptualize financial discipline as a mediating variable between digital financial literacy and the personal saving behavior. Digital financial literacy can help to increase awareness of saving techniques and financial products, but without the needed discipline, people will not use these techniques regularly.

Financial discipline is of great essence to Generation Z since they are exposed to the digital channels of consumption and have little experience when it comes to finances. Those who have a greater level of digital financial literacy and have a robust financial discipline tend to develop a stable saving behavior, whereas those who lack financial discipline can create inconsistent saving practices despite financial literacy [2], [4]. The theoretical reasoning is in favor of the proposed mediating role of financial discipline in the research model.

3.5. Conceptual Framework

According to the combination of the Theory of Planned Behavior and self-control theory, this paper will present a conceptual framework whereby the digital financial literacy will have a direct and indirect effect on personal saving behavior due to financial discipline. The cognitive basis of informed financial decision-making is found in digital financial literacy, and financial discipline is the behavioral system that transforms knowledge into action.

This model provided a theoretical understanding of saving behavior in the digital financial context of Generation Z and formed the foundation of the research hypotheses, which were tested in this study.

4. RESEARCH METHODOLOGY

4.1. Research model

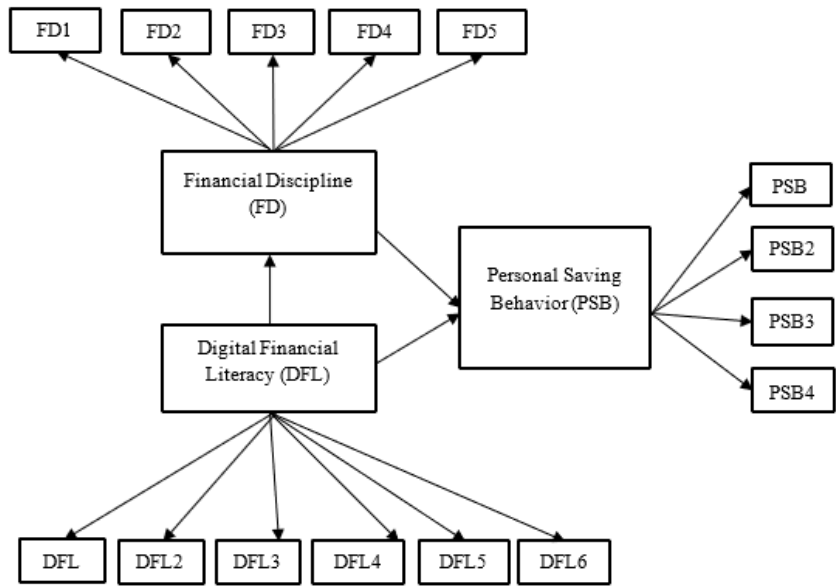


Figure 1. Research Model.

Source: Author's compilation (2026).

4.2. Developing a research hypothesis

According to the Theory of Planned Behavior and self-control theory, the research hypotheses of this study are constructed to explain the personal saving behavior among Generation Z based on the functions of digital financial literacy and financial discipline.

Digital financial literacy indicates that individuals have access to digital financial information and can understand and use it. Behaviorally, the increased digital financial literacy is likely to increase the awareness of saving opportunities among people, as well as their capacity to make informed financial choices [1]. It is argued that more financially literate people tend to participate in activities related to saving, especially when it comes to digital financial settings [2]. Digital financial literacy will, therefore, have a positive impact on individual saving behavior.

H1: Digital financial literacy has a positive effect on Financial Discipline.

In addition to its direct impact, digital financial literacy is likely to have an effect on financial discipline. Those who are more digitally financially literate might have an improved idea of the impact of impulse spending and the advantages of budgeting and saving, which enhances their capacity to control financial behavior [3]. The existing empirical research shows that financial knowledge leads to better self-control and disciplined financial behaviors [4].

H2: Digital financial literacy has a positive effect on Personal Saving Behavior.

Financial discipline is the ability of individuals to spend properly, be budget-conscious, and develop a savings habit. As a self-control factor, commitment to financial behavior is one

of the most important factors that determine whether individuals will save or not, since it helps them to convert their financial intentions into tangible practices [4]. Previous research reveals that those who are more financially disciplined tend to save on a regular basis and are financially stable [5].

