Journal of Child, Family, and Consumer Studies Vol. 3, No. 1
Jan 2024, p:22-32, e-ISSN: 2829 – 650 DOI: https://doi.org/10.29244/jcfcs.3.1.22-32

SUBJECTIVE ECONOMIC WELL-BEING OF *BANK EMOK* CUSTOMERS' FAMILIES: AN ANALYSIS OF DEBT BEHAVIOR, LIFESTYLE, ECONOMIC PRESSURE, AND FAMILY FINANCES

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Abstract

The utilization of money is not optimal, making the family's financial condition inefficient, which is why the family decides to get into debt at the Bank Emok. This study aims to analyze the influence of the family's debt behavior, lifestyle, economic pressure, and financial conditions (literacy and management) on the subjective economic well-being of Bank Emok customers in Bogor City. The research used a cross-sectional study design involving 150 families of Bank Emok customers selected by simple random sampling. The research instrument has adequate reliability and validity. The results of the analysis show that there are Bank Emok customers who are not categorized as poor. Many client families do not fulfill 12 years of primary education. Loans range from 2-16 million, with an average weekly installment of 138 thousand. As many as 26,7 percent of families fall into the category of high economic pressure, which is characterized by the difficulty of families in fulfilling food, education, and life skills. The results of the regression test show that the subjective economic welfare of families is positively influenced by lifestyle, financial literacy, financial management, number of dependents, length of wife's education, and length of loan. The analyzed model contributed 27,2 percent to the subjective economic well-being of families. Families are advised to start making financial plans and implement saving habits to be used in emergencies to improve the subjective economic well-being of the family.

Keywords: debt behavior, economic pressure, family finances, lifestyle, subjective economic welfare

KESEJAHTERAAN EKONOMI SUBJEKTIF KELUARGA NASABAH *BANK EMOK*: ANALISIS PERILAKU BERHUTANG, GAYA HIDUP, TEKANAN EKONOMI, DAN KEUANGAN KELUARGA

Abstrak

Pemanfaatan uang yang belum optimal, menjadikan kondisi keuangan keluarga tidak efisien, kondisi ini menjadi motif keluarga memutuskan untuk berutang pada *Bank Emok*. Tujuan penelitian ini untuk menganalisis pengaruh perilaku berhutang, gaya hidup, tekanan ekonomi, dan kondisi keuangan (literasi dan manajemen) keluarga terhadap kesejahteraan subjektif-ekonomi nasabah *Bank Emok* di Kota Bogor. Penelitian menggunakan desain c*ross sectional study* dengan melibatkan 150 keluarga nasabah *Bank Emok* yang dipilih secara *simple random sampling*. Instrumen penelitian memiliki reliabilitas dan validitas yang memadai. Hasil analisis menunjukkan terdapat nasabah *Bank Emok* yang tidak terkategori miskin. Cukup banyak keluarga nasabah tidak memenuhi pendidikan dasar selama 12 tahun. Pinjaman berkisar antara 2-16 juta, rataan cicilan per minggu sebesar 138 ribu. Sebanyak 26,7 persen keluarga termasuk ke dalam kategori tekanan ekonomi yang tinggi, hal ini ditandai dengan sulitnya keluarga dalam melakukan pemenuhan pangan, pendidikan, dan keterampilan hidup. Hasil uji pengaruh menunjukkan kesejahteraan subjektif-ekonomi keluarga dipengaruhi secara positif oleh gaya hidup, literasi keuangan, manajemen keuangan, jumlah tanggungan, lama pendidikan istri, dan lama pinjaman. Model yang dianalisis berkontribusi 27,2 persen terhadap kesejahteraan subjektif-ekonomi keluarga. Keluarga disarankan untuk memulai membuat perencanaan keuangan dan menerapkan kebiasaan menabung untuk digunakan dalam keadaan darurat guna meningkatkan kesejahteraan subjektif-ekonomi keluarga.

