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### RESEARCH ARTICLE

## DIGITAL FINANCIAL LITERACY AND SUSTAINABLE CONSUMPTION AS PREDICTORS OF FINANCIAL WELL-BEING: EVIDENCE FROM COLLEGE STUDENTS IN PALAKKAD DISTRICT

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#### Abstract

The rapid expansion of digital financial services in India has transformed the way young adults manage their daily financial activities. College students, being among the most active users of UPI apps, online banking, and e-commerce platforms, require adequate digital financial skills to make informed financial decisions. At the same time, sustainable consumption behaviour is emerging as an important component of responsible financial management. This study examines the combined influence of Digital Financial Literacy and Sustainable Consumption Behaviour on the Financial Well-Being of college students. A structured questionnaire was used to collect data from students across different types of institutions. Descriptive statistics, reliability analysis, correlation, Independent t- test, One way ANOVA and multiple regression analysis were employed for data analysis. The findings indicate that sustainable consumption habits and digital financial literacy both demonstrate a significant and positive influence on financial well being. Higher levels of financial confidence, minimum financial stress and better monthly expense management are shown by students who practice mindful, sustainable consumption along with stronger digital financial skills. The study highlights the need for better digital financial education and awareness programs that promote college students' responsible consumption. While developing student centered financial empowerment initiatives, educational institutions, policymakers and financial service providers can utilize these insights for framing future guidelines.

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**Introduction:-**

The rapid economical development of the country and its emphasis on digital payments have opened a plethora of online payment apps, which the youngsters find convenient to use. However, it has also paved way for fraudulent activities making financial transactions unsecure. The widespread adoption of Unified Payments Interface (UPI), mobile banking applications, digital wallets, and online shopping platforms has positioned college students also at the centre of the digital financial ecosystem. In this context Digital Financial Literacy has evolved as an essential necessity that enables responsible financial conduct, safe interaction with digital platforms and making sound decisions. Sustainable consumption is very important concern along with the expansion of digital finance. As concerns about environmental impact, waste creation and over consumption increase, sustainable consumption has become a vital aspect of responsible money management. For students, this involves mindful buying, steering clear of impulsive online-sales spending, reducing waste, and opting for durable or environment friendly alternatives. This kind of behaviour helps one to attain environment sustainability and it will promote discipline in financial matters to attain long term financial well being. Financial well-being refers to an individual's capacity to manage expenses, fulfill obligations, feel financially secure, and cope with financial stress. This is especially important for students who typically work with tight budgets. Maintaining financial stability is challenging for students as they have to bear academic costs, transportation costs, hostel or mess charges and personal expenses,

Even though there are previous researches on financial literacy and financial behaviour in young people, there is limited research on digital financial literacy and sustainable consumption together as predictors of financial well being in the Indian setting. Considering India's distinctive digital payment environment and its expanding youth demography, there is a significant research gap. To address this gap, the study assesses the digital financial literacy of college students, examines their sustainable consumption behaviour, and investigates how these two aspects affect their financial well-being. As the study focuses on college students that represent the future, this study provides valuable insights for educators, policymakers, financial institutions, etc. for framing youth development programs. Strengthening digital financial capability and promoting sustainable consumption can play a significant role in enhancing financial well-being, reducing financial stress, and fostering responsible financial behaviour among young adults.

**Significance of the Study:-**

This study is significant because financial literacy is imperative for college students especially in the rapid growing e-payment systems and any error in using the online payment platforms will culminate in huge financial loss. It examines the financial behaviour of Palakkad college students, who come from mixed rural-semi-urban backgrounds and are heavy users of digital payment platforms like UPI and mobile banking, yet their financial literacy, responsible consumption, and well-being are understudied. The outcomes will assist colleges, policymakers, and financial bodies in designing targeted digital-literacy and awareness programmes for Palakkad youth, and the work enriches the limited literature on financial well-being in Kerala's smaller districts.