H3: Financial discipline has a positive effect on personal saving behavior.

This study goes further to mediate the above relationships by hypothesizing that financial discipline mediates the relationship between digital financial literacy and personal saving behavior. Although the cognitive basis of financial literacy is the ability to make informed financial decisions, financial discipline is the behavioral process by which the knowledge is translated into stable saving behavior [2], [4]. This mediating variable is especially applicable in the case of Generation Z, who are very familiar with digital financial instruments and might have limited financial experience.

H4: Financial discipline mediates the relationship between digital financial literacy and personal saving behavior.

4.3. Research Scale

Table 1. Measurement scales

Order	Item code	Observation variables	Citation
1	Scale of Digital Financial Literacy (DFL)		
1.1	DFL1	I understand how to use digital banking applications and e-wallets.	Abdallah et al. [1]; Setiawan et al. [7]; Bhat et al. [3]; Chhillar et al. [4]
1.2	DFL2	I can compare fees, interest rates, and benefits of different digital financial products.	
1.3	DFL3	I understand the risks associated with borrowing, investing, or making payments through digital platforms.	
1.4	DFL4	I know how to protect my personal and financial information when conducting online financial transactions.	
1.5	DFL5	I feel confident making financial decisions using digital financial services.	
1.6	DFL6	I regularly update my knowledge about digital financial products and services.	
2	Scale of Financial Discipline (FD)		
2.1	FD1	I make a monthly plan for my spending and savings.	Strömbäck et al. [8]; Tahir et al. [9]; Chhillar et al. [4]
2.2	FD2	I closely follow the financial plan I have set for myself.	
2.3	FD3	I can control unnecessary or excessive spending.	
2.4	FD4	I avoid impulsive purchases, especially when shopping online.	
2.5	FD5	I prioritize saving before spending on other non-essential items.	
3	Scale of Personal Saving Behavior (PSB)		
3.1	PSB1	I regularly set aside a portion of my income for savings.	Anwar [2]; Başar et al. [6]; Setiawan et al. [7]; Shi et al. [10]
3.2	PSB2	I have clear saving goals for my future.	
3.3	PSB3	I maintain a consistent saving habit over time.	
3.4	PSB4	Saving money is a priority in my personal financial management.	

Source: Author's compilation (2026).

4.4. Research methods

The research uses a quantitative method to analyze how digital financial literacy, financial discipline, and personal saving behaviour are related to each other among Generation Z in Ho Chi Minh City. The questionnaire used to collect data was structured, and the convenience sampling was employed. The target respondents were the members of the Generation Z who were living, studying, or working in Ho Chi Minh City at the time of the survey. Following data screening, 312 valid responses were retained, which met the sample size criteria of the Partial Least Squares Structural Equation Modeling (PLS-SEM). Multi-item scales based on previous studies were used to measure all constructs. Particularly, six items adapted by [1], [3], [4], [6], [7], [10] were used to measure digital financial literacy. The evaluation of all the items was done on a five-point Likert scale (1 = strongly disagree; 5 = strongly agree). Some slight changes in wording were made to make it contextually relevant without compromising content validity. The SmartPLS software was used to perform data analysis with PLS-SEM. The measurement model was checked for reliability and validity, and the structural model was checked for path coefficients, R^2 value, and bootstrapping, which checked the hypothesis proposed and the mediating effect of financial discipline.

5. RESULTS AND DISCUSSION

5.1. Statistical Description

Table 2. Data Statistics (n=312)

Characteristics	Category	Frequency (n)	Percentage (%)
Gender	Male	147	47.1
	Female	165	52.9
Age group	18–22 years	124	39.7
	23–26 years	133	42.6
	27–30 years	55	17.6
Education level	College/University student	178	57.1
	Bachelor's degree	96	30.8
	Postgraduate	38	12.2
Employment status	Student	114	36.5
	Full-time employee	152	48.7
	Part-time/Freelancer	46	14.7
Monthly income	Below 10 million VND	121	38.8
	10–20 million VND	108	34.6
	Above 20 million VND	83	26.6
Experience with digital finance	Less than 1 year	58	18.6
	1–3 years	147	47.1
	More than 3 years	107	34.3

Source: Author's survey (2026).