Kata-kata kunci: Gaya Hidup, Kesejahteraan Subjektif Ekonomi, Keuangan Keluarga, Perilaku Berhutang, Tekanan Ekonomi

INTRODUCTION

Family welfare is the ultimate goal expected by the family. According to Sunarti (2009), family welfare is an output from the management of family resources as measured by the fulfillment of economic inputs and the satisfaction felt by each family member. Subjective well-being, which is based on quality of life, is defined as a person's satisfaction with material and behavior to achieve life goals (Puspitawati, 2009). The same definition also states that subjective well-being is defined as overall life satisfaction. Subjective well-being is described as the overall satisfaction of family life according to the subjective evaluation of their living conditions (Diener, 2009). According to Sunarti (2020), subjective well-being is a cognitive and affective evaluation that includes emotional reactions and fulfillment of family needs. The family's ability to manage family resources and handle problems effectively is an effort to realize family welfare (Sunarti, 2013). Economic status and financial problems can cause restrictions in fulfilling needs so that they have an impact on well-being. Sunarti (2013) stated that income instability causes low family income and disrupts both subjective and objective well-being.

Unstable family economic conditions cause families to decide to go into debt (Sunarti, 2018). The decision to go into debt is basically due to the problem of poverty, groups with considerable debt tend to have lower household income, from a lower socioeconomic class, and have more children, those difficulties may arise from an unstable economic environment, and from individual financial incapacity (Lea et al., 1993). *Bank Emok* is an alternative for families to borrow money. *Bank Emok* is a money lending service by going around to customers (Larasati & Setiawan, 2022). The increase in family debt is due to the ease of access to debt, attractive promotions with easy requirements are the main attraction for families to get into debt. *Bank Emok*'s interest rate, which ranges from 10-30 percent, is the cause of financial fraud (Liman, 2021). *Bank Emok* customers, the majority of whom are housewives, sometimes borrow money without the knowledge of their husbands, borrow from more than one bank, use other people's names to borrow money, and find it difficult to repay debts (Larasati & Setiawan, 2022). This occurs because of substandard business capital, lack of income, and poor customer character. The way out that customers choose to pay debts is to get into debt again with the aim of covering the previous debt. Lending money to *Bank Emok* has caused changes, especially in terms of family welfare. According to Herispon (2018), family welfare is the family's motive for going into debt, but in fact families go into debt to improve their living status, lifestyle, and even to make impulsive purchases.

According to Mowen and Minor (2002), lifestyle is how a person allocates their money and time. Family lifestyle is a distinctive symbol to show the position of socio-economic status in society. This can be seen from the income owned by the family, the family's ability to meet the needs of life, and the education taken by each family member (Wenas et al., 2015). Lifestyle is one of the causes of the formation of social stratification in society. The way of dressing, food consumed, and types of reading are some aspects that are said to be an expression of the family which is closely related to the condition of the family's existence. A person's overall lifestyle can be seen from how individuals carry themselves and describe themselves that they consider important to themselves and their surroundings (Kotler & Armstrong, 2008). Research conducted by Kadence International-Indonesia in 2013, stated that 28 percent of middle-class people in Indonesia experience income deficits due to debt. People buy goods or services not just out of necessity, but because of the influence of lifestyle with the encouragement of "prestige" as a sign of individual social status. Based on research conducted by Aprilia and Mahfudzi (2020), as much as 85 percent of consumers have a tendency to shop for something that is not planned. The Financial Services Authority (2016) states that there is a decline in the habits of the Indonesian people in saving. Data owned by the Financial Services Authority also states that lifestyle is one of the goals of the community in spending money on a product.

Families have different needs because each family member has an unsatisfied and unlimited nature for what they have, the existence of internal and external factors contribute to influencing decisions in determining family needs (Sumarwan, 2017). Families with low incomes, unable to meet basic needs, and unstable jobs illustrate the causes of the emergence of economic pressure conditions that occur in families. The cause of economic pressure according to Mistry et al. (2008) is when the family cannot fulfill the needs of clothing, food, and shelter for all family members. Economic pressure leads families to vulnerability, both internally and externally. According to Sunarti (2006), economic pressure is one of the indicators of life welfare; the economy in the family becomes a pillar supporting the balance of family life. As a result of the prolonged crisis, many families experience economic pressure. Research conducted by Elder et al. (1992) states that family economic pressure can foster symptoms of depression, arguments between family members, and a tendency to commit violence, so that family relationships that occur have an impact on the decline in family welfare. This condition shows that when the family experiences economic pressure, the family will feel less happy because of the fulfillment of needs that are not optimal.