**Scope of the Study:-**

This study is limited to college students pursuing undergraduate and postgraduate programmes in government, aided, and self-financing colleges in Palakkad District. It focuses specifically on three variables: digital financial literacy, sustainable consumption behaviour, and financial well-being. The data was collected through a structured questionnaire, and the analysis restricted to quantitative methods. Only self-reported perceptions are considered, and no secondary financial records or qualitative data were included. The study is limited to the student population of Palakkad District.

**Literature Review:-**

Digital financial literacy has emerged as a critical competency in the context of India's rapidly expanding digital finance ecosystem. Young adults are increasingly employing digital platforms to handle their financial affairs with the growth of UPI, digital wallets, and mobile banking. Beyond traditional financial knowledge, digital financial literacy covers an awareness of methods of online payment, prevention of fraud, data security, and the effective use of financial planning or budgeting technology. As per the international research, possessing digital financial skills enhances decision making abilities and promotes confidence while using digital financial tools (Moore & Chuang, 2017). According to Grohmann (2018) financial literacy substantially enhances financial well-being, implying comparable effects for digital financial knowledge. Recent empirical studies have verified that digital financial literacy improves financial conduct, minimises financial vulnerability and enhances financial resilience (Bongomin et al., 2021; OECD, 2020). Indian studies show that while college students use digital payments

regularly, their awareness of cyber safety, phishing risks, and secure transaction practices remains limited (Khurana & Kaur, 2021; Singh & Yadav, 2022). Inadequate digital financial literacy can result in impulsive spending, poor financial decisions and higher levels of financial stress, based on the studies on Indian youth, even though digital financial tools enhance financial access and convenience (Gupta & Verma, 2022; Singh & Yadav, 2022). Through behavioural mechanisms involving self control and financial discipline, more recent studies point out that digital financial literacy has both direct and indirect effects on financial well being (Kumar & Sandhu, 2024; Bhat et al., 2024). Despite high digital adoption, Indian college students have low digital capability, revealing a gap that affects their financial well being. Alongside digital financial capability, sustainable consumption behaviour has gained significant academic attention for its link to long-term financial stability.

The emphasis is also on the Sustainable consumption behaviour, which refers to mindful, disciplined, and environmentally responsible resource use that reduces waste and prevents impulsive or unnecessary spending. According to Schaefer and Crane (2005) sustainable consumption is shaped by personal value systems and long-term goal orientation, while Jackson (2017) suggests that it enhances both environmental sustainability and financial resilience. Sustainable consumption among college students is shaped by increased environmental awareness, peer influence, marketing exposure, and digital shopping platforms. However, studies have shown that although students are aware of eco-friendly practices, their actual behaviour often reflects impulsive online purchasing and short-term gratification (Kumar & Kapoor, 2021). Sustainable consumption, which is characterised by deliberate spending, reduced impulsive buying and a long term focus enhances resource management and financial discipline (Joshi & Rahman, 2022; Verma et al., 2022). Due to habits, convenience and structural barriers, consumers often fail to consistently adopt sustainable practices despite increasing awareness (Joshi & Rahman, 2022; White et al., 2019). Based on recent conceptual studies, mindful consumption and reduced materialism not only foster environment sustainability but also improves financial discipline and overall life satisfaction (Joshi & Rahman, 2022; De et al., 2025). Avoiding impulsive buying, planning purchases, and choosing durable or eco-conscious products not only support environmental goals but also strengthen financial discipline, making sustainable consumption an important behavioural factor linked to financial well-being. Yet, the direct relationship between sustainable consumption and financial outcomes is rarely explored in the Indian context.

