

The Influence of Financial Threat on Go-Jek Drivers' Willingness to Change Financial Behavior in Surabaya, Indonesia

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Abstract. *During the COVID-19 pandemic, Go-Jek drivers have experienced economic difficulties due to a decline in online orders from consumers. This decline and the fear of contracting the virus have prompted Go-Jek drivers to try various alternatives to be able to meet their daily necessities. This study aims to determine the effect of financial threat on the willingness to change financial behavior among Go-Jek drivers in Surabaya, Indonesia. Data was collected through a questionnaire distributed online using Google Forms, Instagram as well as offline, so that 100 respondents could be obtained. After the data was collected, it was processed through SEM-PLS to examine the relationship of economic hardship, debt, anxiety, and financial threat to willingness to change financial behavior. On the one hand, the results of the analysis show that debt and anxiety had a significant effect on financial threat, and that financial threat had a significant effect on the willingness to change financial behavior. On the other hand, they indicated that economic hardship did not have a significant effect on financial threat. Difficult financial conditions affected Go-Jek drivers' psychological conditions, and they had to be willing to change their financial behavior to survive; hence, psychological factors and financial knowledge have an influence on individuals in terms of their ability to make wise financial decisions.*

Keywords: *Economic hardship, debt, anxiety, financial threat, willingness to change financial behavior*

Abstrak. *Selama pandemic COVID-19, driver Go-Jek mengalami kesulitan ekonomi disebabkan sulit mendapatkan pesanan secara online dari konsumen. Aktivitas pesanan online yang menurun serta ketakutan tertular virus mendorong driver Go-Jek untuk berusaha berbagai cara agar tetap dapat memenuhi kebutuhan hidupnya. Penelitian ini bertujuan untuk mengetahui pengaruh financial threat terhadap willingness to change financial behavior pada driver Go-Jek di Surabaya. Pengumpulan data dilakukan melalui kuesioner yang disebarluaskan secara online menggunakan google form, instagram serta offline, sehingga diperoleh 100 responden. Setelah data terkumpul, maka data diolah menggunakan SEM-PLS untuk menguji pengaruh economic hardship, debt, anxiety dan financial threat terhadap willingness to change financial behavior. Hasil analisis menunjukkan debt dan anxiety berpengaruh signifikan terhadap financial threat. Financial threat berpengaruh signifikan terhadap willingness to change financial behavior. Sebaliknya, economic hardship tidak berpengaruh terhadap financial threat. Kondisi keuangan yang sulit mempengaruhi kondisi psikologi driver Go-Jek, sehingga dibutuhkan kerelaan untuk mengubah perilaku keuangan agar tetap dapat bertahan, dimana faktor psikologi dan pengetahuan finansial memiliki pengaruh pada diri sendiri untuk dapat mengambil keputusan finansial dengan bijaksana.*

Katakunci: *Economic hardship, debt, anxiety, financial threat, willingness to change financial behavior*

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Introduction

Money is a medium of exchange everyone needs to survive. Consequently, most people work hard to earn money despite myriad obstacles such as economic recession, redundancy, and other equally serious difficulties. This sort of hardship is known as financial threat.

Fiksenbaum et al. (2017) define financial threat as anxiety caused by both current and future economic uncertainties. An individual's financial threat is influenced by economic hardship, debt, and anxiety. Economic hardship, in turn, pertains to an economic situation occurring in a region or country. This situation may increase or decrease the levels of financial threat for each person.

Since COVID-19 spread from Wuhan, China, to other parts of the world, having become a pandemic, economic conditions have worsened to the point that each individual must face a financial threat (Fahrika & Roy, 2020). Since people must make ends meet while fighting against the increasing level of threats, they may find it difficult to fulfill their needs

Indonesia's economic growth in the first trimester of 2021 dropped to -0.74%, compared to the 2.97% recorded for the same period in the previous year (BPS, 2021). Purchasing power among the country's population has concurrently weakened. In the first trimester of 2020, household consumption accounted for 2.83% of domestic economic growth, while in the first trimester of 2021, the proportion shrank to -2.23%. Such a slump in economic growth and household consumption has raised the level of economic hardship for individuals. This scenario stems from their regular income diminishing or disappearing (BPS, 2021).

Individuals' ability to manage money is crucial to avoiding financial problems, as inadequate money management can make it difficult for them to meet their basic necessities and, in turn, drive them into crippling debt (Alhenawi & Yazdanparast, 2021).

Debt to fulfill basic needs is one of the factors accelerating an individual's dive into financial threat: the larger the debt, the bigger the financial threat (Adamus & Grezo, 2021). When the debt is larger and the income smaller, it will be challenging for people to pay off their debt, due to their inability to manage their money in the first place.