In daily life, some families make decisions about money without clear planning. Assuming uncertain expenses and income, financial management is often considered unnecessary (Hakim et al., 2014). Herawati et al. (2011) stated that financial management plays an important role in realizing family welfare through financial arrangements in meeting daily needs related to food, education, and health. Firdaus and Sunarti (2009) mentioned that good family financial management can characterize better welfare. Financial literacy acts as a key skill in empowering vulnerable communities to realize welfare, inclusion, and consumer protection (Financial Services Authority, 2021). A family will achieve a level of welfare when it has clear financial goals and conducts good financial management (Siska & Djaja, 2015). The fulfillment of family inputs can free the family from economic pressure and is expected to improve family welfare (Frankenberger et al., 2002). The purpose of the study was to analyze the influence of debt behavior, lifestyle, economic pressure, and the financial condition (literacy and management) of the family on the subjective-economic well-being of *Bank Emok* customers in Bogor City.

METHODS

This study used a cross sectional study design, which is research conducted at one specific time. The method used was a survey method using a questionnaire and direct interviews were conducted to families with wives who borrowed money from *Bank Emok* located in Bogor City. This research is located in Tanah Sareal District, Bogor City. The population in this study were families who borrowed money from *Bank Emok*. The population in this study are families who are in debt to *Bank Emok* as many as 300 families who are registered with one of the *Bank Emok* institutions. The sampling technique in this study used simple random sampling technique with a sample size of 150 families and the research respondents were wives.

The research variables include subjective-economic well-being, debt behavior, lifestyle, economic pressure, financial literacy, and family financial management. The subjective-economic well-being and economic pressure variables refer to Sunarti (2021) with each consisting of ten indicators with Cronbach's Alpha of 0,944 and 0,930. The measurement of the two variables uses a semantic scale with 7 answer options (the lowest score is 1 and the highest score is 7). Index grouping scores are categorized into four classes, which include very low, low, medium, and high. The categorization refers to Sunarti (2021b), a score of 0,00-0,19 is categorized as very low, 0,20-0,39 is categorized as low, 0,40-0,69 is categorized as medium, and 0,70 – 1,00 is categorized as high.

Lifestyle variables were measured using an instrument developed by Wells and Tigert (1971) modified by Fahlita and Djamaludin (2016) with a Cronbach's Alpha of 0,518. This lifestyle instrument is measured using psychographic concepts, related to personal traits and characteristics. Measurement of lifestyle variables refers to the measurement of activities, interests, and opinions with twenty indicators using a Likert scale. The index grouping score of the lifestyle variable is categorized into two groups. Cluster analysis was used to analyze the lifestyle of the subject's family wife. The cluster analysis used in this study is K-Means Cluster analysis, which is a classification analysis by first determining the number of categories and then placing objects into the cluster. In addition, cluster analysis categorizes into several groups with consideration of their characteristics. The lifestyle cluster is divided into two, namely the frugal lifestyle and the hedonic lifestyle.

The financial literacy instrument is a modification of Atkinson and Messy (2012) and OECD (2018) which consists of three dimensions, namely financial behavior with 8 items, financial attitudes with 6 items, and financial knowledge with 5 items. Family financial management is measured using an instrument developed by Firdaus and Sunarti (2009). This instrument is structured based on habits in planning, saving, and evaluating expenses. The instrument was measured using a semantic differential scale with seven score categories (1=strongly disagree to 7=strongly agree). This assessment applies to the financial attitude dimension. The financial behavior dimension was measured using a Likert scale with four scoring descriptions (1=never, 2=sometimes, 3=often and 4=always). However, the financial knowledge dimension has questions with three answer options. The assessment of financial knowledge consists of a score of 1 for a "correct" answer and a score of 0 for each "incorrect" answer. Overall financial literacy has a Cronbach's Alpha value of 0,671. Based on the index value obtained, financial literacy scores are grouped into three categories, namely low (< 60), medium (60 - 79), and high (> 80) (Chen &Volpe, 1998).