Financial well-being, a multidimensional construct reflecting an individual's financial security, ability to meet obligations, and resilience to economic shocks, has been extensively studied across global and Indian populations. It is widely recognized that financial well-being is shaped by financial behaviour, literacy, and psychological factors (Brüggen et al., 2017). Research by Joo and Grable (2004) showed that responsible financial behaviour significantly enhances perceived financial wellness, while Netemeyer et al. (2018) identified disciplined spending, digital money management, and reduced financial stress as key predictors of financial well-being. Indian studies confirm these trends, noting that financial literacy and responsible money management practices significantly improve students' financial well-being (Saurabh & Nandan, 2021). However, recent research also indicates that while digital payments simplify financial transactions, they may also encourage overspending and impulsive shopping among students if digital financial literacy and self-regulation are weak (Sabri et al., 2023). Current research reveals that economic needs and financial constraints affect the capacity of individuals to implement sustainable and financially responsible conduct, that in turn have an indirect effect on financial well being (Joshi & Rahman, 2022; Sabri et al., 2023). Latest conceptual developments locate financial well being within the broader framework of consumer well being, whereby responsible financial conduct, sustainable consumption and lower levels of materialism, all function collectively to foster psychological and financial stability (De et al., 2025). This highlights the growing importance of examining digital financial literacy and sustainable consumption as determinants of financial well-being among young digital consumers.

Researchers are giving greater importance to the relationship between digital financial literacy and financial well being, particularly because those who possess these skills have greater ability to safeguard themselves from fraud, employ digital tools to manage their budgets, track their spending, and engage in safe online transactions. Xiao and Porto (2019), in their study found out that digital capabilities enhance confidence and financial autonomy, and contribute to improved financial well being. Despite India's rapid progress in digitalisation, there is still minimal empirical evidence on how digital financial literacy influences college students' financial well being. Similarly, sustainable consumption behaviour is increasingly recognised as an important determinant of financial stability, as mindful purchasing reduces unnecessary expenditure and fosters long-term financial discipline. Young et al. (2010) observed that conscious consumption significantly reduces wasteful spending and enhances financial stability.

However, studies in India have rarely examined sustainable consumption as a predictor of financial well-being among students, particularly in the context of increasing online shopping trends and consumer culture.

**Research Gap:-**

Recent studies have explored digital financial literacy and its influence on financial behaviour and well being. This study is generally fragmented and largely conducted in isolation. In the same way , sustainable consumption habits have also been extensively investigated from an environmental point of view, with little consideration given to their financial consequences. Studies on young individuals in India generally investigate financial habits and literacy in isolation giving little focus to digital financial competence and sustainability conscious consumption. Moreover , there is a lack of integrated empirical research evaluating digital financial literacy and sustainable consumption behaviour together as indicators of financial well being among college students. Hence, by analyzing their combined effect on financial well being, this study addresses this gap.

**Objectives of the Study:-**

- To identify the level of digital financial literacy of college students.
- To examine the sustainable consumption practices followed by college students.
- To analyse the level of Financial Well Being of college students.
- To examine the effect of digital financial literacy and sustainable consumption on the financial well-being of college students.

**Theoretical framework and Hypotheses Development:-**

This research is grounded in three key perspectives: Financial Capability Theory, Behavioural Economics Theory, and Sustainable Consumption Behaviour Theory. These frameworks collectively explain how knowledge, behaviour, and decision-making processes shape students' financial well-being in a world driven by digital finance and consumption. Financial Capability Theory specifically explores how individuals apply financial knowledge, skills, and access to make informed financial choices. Sherraden (2013) conceptualised financial capability as the combination of financial literacy and financial inclusion, emphasising that knowledge alone is insufficient without the ability to apply it through accessible financial tools. In the Indian context, where digital payment systems such as UPI and mobile banking dominate daily transactions, digital financial literacy becomes a critical extension of financial capability. Though being avid customers of digital platforms, college students usually do not have adequate knowledge regarding cyber security , safe dealings, data privacy and fraud prevention. Students with higher digital financial capability will have confidence, makes lesser financial mistakes, increased budgeting practices, and improved overall financial well-being.