Anxiety can also affect financial threat. Feeling anxious over one's own finances means feeling uncertain over one's future (Mamun, et al., 2020), as individuals tend to think about whether their employment will generate at least enough income to fulfill the basic needs for themselves and their families. Money plays a primary role in triggering anxiety, causing many individuals to stress out and encounter financial management problems. Hoping to bypass their anxiety, such individuals generally avoid any topics related to financial management (Grable et al., 2015).

According to Fiksenbaum et al. (2017), the willingness to change financial behavior refers to people's willingness to change their financial management behavior to improve their financial situation and to enable them to confront financial threat. As a result, they will intend to increase their income to be prepared to ward off any economic hardship and be capable of paying off their debt. In other words, a better income tends to ease an individual's anxiety level. Thus, people experiencing economic hardship, suffering from stress, feeling anxious, and carrying large debt tend to want to change their financial behavior more so than those who do not experience these troubles.

The COVID-19 pandemic has caused severe financial threat to Go-Jek drivers (The transportation service provider with millions of *driver* partners). Their incomes have plummeted due to the lack of online orders (purchase product with Go-Jek application). Brief interviews conducted for the present research during the coronavirus outbreak unraveled the economic hardship such drivers suffered.

The drivers have found it arduous to meet their basic necessities, since their incomes during the crisis have been barely enough to feed themselves and their families. Furthermore, some drivers reported still having motorcycle-related loans and other debts, such as mortgages or rental debt, to pay off. In other words, their daily income was no longer adequate to fulfill their basic needs and financial commitments became even harder when installments were due. Hence, they saw themselves forced to use the “robbing Peter to pay Paul” strategy; that is, paying a debt by getting a new loan. This worsened their anxiety, as they did not know how to escape this vicious cycle. In brief, they were anxious over the uncertainty regarding their own welfare and their families'.

This phenomenon happening amid the ongoing pandemic is worth investigating, particularly the issue of Go-Jek drivers' willingness to change their financial behavior. Thus, the first objective of this study is to explore the relationship among economic hardship, debt, and anxiety with respect to financial threat. Second, it aims to examine the relationship between financial threat and willingness to change financial behavior among Go-Jek drivers residing in Surabaya.

Surabaya, Indonesia's second biggest city after Jakarta, accounts for 24.07% of the gross regional domestic product (GRDP) of East Java Province, consisting of 38 regencies/cities (Kusnandar, 2021). In 2020, Surabaya recorded a 9.79% open unemployment rate, while its poverty level climbed from 4.51% in 2019 to 5.02% in 2020 (Haryono, 2021). This makes it important to further examine Surabaya's economic conditions during the COVID-19 crisis.

Money Management

According to Yushita (2017) and Pappang and Njo (2019), *financial management* is the way in which an individual manages their finance or sources of income. “Managing” in this sense means balancing assets and income with the expenses at hand toward meeting needs, wants, and financial goals.

Everyone has a way of allocating their money; this tends to be based on priority, ranging from primary needs (i.e., clothing, food, and shelter) to secondary ones (e.g., vehicles, entertainment, communication) and tertiary ones such as vacations abroad or luxury cars (Rahmatullah, et al., 2018). This allocation is necessary so that people can avoid spending all their money on necessities: The proportion for daily needs is ideally 70%, while 20% of the income should be dedicated to savings and emergency funds, and the rest to investment (Nurulhuda & Lutfiati, 2020; Warsono, 2011).

According to Raaij (2016), the goal of financial management is to fulfill needs and avoid debt. Bad financial management will prevent people from reaching their financial goals, and will induce high levels of stress because they must spend much of their time trying to solve their financial problems, especially debt.

It is worth noting, however, that economic difficulties are not always caused by internal factors. External factors such as the economy and COVID-19 pandemic also critically affect financial stability. It is difficult to control macro-level economic changes; hence, it is necessary to have a good plan in place to confront these changes. It is also important to highlight that the ways people have been facing financial threat and economic hardship during the pandemic have differed.

Financial Threat

Financial threat is an unfavorable situation individuals or families encounter amid financial stress. For instance, losing a job or income will disrupt one's financial plans; and the bigger the financial threat, the stronger the feeling of uncertainty over the future. Those facing such a threat tend to continuously agonize over how bad their financial situation is (Fiksenbaum et al., 2017).

Financial threat can be influenced by changes in the person's environment, personality, and hopes for the future. To measure one's level of financial threat, the financial threat scale (FTS) is used: It consists of five indicators calculating an individual's (1) anxiety level concerning their financial condition, (2) certainty regarding their financial condition, (3) feeling of being threatened due to their financial condition, (4) risk faced due to their financial condition, and (5) way of thinking about their financial condition.