The financial management instrument has 10 Likert scale measurement items. The financial management instrument has 10 Likert scale measurement items with three score descriptions (1=never, 2=sometimes, and 3=always). The Cronbach's Alpha value for family financial management was 0,845. The family financial management index score is categorized into four categories, namely very low (0 - 39), low (40 - 59), medium (60 - 79), and high (80 - 100) (Sunarti, 2021). The variable of debt behavior is measured using a questionnaire developed by Almenberg (2018) and modified by Permatasari (2021) which consists of 5 questions using an ordinal scale from a score of 1 to 4. Based on the index value that has been obtained on the debt behavior variable, the score is categorized into three categories based on Sunarti (2021), namely very low (0,00 – 0,19), low (0,20 – 0,39), medium (0,40 – 0,69), and high (0,70 – 1,00).

The data that has been collected through processing is processed and analyzed using Microsoft Excel 2019 and IBM Statistical Package for Social Science (SPSS) Statistics version 25. The analysis conducted in this study is descriptive and inferential analysis. Descriptive analysis (mean, minimum value, maximum value, sum, and percentage) was used to identify family characteristics, debt characteristics, debt decision-making, and economic pressure. Inferential statistical analysis included Pearson correlation test and multiple linear regression to analyze the relationship, difference, and influence between variables in accordance with the research objectives.

RESULTS

Family Characteristics

The age of respondents was divided into three stages, namely early adulthood starting at the age of 20-40 years, middle adulthood at the age of 41-60, and middle adulthood at the age of more than 60 years. The results showed that more than half of the wives' ages, 54 percent, were in the middle adulthood stage, with an average wife's age of 43 years. The other wife's age category was at the early adult stage (43,3%) with the smallest wife's age being 23 years old and the largest wife's age being 64 years old. Then, for the husband's age, most of them are in middle adulthood with a percentage of 42%, with an average husband's age of 45 years. The results showed that almost half (48,7%) of the husbands worked as laborers/employees. Meanwhile, half of the respondents worked as self-employed (20%) and traders (30%). A total 43,3 percent of the wives did not work (housewives).

A third of respondents (33,3%) and a quarter of husbands (26%) had 12 years of formal education. However, the average education of respondents (9,09 years) and husbands (9,18 years) was only at the junior high school level. Then, the number of family dependents was 78 percent less than 3 family members. The results showed that the average value of total family income per month was IDR4.502.933 with a minimum income of IDR500.000 and a maximum income of IDR18.000.000. The results showed that the majority of 71.3 percent of families were in the non-poor category with an average per capita income of IDR1.256.251 per month. Another 28,7 percent of the families were categorized as poor with a minimum per capita income of IDR83.333 per month and a maximum value of IDR4.500.000 per month with 2 dependents.

Loan Characteristics

The loan characteristics consisted of the source of the loan, the length of time the family borrowed from *Bank Emok*, and the amount of money borrowed from *Bank Emok*, the payment mechanism, and the attendance mechanism. The results showed that most respondents (92%) were obliged to attend gatherings at one institution with an average loan duration of 48 weeks. While a small proportion (8%) of respondents were obliged to attend the gatherings of two *Bank Emok* institutions with an average loan duration of 52 weeks. The average loan duration for both banks was 12 weeks. Meanwhile, the longest time to repay installments at one *Bank Emok* institution was 100 weeks.

The size of the loans owned by families is in the range of IDR2.000.000 to IDR16.000.000 with an average of IDR4.736.666,73 while the average installment in each payment is IDR138.836,67. The payment mechanism describes the source of funds used to pay installments to the institution each week. The results showed that most respondents (76%) stated that they always paid installments from their spouse's income. The attendance mechanism describes how respondents' opinions on attending the institution's meetings each week. The results showed that more than half (62,7%) of the respondents stated that they never felt that the time of the association clashed with other matters.