Behavioural Economics Theory provides a complementary perspective by explaining how individuals' decisions are influenced by cognitive biases, emotions, and psychological tendencies rather than purely rational calculations. According to Kahneman & Tversky, 1979, Behavioural economics theory explains how individuals exhibit impulsive behaviour, short term gratification, and suboptimal financial decisions due to biases like present bias , overconfidence, and loss aversion. It notes that digital financial literacy can moderate these biases, reducing impulsive decisions and enhancing financial stability. Sustainable consumption Behaviour theory (Schaefer & Crane,2005; Jackson,2017) links consumption patterns to long-term welfare and resource optimisation. It posits that mindful, responsible consumption like that of avoiding impulsive purchases, reducing waste, and choosing durable goods leads to better economic and environmental outcomes.

Among college students, sustainable consumption is not merely an environmental act but also a financially prudent behaviour. Students who plan their purchases, compare options, cut unnecessary spending, and resist marketing-driven consumption are better able to manage their limited financial resources. From this theoretical perspective , the study argues that sustainable consumption serves as a behavioural predictor of financial well-being by fostering discipline, reducing expenditure, and promoting long term financial security. By integrating these theories comprehensive framework can be framed for this study. Financial capability theory explains the role of financial knowledge and digital competence. Behavioural economics theory elucidates the psychological and behavioural mechanisms that influence financial choices. Sustainable consumption behaviour theory describes how responsible consumption enhances financial stability. Together , they form a coherent framework to examine how digital financial literacy and sustainable consumption jointly shape the financial well-being of Indian college students.

Grounded in Financial Capability Theory, Behavioural Economics Theory, and Sustainable Consumption Behaviour Theory, this study argues that financial well-being among college students is influenced by a combination of

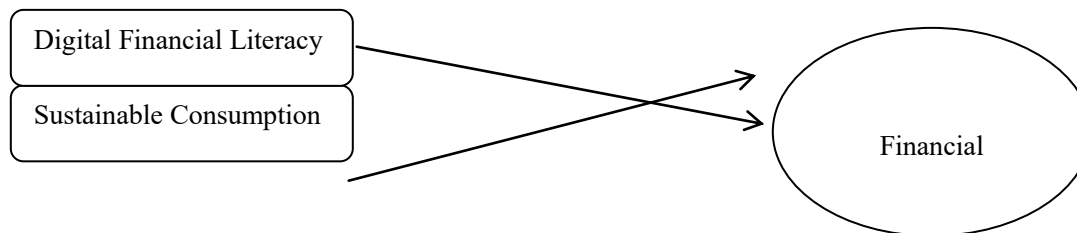
knowledge-based and behaviour-based factors. Digital financial literacy is expected to play a positive role in enhancing financial well-being, as students with stronger digital financial skills are better positioned to make informed financial decisions, conduct digital transactions safely, protect themselves from online fraud, and use technology-driven budgeting and money management tools effectively. These competencies can help lower financial stress and strengthen students' perceptions of financial security. In a similar manner, sustainable consumption behaviour is also anticipated to have a positive impact on financial well-being. Students who practice mindful consumption, limit impulsive purchases, and focus on need-based spending are more likely to manage their limited financial resources efficiently. Such responsible consumption habits reduce unnecessary expenditure, promote better financial control, and ultimately contribute to higher levels of financial well-being.

**Drawing from these arguments, the following hypotheses are formulated:**

- H1: Digital Financial Literacy differs significantly between genders.  
 H2: Digital Financial Literacy differs significantly among students of different streams of study.  
 H3: A significant difference exists in sustainable consumption behaviour between male and female college students.  
 H4: Sustainable Consumption Behaviour differs significantly among students of different streams of study.  
 H5: Digital Financial Literacy has a positive and significant effect on Financial Well-Being among college students.  
 H6: Sustainable Consumption has a positive and significant effect on Financial Well-Being among college students.