Economic Hardship

Witteveen and Velthorst (2020) define *economic hardship* as an unfavorable reality one faces due to difficult conditions affecting the ability to fulfill one's basic needs, including essential services such as healthcare and protection (insurance). Daily expenses on necessities must be reduced as income sources diminish while monthly financial commitments, such as debt payments, increase. Fiksenbaum et al. (2017) indicate that individuals whose careers are still in the middle or lower levels are prone to experiencing economic hardship or to lacking financial resources. Economic hardship typically causes a person or family to become deeply worried due to their inability to pay their bills, debts, and other obligations.

Lempers, et al (1989) measure economic hardship via ten indicators in the economic hardship questionnaire (EHQ). These indicators assess an individual's ability to purchase preferred food and clothing; reduce entertainment expenses to save money; purchase household equipment; modify transportation options to cut costs; decrease the amount of money allocated for charity; reduce the consumption of utilities such as electricity and water in their household; sell items they own; and postpone medical treatment (Mamun, et al., 2020). Furthermore, Marjanovic et al. (2018) and Fiksenbaum et al. (2017) demonstrate the influence of economic hardship on financial threat. Economic decline disrupts one's finances due to income shrinkage or job unavailability, leading to the

emergence of financial threat. Basic needs such as food, clothing, and shelter swell, but income dwindles; thus, financial threat climbs.

H₁: Economic hardship significantly influences financial threat.

Debt

Graeber (2011) highlights that the system measuring money and debt has always been complicated. Low incomes make it hard for people to meet their needs, forcing them into debt.

Debt is an obligation stemming from borrowing money from other parties, which must be paid off within a certain time. Sometimes the payment must include interest. The agreement between the lender and borrower is a contract, containing the terms and conditions of the loan, interest, payment, and collateral.

Livingstone and Lunt (1992) and Alhenawi and Yazdanparast (2021) characterize personal debt as that taken by individuals to meet the basic needs for themselves or for their families or household, such as food, clothing, and housing. A high increase in personal debt will cause problems for individuals or households, one of which is the inability to pay debt. Meltzer et al. (2011) and the Organization for Economic Co-operation and Development (OECD) (2022) suggest that personal debt owed by individuals be split into three categories: debt for daily necessities (food, drink, and clothing); debt related to accommodation, such as rent; and finally, debt related to utilities such as water and electricity. A debt indicator measures whether an individual takes on debt to fulfill their basic needs, paying bills instead of saving money, and to examine their efforts to manage expenses in hopes of not taking any loans (Lusardi & Tufano, 2015).

Fiksenbaum et al. (2017) indicate that debt significantly influences financial threat. Their study dealt with students in Canada who had not yet finished their studies but had to start paying back their student loans even before earning an income; hence, their financial threat soared. Greenglass and Mara (2012) also point out that increasing debt will heighten financial threat.

Those taking on crippling debt, such as the Canadian students' loans mentioned, will, by definition, find it hard to pay it off. Thus, the higher the debt, the stronger the financial threat faced by individuals.

H₂: Debt significantly influences financial threat.

Anxiety

Financial anxiety is a situation in which the future seems unclear and uncertain. Dugas, et al (2004) put forward two related notions: prospective anxiety and inhibitory anxiety. *Prospective anxiety* is caused by uncertainty over future events, while *inhibitory anxiety* is anxiety preventing an individual from making progress in life (Ranney et al., 2019).

Archuleta et al. (2013) define *financial anxiety* as a feeling of fear, apprehension, or worry regarding one's financial condition. Financial anxiety can prevent one from focusing on financial management (Grable et al., 2015).

The primary factor underlying financial anxiety is money. When one's financial condition is unfavorable, one is forced to confront uncertainty over one's future financial state (Greenglass et al., 2013). The Financial anxiety scale (FAS) is used to measure individuals' anxiety over their financial condition, and concomitant sleep disorders, inability to focus on work, oversensitivity, tension, and fatigue, all presumably caused by an unsatisfactory financial condition.

Mamun et al. (2020) claim that anxiety significantly influences financial threat. The inability to fulfill daily necessities, especially basic ones such food, clothing, and housing, will trigger a high level of anxiety. As the anxiety level increases, the level of financial threat will rise, as well.

H₃: Anxiety significantly influences financial threat.

Willingness to Change Financial Behavior (WTCFB)

Willingness to change exists when there is an external pressure that causes a person to change and this is manifested through their actions which effectively lead to innovation (Ballet & Kelchtermans, 2008; Ishtiaq et al., 2019). Ajzen (1991) asserts that willingness to change occurs when a person has intention to act or to change their behavior. Each person has a different degree of motivation so that the efforts he or she makes will vary. This difference will drive a person to change but there is also a possibility that this situation will lead to the opposite direction; that is, he or she will refuse to change (Metselaar, 1997).