Subjective-Economic Well-Being

Subjective-economic well-being measures the satisfaction felt by respondents economically. Based on the subjective-economic well-being categories in Table 1, almost half of the families are in the moderate category, at 42 percent. The average index score was 0,44 out of the total respondent index. Then, 32 percent of families fell into the low category of physical-economic satisfaction and 12 percent of families fell into the very low category with a minimum value of 0,00 from the total index.

Debt Behavior

The debt behavior of *Bank Emok* customers is classified as moderate with a percentage of 60,7 percent, while 37,3 percent of other respondents have debt behavior in the high category, and the rest in the low or very low category. The average obtained is 0,68, with a minimum score of 0,33 and a maximum score of 1,00. This shows that mobile bank customers have a moderate level of family vulnerability.

Economic Pressure

Subjective economic pressure with the percentage of difficulties felt by the entire subject's family. The results showed that the largest proportion of families was in the moderate category, at 50 percent. This is because most families feel economic difficulties, especially in several aspects, such as family food needs, education service costs, and improving life skills. Then, most respondents stated that they did not find it too difficult to pay for health services, the cost of accessing information and knowledge, and the cost of social donations such as infaq and sodaqoh.

Financial Literacy

Research defines financial literacy as an understanding of coordinating basic concepts, spending planning, and prioritization in meeting needs and wants. The financial literacy variable is divided into three dimensions, namely financial knowledge, financial behavior, and financial attitude. Table 1 shows that almost all 22 families (96,0%) were categorized as low in the financial knowledge dimension and did not understand basic financial concepts. In contrast, only 4,0 percent of the families were in the high category. In line with that, the majority of families were still categorized as low in the financial behavior (72,0%) and financial attitude (78,0%) dimensions. This indicates that the sample families are not yet able to plan and prioritize their spending. As a result, the financial literacy index has an average of 46,0 percent with most families categorized as low at 88,0 percent. When compared to the West Java Province's financial literacy index in 2022 of 56,1 percent, the study's average financial literacy index is 10,1 points lower.

Family Financial Management

Family financial management in this study is defined as the family's ability to manage financial aspects by planning, saving, and evaluating. The family financial management variable is divided into three dimensions, namely planning, implementation, and evaluation. Based on the distribution of families in Table 1, it can be seen that more than half of the families (58,7%) have financial management categorized as low to very low, with the rest categorized as medium (23,3%) and high (18,0%). The results show that more than half of the families (59,3%) have financial planning in the low to very low category with an average index of 56,11. Furthermore, the average implementation index was 53,25 with more than one-third (35,5%) of families in the very low category. In the evaluation dimension, two-thirds of families (66,0%) were still in the low to very low category with an average index of 48,11. Overall, the average index of family financial management, 52,57, was in the low category.

Table 1 Category subjective-economic well-being, economic stress, financial literacy, and financial management variables

Variables	Category (%)				Index		
	Very Low	Low	Moderate	High	Average	Min	Max
Subjective-economic well-being	12	32	42	14	0,44	0,00	1,00
Economic Pressure	5,3	10	58	26,7	0,57	0,00	1,00
Financial Literacy							
Knowledge	0	96	0,0	4,0	36,00	0,00	80,00
Behavior	0	72	20,7	7,3	50,19	0,00	100,00
Attitude	0	78	17,3	4,7	51,80	0,00	100,00
Literacy	0	88	10,7	1,3	46,00	18,52	81,11

Table 1 Category subjective-economic well-being, economic stress, financial literacy, and financial management variables (continue)

Variables	Category (%)				Index		
	Very Low	Low	Moderate	High	Average	Min	Max
Financial Management							
Planning	27,3	32,0	15,4	25,3	56,11	0,00	100,00
Implementation	35,5	18,0	30,7	16,0	53,25	0,00	100,00
Evaluation	44,7	21,3	15,3	18,7	28,11	0,00	100,00
Family Financial	28,7	30,0	23,3	18,0	52,57	5,00	100,00

Lifestyle

The results of the K-Means cluster analysis, lifestyle variables show that more than half of the total respondent wives have a frugal lifestyle. An example of a wife with a hedonic lifestyle is a wife who rarely purchases goods to support her appearance. In addition, wives with a frugal lifestyle prefer to choose and manage finances according to their needs. Respondents with a hedonic style are wives who prefer to spend their money to fulfill their desires. Based on the results of the calculation of wives with a frugal lifestyle (60,7%) more than wives with a hedonic lifestyle (39.3%).