**Conceptual Model:-**

The conceptual model for this study is built on the assumption that Digital Financial Literacy (DFL) and Sustainable Consumption (SC) act as key predictors of Financial Well-Being (FWB) among Indian college students. In this model,  $DFL \rightarrow FWB$  and  $SC \rightarrow FWB$  represent direct, positive relationships. The conceptual model assumes that higher levels of digital financial capability and responsible consumption behaviour contribute to better financial outcomes, reduced financial stress, and improved perceived financial security among students.



**Research Methodology:-**

This study adopted a descriptive and analytical research design using a quantitative, cross-sectional approach to examine the influence of digital financial literacy and sustainable consumption on the financial well-being of college students in Palakkad District, Kerala. The population comprised students enrolled in arts and science colleges in the district, as this group actively engages in digital financial services and emerging consumption practices. Due to accessibility constraints, a convenience sampling technique was employed, and data were collected from 210 respondents, all of which were valid and included in the final analysis. Primary data were gathered using a structured questionnaire developed with established and validated scales, with modifications to suit the study context. The reliability of the measurement scales was confirmed using Cronbach's alpha, with all constructs exceeding the acceptable threshold of 0.70, indicating strong internal consistency. Data analysis was performed using SPSS version 25, employing descriptive statistics to assess the levels of the study variables, Pearson's correlation to examine associations among digital financial literacy, sustainable consumption, and financial well-being, and multiple regression analysis to test the proposed hypotheses regarding the impact of digital financial literacy and sustainable consumption on financial well-being.

**Results and Discussion:-**

This section reports and discusses the empirical findings of the study, examining the levels of digital financial literacy, sustainable consumption behaviour, and financial well-being among college students, and testing the hypothesized relationships among the variables using statistical analysis.

**Demographic Profile of The Respondents:-**

This section outlines the demographic characteristics of the respondents to contextualize the empirical analysis. The profile includes age, gender, course and stream of study, and type of institution, which together provide insight into the academic and socio-educational background of the sample. The majority of the respondents (64.8%) belongs to the 20–22 years age group, followed by students below 20 years (31.0%), indicating that the sample largely represents the conventional college-going population. Female students constitute a substantial proportion of the respondents (79.5%), while male students account for 20.5%, reflecting higher female participation in the study. With respect to academic level, 70% of the respondents is pursuing undergraduate programmes, whereas 30% is enrolled in postgraduate courses. In terms of stream of study, commerce students dominate the sample (88.6%), followed by Arts (7.1%) and Science (2.9%). Regarding institutional affiliation, 57.3% of the respondents is studying in aided institutions, while 34.7% is from government institutions and the rest 8% is from self financing colleges. Overall, the demographic composition indicates a predominantly undergraduate, female-dominated sample with strong representation from science disciplines. The majority of students depends on family support as their primary source of funds (72.9 per cent), followed by scholarships, part-time earnings, and other minor sources. This financial dependency context is particularly relevant while interpreting financial well-being outcomes, as limited independent income may constrain students' financial autonomy and security. This profile is appropriate for examining digital financial literacy, sustainable consumption practices, and financial well-being among college students, as it features a relevant and active segment of the student population. The internal consistency of the measurement scales was assessed using Cronbach's alpha to ensure the reliability of the constructs employed in the study. The results indicate strong internal consistency across all variables. The results indicate strong internal consistency for all constructs, with Digital Financial Literacy ( $\alpha = 0.925$ ), Sustainable Consumption Behaviour ( $\alpha = 0.921$ ), and Financial Well-Being ( $\alpha = 0.924$ ). As all values exceed the recommended threshold of 0.70, the scales are deemed reliable for further analysis. Following the confirmation of scale reliability, descriptive statistics were computed to assess the levels of digital financial literacy, sustainable consumption behaviour, and financial well-being among college students in Palakkad District.