The demographic features of the 312 survey respondents surveyed in Ho Chi Minh City are presented in Table 2. The sample is characterized by a rather even gender distribution, with females constituting 52.9% and males 47.1%. The majority of respondents fall within the age range of 18-26 years (82.3), which is also aligned with the Generation Z focus of the study.

Education-wise, most of them are university students (57.1), followed by bachelor's degree holders (30.8) and postgraduates (12.2), which is a well-educated sample, relative to most. When it comes to employment status, 48.7% are full-time workers, and 36.5% are students. The level of income is average, and the majority of the respondents earned less than 10 million VND per month. It is important to note that more than 80 percent of respondents possess more than one year of experience in using digital financial services, which proves the appropriateness of the sample to study digital financial literacy and saving behavior.

5.2. Measurement Model

Table 3. Scale Statistics (n=312)

Scale	Mean	SD	Outer Loadings	α	rho_A	CR	AVE
Digital Financial Literacy (DFL)				0.839	0.842	0.881	0.553
DFL1	3.736	1.001	0.737				
DFL2	3.683	1.009	0.736				
DFL3	3.359	1.121	0.743				
DFL4	3.750	0.975	0.728				
DFL5	3.635	0.945	0.727				
DFL6	3.651	0.962	0.788				
Financial Discipline (FD)				0.851	0.869	0.892	0.625
FD1	3.670	0.900	0.735				
FD2	3.798	0.840	0.718				
FD3	3.699	0.876	0.843				
FD4	3.692	0.910	0.862				
FD5	3.795	0.925	0.786				
Personal Saving Behavior (PSB)				0.770	0.773	0.853	0.593
PSB1	3.878	0.869	0.771				
PSB2	3.657	0.978	0.757				
PSB3	3.824	0.943	0.821				
PSB4	3.740	0.906	0.727				

Source: Author's survey (2026).

Table 3 presents the descriptive statistics, reliability, and convergent validity of the measurement model, Digital Financial Literacy (DFL), Financial Discipline (FD), and Personal Saving Behavior (PSB). The findings reveal that all the constructs are characterized by satisfactory internal consistency reliability. The alpha values lie between 0.770 and 0.851, and Composite Reliability (CR) values lie between 0.853 and 0.892, which is above the recommended range of 0.70. Moreover, the value of all rho A is above 0.80, which is another evidence of the reliability of the measurement scales. In terms of convergent validity, all the indicator outer loadings exceed the suggested cutoff of 0.70, meaning that the observed variables are sufficient to reflect the respective latent constructs. Further, the values of the Average Variance Extracted (AVE) of DFL (0.553), FD (0.625), and PSB (0.593) are above the minimum level of 0.50, which indicates good convergent validity. The average scores of

the indicators tend to be at the high end of the scale, pointing to rather high rates of digital financial literacy, financial discipline, and saving habits among the Generation Z in Ho Chi Minh City respondents.

Table 4. Correlation matrix

	FD	DFL	PSB
FD	0.791 ^a		
DFL	0.733	0.743 ^a	
PSB	0.770	0.712	0.770 ^a
<i>a: Diagonal elements represent the square root of AVE</i>			

Source: Author's survey (2026).

Table 4 shows the correlation of the constructs Digital Financial Literacy (DFL), Financial Discipline (FD), and Personal Saving Behavior (PSB), and evaluates the discriminant validity with the Fornell-Larcker criterion. The outcomes indicate that the square roots of the AVE values of the main diagonal of each construct (FD = 0.791; DFL = 0.743; PSB = 0.770) are higher than the other correlations of the construct with others, thus validating the discriminant validity of the model. The relationships between DFL and FD, as well as PSB, are positive with relatively strong correlations, indicating the strong relationships between digital financial knowledge and financial discipline with saving behavior, but these are not above thresholds that would signal multicollinearity. As a result, the measurement model meets the criterion of discriminant validity.

Table 5. Heterotrait–Monotrait ratio (HTMT)

	FD	DFL	PSB
FD			
DFL	0.826		
PSB	0.831	0.879	

Source: Author's survey (2026).