Financial Behavior is behavior related to the ways a person manages their finance. Shefrin (2000) defines financial behavior as a study about financial behavior of individuals influenced by psychological factor and phenomenon. Nofsinger (2001) states that financial behavior is a field of study which concerns about the actual behavior of individuals related to financial decision, especially regarding psychological factor affecting the financial decision of a person, a company, and money market. Nababan & Sadalia (2013) highlight that the first financial behavior indicator is to pay debt on time while the second one is to have expense budget when a person plans to buy things. The third indicator is to record expenses and costs. The fourth one is to allocate emergency fund or unexpected fund. Finally, the last indicator is to save money.

Lajuni et al. (2018) discover that willingness to change financial behavior (WTCFB) of an individual is influenced by their social environment's pressure. This social pressure, whether coming from spouse, family, or colleagues, will drive a person to have WTCFB. Their financial management behavior changes, owing to the social pressure, and this makes them to have an expectation to have the ability to face financial threat (Marjanovic et al., 2018). WTCFB is measured by using WTCFB Scale consisting of fifteen indicators which include how individuals have an intention to change their financial management behavior in dealing with income, debt, and anxiety.

Ishtiaq et al. (2019) believe that financial threat such as economic condition, debt, and anxiety could promote the willingness to change financial behavior on individuals. Moreover, López-Mosquera et al. (2014) further argue that this willingness appears because they are willing to make action. The strong willed-ones will be highly likely to make action in order to change their behavior. Financial threat will force individuals who have strong will to deal with the threat. As a result, this financial behavior will help them to survive a financial threat. Willingness to change financial behavior can be manifested through the reduction of non-essential expenses or the increase income in order to overcome economic pressure; as a result this will alleviate their anxiety. Fiksenbaum et al. (2017) prove that financial threat significantly influences willingness to change financial behavior.

A study conducted in Canada concerning students suffering financial threat due to student loan, they owed reports that these students exhibited anxiety, but this situation also led them to have willingness to change their financial behavior.

H4: Financial threat significantly influences willingness to change financial behavior among Go-Jek drivers in Surabaya.

In line with Theory Planned Behavior coined by Ajzen (1991), intending to extend Theory of Reasoned Action posited by Fishbein and Ajzen (1975), this study proposes that the will to act and to change the behavior can predict the actual behavior. The model is examined by incorporating economic, emotional, and motivational indicators from financial anxiety and psychological pressure.



Figure 1.
Research Paradigm

Research Methodology

This research was utilized to elaborate on the influence of economic hardship, debt, and anxiety on financial threat and explain the influence of financial threat on the willingness to change financial behavior among Go-Jek drivers in Surabaya. Hence, the population in this research comprised Go-Jek drivers. The rationale for choosing Go-Jek drivers as this study's participants was that Go-Jek was labeled the largest transportation service provider in Indonesia (Listiorini, 2020), employing two million drivers (Stephanie, 2020).

The selection relied on snowball sampling. Data was collected via a questionnaire distributed to Go-Jek driver communities both online (over Instagram and Google Forms) and offline from May to June 2020. The questionnaire was divided into two parts: demographic background of the drivers and a list of questions related to the variables of the research. The variables were measured through a five-point Likert scale, ranging from strong disagreement (point 1) to strong agreement (point 5). The data processing employed Partial Least Square Structural Equation Modelling (PLS-SEM) via the smartPLS 3.0 software.

Structural Equation Modelling is a path diagram technique depicting the relationship between exogenous and endogenous variables and selected indicators. Outer and inner model phases were selected for evaluation. The outer model on PLS-SEM was evaluated to examine validity and reliability against exogenous and endogenous variables' indicators, via convergent validity (CV), discriminant validity (DV), and composite reliability (CR).

CV is utilized to reveal the extent to which an indicator can measure a variable. When the outer loading value and average variant extracted (AVE) are greater than 0.5, it is considered valid.

The purpose of using DV is to test whether a variable is truly different from other variables. The discriminant validity value is determined from cross-loading and Fornell-Larcker-criterion values. The value of a variable's cross-loading indicator must be higher than other variables and the value of the Fornell-Larcker criterion must obtain the square-root AVE value of each variable—which is higher than the correlation with other variables—to be considered valid.

Finally, CR is administered to examine the reliability of a construct used in research. The composite reliability value (alpha Cronbach) has to fall within the 0.60–0.70 range to be considered valid (Hair et al., 2017).

The inner model evaluation underwent bootstrapping procedures, for the estimate for path coefficients to be obtained through the t-statistic. A t-test is needed to assess endogenous against exogenous variables, accounting for p-value or confidence interval. This study employed 5,000 bootstrap sub-samples, and the number of participants was 100.

