POCKET MONEY AND SELF-CONTROL OF STUDENTS' CONSUMPTION PATTERNS

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Abstract: Everyone consumes, including students. Students are the easiest subject to follow changes in the flow of globalization which is synonymous with modern things. Change makes students progress further. Human change towards a more advanced direction is called modernization. Many students follow fashion trends, shop online, follow gadget developments and even vacation in famous places. Apart from that, the many shopping centers also increase the attraction for students to visit them. This research aims to analyze the perceptions and factors that influence the consumption patterns of FEB UMSU students which are able to increase or control students' consumptive values. The sampling technique used a non-probability sampling method and a sample of 93 respondents was obtained. The type of data used is primary data sourced from the results of distributing questionnaires. This research uses the Structure Equation Model (SEM) analysis method using the SmartPLS data processing tool. The research results show that the pocket money factor has a significant influence on students' consumption patterns and self-control has a significant influence on the consumption patterns of students at the Faculty of Economics and Business, Muhammadiyah University, North Sumatra.

Keywords : Pocket money **,** self -control , consumption patterns, students

Introduction

Students have complex financial problems, because most students do not have income and limited financial reserves to use each month. Students experience a transition from being directly dependent on their parents' finances, to becoming individuals who are more financially independent. Students will face a new environment without supervision and support from parents.

Students receive pocket money from their parents which must be managed optimally by placing the goods or services most needed so that the student's welfare as an individual increases. However, usually they feel that it is not enough, so in one month they can ask for delivery twice. So there is a need for knowledge in managing the amount of pocket money in order to be frugal and save from the amount of pocket money.

Self-control is one of the potentials that can be used and developed by individuals in dealing with conditions in the surrounding environment. According to Gufron and Rini (2010) self-control is defined as the ability to organize, guide, regulate and direct forms of behavior that lead to positive consequences. Self-control can be used to control behavior before deciding to act. So the higher the self-control, the more intense the control over consumption behavior so as not to be consumptive.

North Sumatra Muhammadiyah University (UMSU) is a higher education institution in the city of Medan which is located not far from shopping centers and several other relaxing places. This condition can affect consumption patterns. With his background as an economics

student, he feels that he is mature and good enough to be able to carry out rational economic activities. The aim of this research is to determine and analyze the influence of financial literacy on consumption patterns among students and to analyze the influence of self-control on consumption patterns among students at the Faculty of Economics and Business, Muhammadiyah University of North Sumatra. This research can add theory or insight regarding the influence of financial literacy, self-control and income on financial management, especially for students.

Literature Review
Consumption comes from the English language, namely to consume or the Dutch language consumptive which means to use or spend. Consumption is an activity that aims to reduce or use up the usefulness of an object, whether in the form of goods or objects, whether goods or services, to meet needs and satisfaction directly. Consumption is spending on goods and services by households. Goods include household spending on durable goods such as vehicles, household appliances and non-durable goods such as food and clothing. Services include intangible goods such as haircuts and health services. 4 Consumption is all the use of goods and services carried out by humans to fulfill their life needs, including basic needs, secondary needs, luxury goods, as well as physical and spiritual needs.

Keynesian Consumption Theory John Maynard Keynes, through his book entitled The General Theory of Employment, Interest, and Money, put forward a theory of consumption called the absolute income theory of consumption or better known as the absolute income hypothesis. Keynes's consumption theory is based on the basic psychological law of consumption, which says that if income increases, consumption will also increase, but by a smaller amount. The average propensity to consume will be smaller if the income level rises. The average propensity to save will be greater if income rises.

According to Veblen, a person's consumption patterns are mainly determined by efforts to gain social status or recognition in society. He said that people tend to spend money on luxury or exclusive items as a way to show their wealth and differentiate themselves from others.

Pocket money is an amount of money given every week, month, or year. Money pocket given by parents to his son For needs personal And education. Money pocket considered considered as motivator behavior Which most strong in matter satisfying needs, not just needs, desires for goods or Each individual's services always change from time to time and tend to increase Lots. Pocket money is the biggest source of student income. From research results, Sulaeman (2012) explains that pocket money has a significant influence on financial literacy. Pocket money can encourage individuals to manage money well, because this provides an opportunity for parents to get used to educating their children well.