Table 2 Distribution of families (%) based on lifestyle categories

Category of lifestyle	Percentage
Frugal lifestyle	60,7
Hedonic lifestyle	39,3
	Index
Average	0,58
Min	0,31
Max	0,75

Correlation test between Variables

The correlation between characteristics and subjective-economic well-being shows that subjective-economic well-being is significantly related to wife's years of education, number of dependents, lifestyle, financial literacy, and family financial management. The correlation analysis also shows that financial literacy ($r=0,167$, $p<0,05$), family financial management ($r=0,185$, $p<0,05$), and subjective-economic well-being are significantly positively related to the number of dependents. This result means that the greater the number of dependents, the higher the value of financial literacy, family financial management, and subjective-economic well-being of the family. Then, the analysis shows that financial literacy ($r=0,306$, $p<0,1$), financial management ($r=0,332$, $p<0,1$), and lifestyle ($r=0,336$, $p<0,1$) have a significant positive relationship with subjective-economic well-being. This means that the higher the financial literacy, family financial management, and lifestyle, the higher the subjective-economic well-being of the family.

Table 3 Correlation coefficients between family characteristics, loan characteristics, and inter-variables

Vatiables	Financial Literacy	Family Financial Management	Lifestyle	Subjective Economic Pressure	Subjective-Economic Well-Being	Debt behavior
Wife's age (year)	-0,058	**-0,244****	-0,088	0,018	-0,117	0,140
Husband's age (year)	-0,028	0,094	-0,022	0,090	0,006	-0,027
Wife's years of education (year)	-0,005	0,092	0,035	**-0,208***	**0,179***	-0,040
Husband's years of education (year)	0,086	**0,164***	0,062	-0,002	0,129	-0,044

Table 3 Correlation coefficients between family characteristics, loan characteristics, and inter-variables (continue)

Vatiables	Financial Literacy	Family Financial Management	Lifestyle	Subjective Economic Pressure	Subjective-Economic Well-Being	Debt behavior
Number of dependents (people)	**0,167***	**0,185***	0,080	0,082	**0,229****	-0,096
Income per capita (IDR)	0,026	0,070	0,043	-0,130	0,034	0,110
Loan amount	-0,085	-0,053	0,063	-0,094	-0,016	-0,068
Loan length (Number of times)	-0,082	-0,113	-0,013	-0,006	0,004	-0,103
Installment amount	-0,109	-0,082	0,089	-0,076	-0,032	-0,091
Installment paid	-0,146	-0,102	0,094	-0,033	0,050	0,000
Remaining loan	0,031	0,011	-0,056	0,021	-0,025	-0,113
Payment mechanism	0,006	0,026	**0,270****	-0,010	0,137	0,104
Attendance mechanism	0,011	0,004	-0,135	0,089	0,089	**0,307****
Financial literacy	1	**0,418****	0,082	0,043	**0,306****	**0,353****
Family financial management	**0,418****	1	-0,024	0,014	**0,332****	**0,233****
Lifestyle	0,082	-0,024	1	-0,115	**0,336****	0,008
Subjective Economic Pressure	0,043	0,014	-0,115	1	0,015	0,098
Subjective-economic well-being	**0,306****	**0,332****	**0,336****	0,015	1	0,029
Debt behavior	**0,353****	**0,233****	0,008	0,098	0,029	1

Regression Teson Subjective Economic Well-being

Lifestyle (β=0,744), financial literacy (β=0,388), and family financial management (β=0,239) have a significant positive effect on subjective-economic well-being. Each one-point increase in lifestyle will increase subjective-economic well-being by 0,744 points. Every one-point increase in financial literacy will increase subjective-economic well-being by 0,388 points, the same thing also happens to the one point increase in family financial management will increase subjective-economic well-being by 0,239.