The use of a large number of bootstrap sub-samples was deemed necessary to ensure the stability of the results. The value of the t-test for the two-tailed test was 1.65 (confidence interval of 90%), 1.96 (confidence interval of 95%), and 2.58 (confidence interval of 99%). In the next stage, path selection was carried out by employing R-square, to measure the extent to

which endogenous variables could be explained simultaneously by exogenous variables; the higher the R-squared value, the higher the exogenous variables' influence on endogenous ones. The evaluation of the inner model also utilized Q-square to discover the relative influence of the structural model on observation calculations for the latent variables used. When the value of Q-square is higher than 0, the value observed is perceived as possessing the predictive relevance (Hair et al., 2017).

Results and Discussion

The present study collected data through a questionnaire distributed to Go-Jek drivers online, via a Google Forms link and Instagram; and offline, through the direct dissemination of its printed version to participants. A total of 117 participants filled out surveys, but once their responses had been checked, 17 were found not to have met the criteria and were therefore excluded, with 100 surveys able to be processed, as Table 1 shows. Participants' demographic information can be seen in Table 2; it contains sex, age, and level of education, reason to become a Go-Jek driver, length of employment, number of dependents, average daily income, average daily expenses, and the primary reason for choosing this job.

Table 1.
Questionnaire Selection Process

Notes	Number
Surveys distributed via Google Forms	87
Printed surveys distributed in person	30
Surveys which did not meet the criteria	17
Not residing in Surabaya	9
All questionnaire items filled out with identical Likert scale poin	3
Incomplete surveys	5
Surveys used	100

Source: Data processed

Table 2.
Participants' Demographic Profiles

Information	Number	Percentage
Sex		
Male	100	100%
Female	0	0%
Age		
19–29	34	34%
30–40	43	43%
Over 40 years old	23	23%
Level of education		
Lower or equal to high school diploma	91	91%
Associate degree or Bachelor's degree	9	9%
Other	0	0%
No other choice but to be a Gojek driver		
Yes	27	27%
No	73	73%
Length of employment		
Less than 1 year	14	14%
1–2 years	22	22%
3–4 years	52	52%
More than 4 years	12	12%
Number of dependents		
1–2 people	34	34%
3–4 people	57	57%
> 4 people	9	9%
Daily income		
Less than Rp. 50,000	5	5%
Rp. 50,001–100,000	58	58%
Rp. 100,001–150,000	34	34%
More than Rp. 150,000	3	3%

Table 2. (Continued)
Participants' Demographic Profiles

Information	Number	Percentage
Daily expenses		
Less than Rp. 50,000	2	2%
Rp. 50,001–100,000	68	68%
Rp. 100,001–150,000	26	26%
More than Rp. 150,000	4	4%
Primary reason to become a Gjek driver		
Need immediate income (very urgent)	57	57%
Not getting the desired job	24	24%
Passing time while waiting for a interview call for the desired job	18	18%
Other	1	1%
Total	100	100%

Source: Data processed

As Table 2 indicates, 100% of participants were male, aged 19–29 (34%), 30–40 (43%), and older than 40 (23%). Most (91%) had a high-school-level education or lower. Almost three quarters of the respondents admitted to having been forced by circumstances to become Go-Jek drivers. They most frequently had 3–4 dependents, followed by 1–2 and more

than 4 (57%, 34%, and 9% respectively). Most of these drivers earned Rp.50,001– 100,000 (58%) and Rp.100,001–150,000 (34%) daily, while their daily expenses ranged from less than Rp 50,000 (2%) to Rp.50,001–100,000 (68%) and Rp.100.001 –150.000 (26%).

Table 3
Descriptive Variables of the Research

Variable	Indicator	Mean	Standard deviation	
Economic hardship (Lempers, et al., 1989)	EH 1	I find it difficult to buy food for daily needs.	3.83	1.129
	EH 2	I postpone buying clothes for daily wear.	3.90	0.948
	EH 3	I reduce entertainment expenses.	3.70	1.283
	EH 4	I used less electricity and water to reduce household expenses.	3.73	1.325
	EH 5	I often move to find cheaper rental accommodation to decrease rental expenses.	3.44	1.131
	EH 6	I change the patterns of how I use transportation to reduce expenses.	3.69	1.212
	EH 7	I reduce the amount of money allocated for charity.	3.47	1.159
	EH 8	I sold some precious items I owned to meet the needs of my family.	3.48	1.374
	EH 9	I postpone medical treatment to reduce expenses.	3.60	1.326
	EH 10	Overall, my family is in the middle of financial hardship.	3.60	1.341
Economic hardship		3.644	1.232	