**Table No.1: Level of Digital Financial Literacy**

Levels	No. of Respondents	Percentage of Respondents
Low	39	18.6
Moderate	45	21.4
High	126	60.0
<b>Total</b>	<b>210</b>	<b>100.0</b>

**Source: Primary data**

The above table shows the digital financial literacy levels among college students. Based on the frequency distribution, the majority of respondents - 126 students (60%) fell under the category of High digital financial literacy (scores 27-35) which denotes a high degree of competence, self-confidence, and effective use of digital financial tools and services. In addition, 21.4% of the respondents exhibited moderate digital financial literacy (scores 17-26), showing an average level of functional competence and knowledge of digital financing. On the contrary, 18.6% of the respondents possess low digital financial literacy (scores 7-16), demonstrating the absence of knowledge and skills in managing finances. Overall, the figures indicate that while most respondents possess moderate to high levels of digital financial literacy, a notable segment continues to demonstrate low proficiency, underscoring the need for targeted digital financial education initiatives.

**Table No.2: Descriptive Statistics of Sustainable Consumption Behaviour**

Sustainable Consumption behaviour	Mean	Std. Deviation
I avoid impulsive buying and think before spending.	3.35	1.252

I prefer buying only what is necessary for my daily needs	3.62	1.259
I try to reduce wasteful spending in my lifestyle	3.76	1.265
I compare prices and quality before making purchases	4.06	1.354
I try to manage my resources (money, electricity, fuel, food) responsibly.	3.86	1.180
I avoid unnecessary online shopping even when discounts are offered.	3.71	1.262
I plan my monthly expenses in a discipl	3.22	1.229

Source: Primary data

The descriptive statistics reveal varying levels of sustainable consumption practices among college students in Palakkad District. Among the behaviours examined, comparing prices and quality before making purchases emerged as the most commonly practised behaviour, recording the highest mean score (Mean = 4.06, SD = 1.354). It can be interpreted in this way that the students generally adopt a rational and informed approach while making purchasing decisions which was followed by responsible management of resources (Mean = 3.86, SD = 1.180) and efforts to reduce wasteful spending (Mean = 3.76, SD = 1.265), suggesting that students demonstrate a reasonable level of awareness regarding efficient resource use and expenditure control. Likewise avoiding unnecessary online shopping even during discount offers (Mean = 3.71, SD = 1.262) and purchasing only what is necessary for daily needs (Mean = 3.62, SD = 1.259) reflect moderate adherence to sustainable consumption principles. In contrast, planning monthly expenses in a disciplined manner (Mean = 3.22, SD = 1.229) and avoiding impulsive buying (Mean = 3.35, SD = 1.252) recorded comparatively lower mean scores. This indicates that while students are cautious at the point of purchase, long-term financial planning and impulse control are less consistently practised. Overall, the figures suggest that college students tend to follow practical and transaction-oriented sustainable behaviours, such as price comparison and resource management, more actively than planning-oriented behaviours, such as budgeting and impulse control.

**Table No.3: Level of Financial Well being**

Levels	No. of Respondents	Percentage of Respondents
Low	36	17.1
Moderate	93	44.3
High	81	38.6
<b>Total</b>	<b>210</b>	<b>100.0</b>

Source: Primary data

The majority of the respondents are managing their financial matters fairly well, based on the above table showing the distribution of financial well-being. Majority of the respondents (44.3%) report a moderate level of financial well-being (score 17-26), showing that they can meet their financial requirements, though often with some difficulties. A high level of financial well-being (score 27-35) is exhibited by 81 respondents (38.6%), indicating that they appear more secure and confident in handling their finances. Comparatively lower percentage of respondents

(17.1%) state that they have low level of financial well-being (score 7-16), which is evident of persistent difficulties regarding security and stability.

#### Testing of Hypotheses:

H1: Digital Financial Literacy differs significantly between genders.