Table 4 Test of influence on subjective-economic well-being

Model	Sig Level Model	Adjusted R^2	Unstandarized (β)	Sig
	0,000	**0,272**		
Wife's age (year)			0,002	0,224
Wife's years of education			0,014	**0,008***
Number of Dependents			0,022	**0,050***
Loan amount			-9,470E-9	0,224
Loan length			0,003	**0,044***
Installment amount			-0,002	0,217
Lifestyle			0,744	**0,000***

Table 4 Test of influence on subjective-economic well-being (continue)

Model	Sig Level Model	Adjusted R^2	Unstandarized (β)	Sig
Debt behavior			-0,179	0,150
Financial literacy			0,338	**0,028***
Family Financial Management			0,239	**0,001***
Attendence Mechanism			0,083	0,283

This model provides an influence of 27,2 percent. Based on this model, it is found that the results of multiple linear regression tests with the backward method provide an influence on subjective-economic well-being.

DISCUSSIONS

This study discusses the influence of family characteristics, loan characteristics, lifestyle, debt behavior, subjective economic pressure, financial literacy, and family financial management on the subjective economic well-being of families who owe money to *Bank Emok* in Bogor City. The results of the effect test show that the length of education of the wife has a significant positive effect on subjective-economic well-being. According to Higinbotham & Felix (2009), a person's level of education will be related to the type of job they have. This statement is supported by research conducted by Kapisa et al. (2021) that education has an influence on the type of work, a high level of education will provide a better type of job. A better job will provide an opportunity to get a better family income, so that it can maintain the stability of the family's economic situation.

The results of the effect test show that the number of dependents has a positive significant effect on subjective-economic welfare. This is in line with research conducted by Purwanto and Taftazani (2018) that the number of dependents will influence the subjective economic well-being of the family through income and expenditure levels. Based on the results of the study, it was found that the majority of families were included in the non-poor category, so that at least the family could fulfill the basic needs of each family member. This happens because with a large number of family dependents, other family members will be more aggressively looking for income to meet the needs of each family member. In addition, the support of other family members also plays a role in meeting the needs of each family member.

The next result is the effect of length of borrowing on subjective-economic welfare. The length of borrowing is the duration of the family who has been in debt and pays weekly installments to *Bank Emok*. *Bank Emok* users are generally influenced by other individuals or previous users. According to Diener et al. (1995) the amount of free time used to socialize can have an influence on the acceptance of the situation. So, from this influence, it creates a drive by considering previous experiences and actions that will be achieved in the future by trying something that satisfies them. Families will always try to achieve stability of balance both in the external (neighbors and relatives) and internal (family) spheres to regulate and adjust to these things that happen.

The results showed that lifestyle has a positive significant effect on subjective-economic well-being. According to Mulyadi (2018), subjective well-being is closely related to happiness and happiness occurs because there is satisfaction with the life lived in every individual's life journey. This is also in line with research conducted by Summers et al. (2012) individuals will put happiness as one of the elements of well-being, where well-being will be achieved when all the needs of family members can be met. In addition, in social life, lifestyle becomes a benchmark for welfare, where lifestyle is something that can be seen from a person (Fadli & Fatimah, 2021).

Financial literacy has a significant positive effect on subjective-economic well-being. The level of financial literacy owned by this family is able to sustain the economic growth of a country (Financial Services Authority, 2016). This happens because families who are well literate in finance will find it easier to understand the financial sector, so that they can utilize financial products and services that can improve the subjective-economic welfare of the family. The results of this study are in line with research conducted by Jappelli and Padula (2011) which states that financial literacy has an influence on subjective-economic well-being as measured by family wealth.

Family financial management is carried out to help determine the use of limited resources to meet the needs of all family members. The results of the effect test show that family financial management has a significant positive effect on subjective-economic well-being. This finding is in line with Parrot and Johnson's (1998) research which states that financial management affects financial satisfaction, marital satisfaction, and quality of life which have an impact on family well-being. These results are also in line with research conducted by Raharjo et al. (2015) which found similar results.