Table 3. (Continued)
 Descriptive Variables of the Research

Variable	Indicator		Mean	Standard deviation
Debt (Lusardi & Tufano, 2015)	D 1	I would rather have debt than find other ways to make ends meet.	3.58	1.312
	D 2	I choose to owe money to relatives to make ends meet.	3.74	1.353
	D 3	I choose to owe money to friends to make ends meet.	3.76	1.264
	D 4	I choose to get a loan from an online money lender although the interest rate is high.	3.60	1.435
	D 5	I choose to secure a loan with collateral from <i>Bank Perkreditan Rakyat</i> (BPR)/People's Credit Bank.	3.52	1.306
Debt			3.640	1.333
Anxiety (Archuleta, et al., 2013)	A 1	I feel anxious about my financial condition.	3.84	1.187
	A 2	I have trouble sleeping due to my financial condition.	3.86	1.326
	A 3	I find it difficult to focus on work due to my financial condition.	3.89	1.286
	A 4	I am easily offended because of my financial condition.	3.55	1.388
	A 5	I have a hard time controlling feelings of anxiety due to my financial condition.	3.60	1.198
	A 6	I feel tense because of my financial condition.	3.72	1.232
	A 7	I feel exhausted (have a headache) because I am constantly worried about my financial condition.	3.67	1.272
Anxiety			3.733	1.272
Financial threat (Marjanovic, et al., 2015)	FT 1	I feel hesitant about my financial condition.	3.66	1.148
	FT 2	I feel that my financial condition is in jeopardy.	3.91	1.016
	FT 3	I feel threatened because of my financial condition.	3.71	1.113
	FT 4	I always worry about my financial condition.	4.07	1.018
	FT 5	I constantly think about my financial condition.	3.87	1.143
Financial threat			3.844	1.095

Table 3. (Continued)
Descriptive Variables of the Research

Variable	Indicator	Mean	Standard deviation	
Willingness to change financial behavior (Fiksenbaum et al., 2017)	FB 1	In these tough times, I seek help from the government.	3.50	1.193
	FB 2	In these tough times, I seek help from relatives.	3.82	1.067
	FB 3	In these tough times, I seek help from friends.	3.67	1.164
	FB 4	If I am under so much financial pressure, I will sell my valuable possessions to get money (such as motorcycle, jewelry, furniture).	3.71	1.365
	FB 5	I am willing to do any side jobs to earn additional income.	3.96	1.109
	FB 6	I will rent some parts of my house to earn additional income.	3.45	1.123
	FB 7	If I am under financial pressure, I am willing to reduce some expenses, such as expenses for cinema, travelling, and eating out.	4.12	1.066
	FB 8	If it is possible, I am willing to buy cheaper items to save money.	3.66	1.249
	FB 9	I will find cheaper rental accommodation.	3.57	1.217
	FB 10	I prefer using my savings to getting a loan to buy things.	3.78	1.276
	FB 11	I will apply for an additional loan.	3.41	1.264
	FB 12	I am trying to reduce my amount of debt by paying in monthly installments.	3.65	1.226
	FB 13	I want to get a loan from a bank.	3.56	1.131
	FB 14	I seek advice from more experienced parties and their suggestions for a solution to pay off my debt.	3.68	1.230
	FB 15	I am trying to combine all my debts into one payment.	3.36	1.375
Willingness to change financial behavior		3.660	1.218	

Source: Data processed

Table 3 provides descriptions of the exogenous and endogenous variables of this research. The next step of data processing utilized the smartPLS 3.0 software to test the hypothesis. Of the 42 available indicators, 36 were used in the convergent validity (CV) test;

six of the indicators (i.e., EH 5, EH 7, FB 1, FB 6, FB 11, and FB 13) had an outer loading value < 0.5, and were thus excluded from subsequent analysis. If the AVE value > 0.5, indicators are declared valid for further tests (see Table 4).

Table 4.
Outer Loading Value, AVE Value, Composite Reliability, and Cronbach's Alpha

Variable	Indicator	Outer loading	AVE	Composite reliability	Cronbach's alpha				
Economic hardship (EH)	EH 1	0.755	0.534	0.901	0.884				
	EH 2	0.747							
	EH 3	0.652							
	EH 4	0.707							
	EH 6	0.736							
	EH 8	0.746							
	EH 9	0.749							
	EH 10	0.745							
	Debt (D)	D 1				0.736	0.679	0.913	0.881
		D 2				0.842			
D 3		0.817							
D 4		0.812							
D 5		0.903							
Anxiety (A)	A 1	0.726	0.630	0.922	0.901				
	A 2	0.798							
	A 3	0.752							
	A 4	0.728							
	A 5	0.879							
	A 6	0.818							
	A 7	0.843							
Financial threat (FT)	FT 1	0.782	0.653	0.904	0.866				
	FT 2	0.850							
	FT 3	0.729							
	FT 4	0.818							
	FT 5	0.856							
Willingness to change financial behavior (FB)	FB 2	0.822	0.596	0.942	0.933				
	FB 3	0.826							
	FB 4	0.789							
	FB 5	0.778							
	FB 7	0.784							
	FB 8	0.756							
	FB 9	0.726							
	FB 10	0.756							
	FB 12	0.694							
	FB 14	0.784							
FB 15	0.765								

Source: Data processed

Table 4 also displays the discriminant validity test (DV), which can further be seen in the Fornell-Larcker criterion (Table 5). If the values of all variables have a square-root AVE value greater than the

correlation with other variables, it is declared valid. The composite reliability value is greater than 0.6 for each variable.