**Table No.4: Independent Sample t-test analysis of Digital Financial Literacy according to Gender of College Students**

Gender	N	Mean	Std. Deviation	t – value	P - Value
Male	43	26.65	7.20	1.217	0.225
Female	167	25.07	7.72		

**Source: Primary Data.**  
**Significant @ 5% level.**

An independent sample t-test was used to test the hypotheses, which reveals digital financial literacy differs among genders. The results reveal that male students have a slightly higher mean score for digital financial literacy (M = 26.65, SD = 7.20) compared to female students (M = 25.07, SD = 7.72). However, this observed difference was not statistically significant ( $t = 1.217$ ,  $p = 0.225$ ). This suggests that, despite minor variations in mean scores, digital financial literacy levels are broadly similar across genders. Accordingly, the null hypothesis of no significant difference among gender with regard to digital financial literacy is not rejected.

H2: Digital Financial Literacy differs significantly among students of different streams of study.

**Table No.5: ANOVA Stream-wise Study according to Digital Financial Literacy among College Students**

Stream	N	Mean	Std Deviation	F- Value	P-Value
Arts	15	27.4	4.27	4.820	0.009
Science	6	34	1.09		
Commerce	189	24.96	7.77		
Total					

**Source: primary data**

ANOVA results show that students from different streams exhibited considerably varying degrees of digital financial literacy (DFL) ( $F=4.820$ ,  $p=0.009$ ). A Tukey post-hoc test was done to figure out which groups were different. The results revealed that students from the science stream (mean =34.00) possess significantly greater Digital financial literacy compared to the students in the arts stream (mean =27.40) and that in the commerce stream (mean=24.96) there was no apparent difference in digital financial literacy between the streams of commerce and arts. Based on the outcome, students in the science stream possess highest level of digital financial literacy.

H3: A significant difference exists in sustainable consumption behaviour between male and female college students.

**Table No.6: Independent Sample t-test analysis of Sustainable Consumption Behaviour according to Gender of College Students**

Gender	N	Mean	Std. Deviation	t – value	P - Value
Male	43	26.30	7.07	0.726	.463
Female	167	25.39	7.31		

**Source: Primary Data.**  
**Significant @ 5% level.**

The findings reveal that male students (Mean = 26.30, SD = 7.07) have slightly higher sustainable consumption behaviour than female students (Mean = 25.39, SD = 7.31). However, the difference was not statistically significant ( $t = 0.726$ ,  $df = 208$ ,  $p = 0.463$ ). Therefore, the null hypothesis is not rejected, indicating that sustainable consumption behaviour does not differ significantly between male and female college students.

**H4: Sustainable Consumption Behaviour differs significantly among students of different streams of study.**

**Table No.7: ANOVA Stream-wise Study according to Sustainable Consumption Behaviour among college students**

Stream	N	Mean	Std Deviation	F-Value	P-Value
Arts	15	29.6	4.17	2.830	0.061
Science	6	27.5	6.02		
Commerce	189	25.19	7.39		
Total					

Source: Primary Data.  
Significant @ 5% level.

A one-way ANOVA was performed to determine whether Sustainable Consumption Behaviour differs among students from different streams of study. The results revealed that the difference is not statistically significant ( $F = 2.830$ ,  $p = 0.061$ ). Since the p-value is greater than 0.05, the null hypothesis is not rejected, indicating that there is no significant difference in Sustainable Consumption Behaviour among students of different streams of study.

**H5: Digital Financial Literacy has a positive and significant effect on Financial Well-Being among college students.**  
**H6: Sustainable Consumption has a positive and significant effect on Financial Well-Being among college students.**

Table No.8.1 : Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.690 <sup>a</sup>	.476	.471	5.02722
a. Predictors: (Constant), SCB, DFL				

Source: Primary data

To test the proposed hypotheses, multiple regression analysis was employed with financial well-being as the dependent variable and digital financial literacy and sustainable consumption behaviour as predictors. The model was found to be statistically significant ( $F = 93.953$ ,  $p < 0.001$ ), explaining 47.6% of the variance in financial well-being ( $R^2 = 0.476$ ). This indicates a substantial explanatory power of the model in the context of college students. Both predictors jointly contribute meaningfully to financial well-being, confirming that students who possess higher digital financial literacy and adopt sustainable consumption practices experience better financial well-being. The model shows a good fit to the data.