This influence is also supported by the finding of a relationship. The results showed a relationship between family characteristics indicators and subjective-economic well-being. The wife's length of education has a positive significant relationship with subjective-economic well-being. According to research by Higinbotham and Felix (2009), a person's level of education will be related to the type of work they have. This statement is supported by research conducted by Kapisa et al. (2021) that education has an influence on the type of work, a high level of education will provide a better type of work. A better job will provide an opportunity to get a better family income, so that it can maintain the stability of the family's economic situation. The results showed that there is a significant positive relationship between the number of dependents and subjective-economic well-being. The results of this study are in line with research conducted by Utaminingsih and Suwendra (2022), the number of dependents has a relationship with subjective-economic well-being through the income earned by the family. This happens because with a large number of family dependents, other family members will be more aggressively looking for income to meet the needs of each family member. In addition, the support of other family members also plays a role in meeting the needs of each family member.

The results of the descriptive analysis show that the subjective-economic well-being of families is in the low and very low categories. This can be seen from the family's lack of satisfaction with the state of savings, assets, and family financial management. The results of the clustering analysis of the lifestyle of the wives of the subject families show that more than half of the wives of the subject families have a frugal lifestyle. The wives have made a daily division of money based on priorities. The wives of the subject families also try to save money even though the amount is not large. In addition, there are wives from the subject families who still pay attention to appearance and make purchases for pleasure. Then, subjective economic pressure is included in the moderate category. The wives of the subject families find it difficult to fulfill varied family food, improve life skills, and pay for educational services. The wives of the subject families think that this is difficult to fulfill because it is necessary to divide money for daily life and installment payments. Financial literacy is still in the low category, because financial knowledge, financial behavior, and financial attitudes as benchmarks of financial literacy are also still low. The results show that family financial management is in the low and very low categories. This can be seen from the lack of family financial planning and evaluation of family finances every month. Debt behavior is still in the medium category and has the possibility to get into debt again.

This study did not examine the reasons why the subject families borrowed money from Bank Emok. Furthermore, this study did not examine changes in welfare before and after borrowing from Bank Emok. In addition, this study did not further examine the period of borrowing by the respondents. This is a limitation of this study due to the absence of in-depth reasons, the use of family money from borrowing, and backgrounds that may be related to lifestyle, economic pressure, and family welfare.

CONSLUSIONS AND SUGGESTIONS

The results showed that almost half of the respondents had low and very low subjective family economic well-being. The family's debt behavior is in the moderate category. The lifestyle applied by the family is in a frugal lifestyle. The results showed that more than half of the families experienced economic pressure. The family's financial literacy tends to be low. Financial management carried out by families is only a small example of good financial management. There is a relationship between the length of education of the wife and the number of dependents with subjective-economic well-being. A positive significant relationship was shown between lifestyle, financial literacy, and family financial management with the subjective-economic well-being of the family. The research shows a significant positive effect of lifestyle, financial literacy, and family financial management on subjective-economic well-being. This means that the higher the lifestyle, financial literacy, and family financial management will increase the subjective-economic well-being of the family. The length of wife's education, number of dependents, and length of borrowing have a significant positive effect on the subjective-economic welfare of the family. The limitation of this study is that the interview method used caused some customers to be afraid to be interviewed so that the use of self-administered techniques was used as an option for related customers. In addition, the sample selection method is also a limitation, researchers need time to find respondents who fit the criteria. The research did not delve deeper into the specific reasons why families borrow continuously at *Bank Emok*s. In addition, the study did not examine the family's expenditure at each particular time span. The specific reasons and family expenditure may be related to the family's physical-economic resilience.

Based on the results of the study, the suggestion that can be given is that families can improve family financial management skills with a priority scale to improve a careful lifestyle. Researchers also suggest starting to pay attention to saving habits and doing financial planning that can be used in emergencies. This situation is expected to reduce family economic pressure. Families also remain consistent in being obedient, such as paying installments on time in order to improve the subjective-economic well-being of the family. For the government, providing education and training related to the concept of financial management for the community, especially *Bank Emok* customers, is necessary in creating wise families so that they can improve family welfare. This research is limited to families who live in one area only, it would be more interesting if the research was carried out by reaching a wider area, so it is hoped that more comprehensive research results will be obtained.

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