Table 5.
Fornell-Larcker Criterion Value

	EH	D	A	FT	FB
Economic hardship(EH)	0.731				
Debt (D)	0.489	0.824			
Anxiety (A)	0.386	0.633	0.794		
Financial threat (FT)	0.427	0.682	0.735	0.808	
Willingness to change financial behavior (FB)	0.330	0.474	0.506	0.529	0.772

Source: Data processed

The inner model of the R-Square calculation and the Q-Square calculation exhibit financial threat, with R² 0.622, and willingness to change financial behavior, with R² 0.280. The calculation of Q² demonstrates a value of

0.728, or 72.8%; thus, it can be claimed that the model used is a fit and that it has predictive relevance. Furthermore, hypothesis testing was performed by considering the t-statistic value, as shown in Table 6.

Table 6.
Results of Hypothesis Testing

Hypothesis	Original sample	t-statistic	p-values	Conclusion
Direct path				
Economic hardship → financial threat	0.072	0.974	0.331	Insignificant
Debt → financial threat	0.333	3.502	0.001	Significant
Anxiety → financial threat	0.496	6.175	0.000	Significant
Financial threat → willingness to change financial behavior	0.529	9.750	0.000	Significant
Indirect path				
Economic hardship → financial threat → willingness to change financial behavior	0.038	0.958	0.339	Insignificant
Debt → financial threat → willingness to change financial behavior	0.176	2.856	0.004	Significant
Anxiety → financial threat → willingness to change financial behavior	0.262	5.040	0.000	Significant

Source: Data processed

Table 6 illustrates the direct and indirect relationships of each variable. Within this context, debt and anxiety have a significant direct effect on financial threat, except for economic hardship. Financial threat has a significant direct effect on willingness to change financial behavior. In an indirect relationship, debt and anxiety affect willingness to change financial behavior by mediating financial threat, while this does not occur in economic hardship.

Discussion

The Influence of Economic Hardship, Debt, and Anxiety on Financial Threat

This study reveals that economic hardship did not significantly affect financial threat in the Go-Jek drivers' case. Although worried about their present financial condition, they admitted that in their everyday lives, they had habitually faced financial constraints and economic pressures even before the pandemic struck. The economic crisis triggered by the pandemic was not perceived as a new situation, because they had already been struggling to make ends meet. In other words, this situation was considered common rather than a financial threat.

Drivers reported their main priority to be fulfilling their most basic need, namely food, at the expense of other necessities such as clothing, entertainment, and even healthcare. When accommodation was deemed barely affordable, many decided to move to find less costly shelter, alongside reasonable transportation costs. This finding is corroborated by Ofori (2020), who demonstrates that economic hardship has no significant effect on financial threat.

Findings indicate that economic pressures affect the financial condition of an individual (or family), who must confront disruption due to a decline in income or absence of a job. In fact, individuals who lose their jobs or undergo financial difficulties may have anxiety, suffer from alcohol abuse, and even commit suicide (Kaplan, et al., 2015).

However, Conger et al. (2002) find that economic hardship can be lessened if familial support is present during such hard times, encouraging the individuals facing problems to persevere.

Moreover, this study's results show that debt significantly affected financial threat, meaning that the larger the debt (without a strategy to pay it off), the higher the financial threat on an individual or a family. During the coronavirus outbreak, the drivers' income plunged, rendering them unable to fulfill their basic needs and forcing them to turn to their relatives, or even online money lenders who charged skyrocketing interest rates, to borrow money. This heightened financial threat and their anxiety, as they came to worry even more about their financial condition. Loan services on online platforms have now mushroomed, due to their simple paperwork and process, unlike loans from conventional banks; in other words, it is easier for people to obtain money from these online money lenders (Soegesty et al., 2020). The negative impact of this phenomenon is that the amount of debt grows while driving up financial threat for heavy borrowers (Greenglass & Mara, 2012; Fiksenbaum et al., 2017).