Table 5 shows the outcomes of the discriminant validity test of the measurement model in the form of the Heterotrait-Monotrait ratio (HTMT). Based on the suggested threshold, to make latent constructs empirically different, HTMT values between construct pairs should be less than 0.90. The findings suggest that all the values of HTMT are within the range of acceptability, with the HTMT between Digital Financial Literacy and Financial Discipline equal to 0.826, between Financial Discipline and Personal Saving Behavior equal to 0.831, and between Digital Financial Literacy and Personal Saving Behavior equal to 0.879. Even though these values are somewhat high, indicating good theoretical relationships among the constructs, they do not surpass the 0.90 mark. Thus, the measurement model meets the discriminant validity criterion according to the HTMT criterion, which further supports the validity of the further structural model analysis.

Table 6. Model Fit

	Saturated Model	Estimated Model
SRMR	0.079	0.079
d_ULS	1.191	1.191

	Saturated Model	Estimated Model
d_G	0.458	0.458
Chi - Square	779.686	779.686
NFI	0.711	0.711

Source: Author's survey (2026).

The model fit indices of the PLS-SEM analysis are in Table 6. Their findings indicate that the Standardized Root Mean Square Residual (SRMR) of the saturated model is 0.079, as well as the estimated model, and this is within the acceptable range of PLS-SEM, meaning that there is an acceptable level of difference between the observed and estimated covariance matrices. The values of d_ULS (1.191) and d_G (0.458) are not very high and do not reveal severe misspecification between the theoretical model and the empirical data. Besides, the Normed Fit Index (NFI) is 0.711, which indicates a fairly good fit to the model when compared to the null model, which is especially suitable in the context of both exploratory and predictive research conducted with the help of PLS-SEM. Generally, Table 6 indicates that the proposed research model has a satisfactory level of fit and can be used to make additional interpretations of the causal relationships in the structural model.

5.3. Structural model

Table 7. Path Coefficients

Relationship	Original Sample (O)	Sample Mean (M)	STDEV	t Statistics	P Values
DFL→FD	0.733	0.739	0.025	29.104	0.000
DFL→PSB	0.319	0.325	0.075	4.266	0.000
FD→PSB	0.536	0.531	0.068	7.857	0.000

Source: Author's survey (2026).

The path coefficients of the structural model are estimated and presented in Table 7. The findings indicate that all the relationships that have been postulated are statistically significant at the 1% level. Financial Discipline (FD) is positively influenced by Digital Financial Literacy (DFL) ($\beta = 0.733$, $t = 29.104$, $p < 0.001$). Personal Saving Behavior (PSB) is also positively and statistically significantly directly influenced by DFL ($\beta = 0.319$, $t = 4.266$, $p < 0.001$). Moreover, there is a significantly positive influence of Financial Discipline on Personal Saving Behavior ($\beta = 0.536$, $t = 7.857$, $p < 0.001$). The value of the coefficient of the FD to PSB is greater than that of the direct path of DFL to PSB. In general, the structural model is highly explanatory, and it explains a significant percentage of variance in both Financial Discipline and Personal Saving Behavior, as shown by the R^2 report.

5.4. Intermediate Variable Analysis

Table 8. Specific Indirect Effects

Relationship	Original Sample (O)	Sample Mean (M)	STDEV	t Statistics	P Values
DFL→FD→PSB	0.393	0.392	0.049	7.943	0.000

Source: Author's survey (2026).

Table 8 shows the findings of testing the indirect influence of Digital Financial Literacy (DFL) on Personal Saving Behavior (PSB) mediated by Financial Discipline (FD). The findings reveal that the indirect effect of DFL → FD → PSB is positive and statistically significant, with a coefficient of $\beta = 0.393$, a t-value of $\beta = 7.943$, and $p < 0.001$, indicating an

extremely strong and significant mediation effect. This result shows that digital financial literacy not only directly affects personal saving behavior but also has an indirect impact through improving financial discipline. That is, the greater the digital financial literacy, the better people can plan how to spend money, manage financial behavior, and follow financial intentions, resulting in more stable saving behavior. These findings are empirical evidence that supports the mediating role of Financial Discipline in the research model and the significance of behavioral factors in terms of converting digital financial knowledge to real saving behavior among Generation Z in Ho Chi Minh City.