**Table No.8.2: ANOVA**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	4748.932	2	2374.466	93.953	.000 <sup>b</sup>
Residual	5231.491	207	25.273		
Total	9980.424	209			

**Source: primary data**

The regression results provide empirical support for both hypotheses. Digital financial literacy exerts a positive and significant influence on financial well-being, confirming **H5**, while sustainable consumption behaviour also demonstrates a positive and significant effect on financial well-being, supporting **H6**. These findings highlight the complementary role of financial knowledge and responsible consumption in shaping students' financial well-being. In the Palakkad District context, where students largely rely on family support and limited financial resources, the ability to manage digital finances effectively and control consumption emerges as a critical determinant of financial stability.

**Table 8.3 : Results of Coefficients of Digital Financial Literacy, Sustainable Consumption Behaviour and Financial Well being**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.639	1.328		4.246	0.000
	Digital Financial Literacy	.147	.968	.162	2.170	0.031
	Sustainable Consumption Behaviour	.535	.071	.561	7.511	0.000

**Source: Primary data**

**Dependent Variable : Financial Wellbeing:-**

From the table 8.3, it is found that  $p < 0.05$ , the null hypothesis is rejected that Digital financial literacy and Sustainable consumption behaviour have a significant effect on financial wellbeing among college students. The unstandardized coefficient (B) for Digital financial literacy is 0.147, indicating that for each one-unit increase in DFL, financial wellbeing increases by approximately 0.147 units, holding other Sustainable consumption behaviour constant. Similarly, the unstandardised coefficient (B) for SCB indicates that holding digital financial literacy constant, a one unit increase in SCB leads to 0.535 units in financial wellbeing. Therefore, it can be concluded that both Digital financial literacy and Sustainable Consumption behaviour contributes positively to financial wellbeing and also shows that Sustainable consumption behaviour has a strong effect than digital financial literacy. The predictor equation would be as follows:

Financial Wellbeing (FWB) = 5.639 + 0.147 (DFL) + 0.535 (SCB) Overall, the findings underscore the importance of strengthening digital financial education and promoting sustainable consumption habits among college students. Enhancing these competencies can serve as an effective strategy to improve financial well-being and reduce financial vulnerability during the formative years of higher education.

**Conclusion and Policy Implications:-**

The study examined the levels of digital financial literacy, sustainable consumption practices, and financial well-being among college students in Palakkad District, and analysed the influence of digital financial literacy and sustainable consumption on financial well-being. The findings reflect the increased exposure as well as usage of digital financial services as majority of students possess moderate to high levels of digital financial literacy. In the same manner though a certain number of students continue to experience financial struggles, most of the respondents has moderate levels of financial well-being. The empirical results show that there exists no significant difference in digital financial literacy between male and female students implying that college students, irrespective of gender, possess a highly uniform distribution of digital financial knowledge. Different streams had different degrees of digital financial literacy. Sustainable Consumption Behaviour among college students does not differ significantly based on gender or stream of study.

Although slight variations in mean scores were observed, these differences are not statistically significant, indicating a similar pattern of behaviour across groups. It was also found that digital financial literacy exhibited a positive and significant effect on financial well being which shows its importance in fostering students' financial stability and decision making skills. Sustainable consumption behaviour act as an influential predictor of financial well being, revealing that responsible spending and consumption practices substantially improve students' financial outcomes. From a policy perspective, these findings highlight the need for integrating digital financial education and sustainable consumption awareness into higher education curricula across all disciplines. Educational institutions should prioritise practical financial training programmes that equip students with the skills required to effectively manage digital financial tools and adopt responsible consumption practices. Policymakers and financial institutions should also collaborate to design awareness initiatives that encourage budgeting, saving, and prudent spending. Such coordinated efforts can play a vital role in strengthening the financial well-being of college students and fostering financially resilient and responsible future citizens.

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