Anxiety is seen as significantly influencing individuals' financial threat, as the higher their anxiety, the higher their level of financial threat. Individuals dissatisfied with their financial condition find it difficult to fulfill needs for themselves and their dependents. Anxiety occurs because their present financial condition cannot secure their future financial state, or help them predict whether it will be better or worse. Go-Jek drivers struggled to focus on their work due to their present financial condition: their sleep disorders, constant anxiety and tension, acute exhaustion due to frequent headaches, and easily getting offended were all reflections of their anxiety. This anxiety led them to agonize over their risk due to the unfavorable financial condition the pandemic imposed.

The study's findings also point to drivers' prospective anxiety—the feeling of worry about future events caused by economic downturn or other factors beyond their control (such as the pandemic's impacts). The drivers concurrently experienced “inhibitory anxiety,” as the uncertainty present hindered their functioning due to a high anxiety level. Their reaction to the pandemic caused these drivers uncertainty about the future and about themselves.

Adamus and Grezo (2021) also claim that anxiety stems from individuals' feeling uncertain about their future. Similarly, Greenglass et al. (2013) assert that financial anxiety is uncertainty about the future, especially future financial conditions. Individuals' obligation to make ends meet, not only for themselves but also for their families, can cause them a high level of anxiety. This is because each individual affected tends to constantly think about how to get away from this unfortunate situation and tackle these problems, becoming stressed or suffering from persistent anxiety as a result (Ranney et al., 2019).

Financial Threat and Willingness to Change Financial Behavior

The effect of financial threat on the willingness to change financial behavior is shown to be significant. This willingness to change occurs due to external pressure.

Go-Jek drivers' willingness to change their financial behavior emerged as they faced financial threat. The economic downturn during the COVID-19 outbreak caused online transactions to decrease, along with their income. Meanwhile, they could not reduce their amount of debt and had to take out loans even to make ends meet. These drivers found themselves having to pay installments for motorcycle loans and to pay rent for housing at the same time.

These drivers' fragile financial condition triggered constant worry and anxiety. The fact that they had dependents while their income

was limited further forced them and their families to be willing to change their financial behavior to address life pressures stemming from financial threat. They began to change their financial behavior by, for instance, minimizing non-essential expenses (such as travel and watching movies), looking for a side job to improve their income toward paying off debt, and brainstorming with friends or family to find a solution to overcome their current financial stress.

The results of the present research are in line with those of Ishtiaq et al. (2019) and Memon et al. (2021), whose studies show significant effects of financial threat on willingness to change financial behavior. Individuals who experience a financial threat are likely to express their intention to change their situation, as was the case with the Go-Jek drivers. However, this does not necessarily mean the participants will take action to manifest their intention; in fact, the relationship between intention and behavior remains a debatable issue in psychology (Kraus, 1995).

Financial Threat as a Mediating Variable of Economic Hardship, Debt, and Anxiety for Willingness to Change Financial Behavior

The findings suggest that individuals who had debt and anxiety also had bigger financial threat. Moreover, those under financial stress exhibited clear signs of psychological pressure. Additional results draw a relationship between financial threat and willingness to change financial behavior, including the intention to look for a side job and willingness to change.

However, the study's results do not indicate a mediating role of financial threat in dealing with economic hardship and willingness to change financial behavior. It is also worth noting that not only are feelings of being financially under threat related to individuals' actual financial situation, but also to their own tendency to feel threatened (Adamus & Grezo, 2021). By identifying the mediating role of financial threat, these findings extend the theory of financial stress and its psychological effects to the role of emotions in the financial domain.

Conclusion

The results of this study demonstrate that debt and anxiety had a significant effect on financial threat, except for economic hardship. Financial threat had a significant effect on Go-Jek drivers' willingness to change financial behavior. Additionally, this study found that financial threat acted as a mediating variable for debt and anxiety on the drivers' willingness to change financial behavior.

The COVID-19 outbreak had driven Go-Jek drivers to feel hopeless due to their dwindling income, while their expenses soared as a result of climbing living and healthcare costs during the pandemic. The gap between income and debt indeed played a significant role in the lives of these drivers. Thus, this research is expected to make a contribution to providing suggestions in general to those who experience financial difficulties, and to Go-Jek drivers in particular. However, the research result are limited, only able to reveal Go-Jek drivers experience during the pandemic. It is argued that the negative influence of financial threat can be weakened by the willingness to change one's financial behavior. For example, individuals should remain motivated to find a side job and to learn to better manage finances to survive in these times of crisis.

Recommendations for future studies on this topic are that they should expand on it by considering participants who had fallen into debt even before the pandemic, and research the ways in which they may have changed their financial behavior in response to their financial problems. Such participants may include micro-enterprises or MSMEs (Micro, Small, and Medium Enterprise) and the economic and psychological effects faced within them due to the pandemic. A low level of financial literacy also tends to play an important role in increasing financial discomfort; therefore, studies should devote attention to the inner motivations allowing individuals to manage their finances in an orderly fashion to reduce economic pressures, which can contribute to improving their psychological well-being.

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