Table 9. Total Effects

Relationship	Original Sample (O)	Sample Mean (M)	STDEV	t Statistics	P Values
DFL→FD	0.733	0.739	0.025	29.104	0.000
DFL→PSB	0.712	0.717	0.037	19.104	0.000
FD→PSB	0.536	0.531	0.068	7.857	0.000

Source: Author's survey (2026).

Table 9 shows the findings of the total effects analysis between the constructs in the research model and both direct and indirect effects. The results show that the total effect of Digital Financial Literacy (DFL) on Personal Saving Behavior (PSB) is strong and statistically significant with a coefficient of $\beta = 0.712$ ($t = 19.104$; $p < 0.001$). In comparison to the direct effect of DFL on PSB, as shown in Table 7, the total effect is much bigger, indicating the significant contribution of the mediating mechanism via Financial Discipline (FD). Meanwhile, DFL still has a robust effect on FD ($\beta = 0.733$; $p < 0.001$), which proves that digital financial literacy is a core foundation of the formation of financial discipline. Moreover, FD positively and significantly influences PSB ($\beta = 0.536$; $p < 0.001$), highlighting the primary importance of behavioral aspects of personal saving. On the whole, the findings in Table 9 prove that the effect of DFL on saving behavior is greatly enhanced by financial discipline, confirming the point of the significant role of FD in the research model.

Table 10. Summary of Hypothesis Testing Results

Hypothesis	Relationship	Expected Effect	Findings	Result
H1	DFL → FD	Positive	Digital Financial Literacy has a strong and positive effect on Financial Discipline ($\beta = 0.733$; $t = 29.104$; $p < 0.001$).	Supported
H2	DFL → PSB	Positive	Digital Financial Literacy positively influences Personal Saving Behavior ($\beta = 0.319$; $t = 4.266$; $p < 0.001$).	Supported
H3	FD → PSB	Positive	Financial Discipline has a strong positive impact on Personal Saving Behavior ($\beta = 0.536$; $t = 7.857$; $p < 0.001$).	Supported
H4	DFL → FD → PSB	Positive (Mediation)	Financial Discipline significantly mediates the relationship between Digital Financial Literacy and Personal Saving Behavior ($\beta = 0.393$; $t = 7.943$; $p < 0.001$).	Supported

Source: Author's compilation (2026).

The findings of hypothesis testing in the structural model are summarized in Table 10. The results show that all hypotheses (H1-H4) are accepted at the 1% level of significance (p

< 0.01), which proves the effectiveness of the research model. In particular, Digital Financial Literacy (DFL) has a significant positive influence on Financial Discipline (FD), pointing to the importance of digital financial literacy in disciplined financial behavior. DFL also exerts a strong direct influence on the Personal Saving Behavior (PSB); at the same time, FD exerts an even greater effect on PSB, which underlines the pivotal role of behavioral factors in stimulating saving behavior. Notably, the high level of indirect impact of DFL on PSB via FD validates the fact that Financial Discipline is a valuable mediating variable, where digital financial literacy is converted into the real saving behavior. Comprehensively, the findings are solid empirical evidence to support the theoretical framework and highlight the significance of considering cognitive and behavioral factors in the interpretation of saving behavior among Generation Z.

The results yield several significant implications in comparison with the previous studies abroad. To begin with, the positive impact of digital financial literacy on personal saving behavior is not a new finding, as studies by Setiawan et al. (2022) and Anwar (2025) indicate that the impact of digital financial knowledge is that it enhances the ability of individuals to make better financial choices. Nevertheless, the current study demonstrates that the direct effect of digital financial literacy on saving behavior is less strong than the indirect effect of it on saving behavior through the financial discipline, which means that knowledge itself does not necessarily result in stable saving behavior in young adults.

Second, the robust correlation between digital financial literacy and financial discipline underpins the behavioral perspective that the effectiveness of financial knowledge is enhanced with self-regulation. This finding aligns with the results of Strombeck et al. (2017) and Tahir et al. (2021), who note that self-control and disciplined financial practices are key in determining financial performance. Within the framework of Generation Z, such an outcome is especially significant since this generation is exposed to quick, convenient, and, in most cases, impulsive digital spending opportunities to a large extent.

Third, the important mediating role of financial discipline supports the thesis that behavioral mechanisms should be included in the research of digital financial literacy. This result is complemented by more recent research on digital financial behavior and sustainability-oriented financial capability by demonstrating that, in an urban Vietnamese setting, disciplined behavior is the mediator where digital literacy is converted into effective saving behavior. Thus, the research expands the existing literature by presenting evidence about Ho Chi Minh City as well as by providing a reason as to why Generation Z cannot be considered a generation of digitally capable individuals, but a group whose financial performance heavily relies on behavioral discipline.

6. CONCLUSIONS AND RECOMMENDATIONS

6.1. Conclusions

This paper analyzes the association between digital financial literacy and financial discipline with personal saving behavior among Generation Z in Ho Chi Minh City using Partial Least Squares Structural Equation Modeling (PLS-SEM). The empirical findings are very robust and consistent and support all hypotheses of the research (H1-H4), thus confirming the theoretical framework of the research.

First, the results support Hypothesis H1 with a high level of significance, and the positive impact of digital financial literacy on financial discipline is proven. This finding shows that highly digitally financially literate individuals can better plan their spending, manage their spending, and control their financial behavior online. This relationship underlines the principal influence of digital financial knowledge in inculcating disciplined financial practices.

Second, the hypothesis H2 is substantiated because it is observed that the direct effect of digital financial literacy on personal saving behaviour is positive and highly significant. This implies that online financial literacy improves the savings decisions of individuals. Nevertheless, this direct influence is rather weak as compared to other relations in the model, and it means that financial knowledge is not the only factor that can guarantee the stable saving behaviour.

Third, the findings are rather convincing evidence of the Hypothesis H3 that financial discipline is significantly positively related to personal saving behavior. This observation highlights the key role of behavioral self-regulation as an enhancer of saving behavior, suggesting that disciplined financial practices are more supportive of actual saving behavior than knowledge per se.

Most importantly, the mediation analysis supports Hypothesis H4 by showing that financial discipline partly mediates the relationship between digital financial literacy and personal saving behavior. The direct impact of digital financial literacy on saving behavior via financial discipline is statistically significant and stronger than the direct impact. This analogy suggests that financial discipline is a major behavioral mechanism by which digital financial literacy is converted into the real saving behavior.

On the whole, the analysis of all hypotheses allows concluding that the joint influence of digital financial literacy and financial discipline is the best explanation of personal saving behavior. Although digital financial literacy offers the required cognitive base, financial discipline is a game-changer in transforming financial literacy into regular and lasting saving habits among Generation Z.

6.2. Recommendations

It is possible to give some practical suggestions from the results. First, the key to meeting the challenge of digital financial education is to focus on the digital financial education program that can not only enhance the knowledge of the digital financial products, but also the skills of budgeting, self-control, and financial planning. Elements of financial discipline can be integrated into the financial literacy programs to enhance such programs.

Second, commercial banks are to develop savings products specifically geared towards young people, and embedded within mobile banking, like automatic savings transfer, micro-savings, spending alerts, and personalized budgeting boards. These would be helpful operations for Generation Z to help them form the habit of saving. Simultaneously, banks ought to work together with the higher education institutions and local communities to provide young adults in big cities with effective digital financial education courses.

Third, FinTech firms must create digital products and applications that encourage responsible financial habits, such as saving for a specific goal, reminders, gamification of saving and expenditure, and real-time expenditure reminders. These can be used to help young people make financial education an everyday habit and remain active online. Finally, other behavioral and/or psychological factors (e.g., financial attitudes, financial risk-taking) should be investigated in future studies, and a larger sample of other regions and/or age groups should be examined to improve the generalizability of the findings.

6.3. Limitations and Future Research

There are some limitations to this research that should be considered when interpreting the findings of the research. First, the cross-sectional study design limits the ability to make causal inferences between digital financial literacy, financial discipline, and saving behavior. A longitudinal or experimental study design can be used to record the changes in behaviours over time, for future research. Second, it focuses on Gen Z in HCMC and was sampled via convenience sampling, resulting in certain findings that may be less applicable. This analysis

can be further extended to other age groups, areas, or countries with further studies. Third, common method or social desirability bias could be an issue with self-reported data. Future studies are recommended to use an objective financial measure or a combination of both. Fourth, other psychological and/or contextual factors such as financial attitudes or risk preferences may be useful to better understand the saving behavior in a digital financial context.

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