However, this is not in line with the results of research by Is Rianda Megasari (2014) which shows that pocket money has a significant effect and there is a negative relationship with financial literacy. This explains that the more negative or lower the pocket money, the greater the increase in financial literacy. Likewise, conversely, if pocket money becomes more positive, financial literacy will decrease . According to Al-Ghazali (2010) that "Money needed as mark an item. With money as a measure of the value of goods then money will be exchanged and determines the fair value of the exchange the.". Money Pocket is Money Which given For buy something that students need to fulfill their needs need like Eat, drink, clothes, boarding house And otherso on. Pocket money is given daily, weekly or monthly, which allows them to pay for the things that matter for they.

According to Marteniawati (in Mega 2020) Money pocket is MoneyWhich given For buy something Which required by para students in meeting needs such as food, clothing,

boarding, andetc. Money pocket given in a way daily, weekly, And monthly that can allow them to pay for the important things For they . Based on the description above, it can be concluded that pocket money is the income a child receives from his parents, where this pocket money can influence consumption patterns a person and money given by parents with planningThe money is used for transportation or savings for children and pocket money can be used for food and other expenses other.

According to (Kholilah & Iramani, 2013) stated that financial behavior is an act of an individual's ability to manage their money such as planning, budgeting, checking, managing, controlling, saving financial funds for everyday use. Zulaika and Listiadi (2020) in their research said that the importance of self-control in a person when they want to make decisions before behaving. A person's psychological factors are important for controlling oneself and managing finances as well as possible by restraining uncontrolled spending before making financial decisions. Ghufron and Risnawita (2017) define self-control regarding each individual's ability to adapt their behavior to other individuals so that other individuals can feel happy through their abilities in terms of reading environmental conditions, personal conditions, controlling and managing several behavioral factors so that they are more appropriate to the conditions. Chaplin, (2015) self-control is a person's ability to guide one's own behavior in the sense of a person's ability to suppress or inhibit impulses or impulsive behavior.

There are various factors that can influence self-control, divided into internal and external factors. According to (Ghufron & Risnawita, 2017) there are factors that can influence self-control: 1) internal factors such as age , the way parents enforce discipline, the way parents respond to children's failures, communication style, the way parents express anger and so on . External factors are the environment and family. Environmental and family factors are external factors of self-control. Parents determine a person's ability to control themselves. One of the things that parents apply is discipline, because discipline can determine a good personality and can control individual behavior. Existing self-control comes from internal (from parents) and external (environment) which plays a very important role so that someone can control themselves better.

Consumption is also influenced by self-control. Self-control is an individual's ability to be sensitive in reading one's own situation and environment. Apart from that, there is also the ability to control and manage behavioral factors according to situations and conditions to present oneself in socializing the ability to control one's behavior. According to (Goldfried & Merbaum, 2012) put forward four indicators of self-control such as Behavioral Control (Behavior Control), Behavioral control, Cognitive Control, Decisional Control (Controlling Decisions), Credit and Dept. Management. (Goldfried & Merbaum, 2012) defines self-control as the ability to organize, guide, regulate and direct forms of behavior that can lead individuals towards positive consequences. Self-control also describes individual decisions through cognitive considerations to combine behavior that has been arranged to improve specific results and goals, as desired.

Method

The type of research that researchers use is quantitative research, which is a process of finding knowledge that uses data in the form of numbers as a tool to analyze information about what you want to know. The research approach uses a survey approach, namely research without making changes (no special treatment) to the variables studied. The research method uses a questionnaire as a data collection instrument, which aims to determine the influence of the amount of pocket money and self-control on the consumption patterns of students at the Faculty of Economics and Business, Muhammadiyah University of North

Sumatra. This research is planned to be carried out from June to July. The author conducted this research on FEB students at Muhammadiyah University, North Sumatra .

The population in this study was 1200 active students from the Faculty of Economics and Business at Muhammadiyah University of North Sumatra, class of 2019. In determining the number of samples in this study, the Slovin formula was used with a sampling error percentage of 10%. Namely 92,307 or 93 respondents. Data collection techniques were carried out through questionnaires with the highest **score range** being 4 (four) and the lowest being 1 (one), strongly agree = 4; agree = 3 ; disagree = 2, strongly disagree = 1. The type of data used in this research is ordinal data, namely data that has been sorted from the lowest level to the highest level.

Factors that are suspected to be causes or precursors of other variables. In this case the independent variable is the pocket money factor (X1). The indicators are: 1) Financial Literacy
2) Parental Gifts 3) Income . The self-control factor (X2) indicators are:
1) Controlling behavior 2) Controlling decisions . Meanwhile, variables are thought to be the result of or influenced by variables that precede them. In this study the dependent variable is student consumption patterns (Y). The indicator is 1. Simple 2. Wasteful/excessive

In this research, the data analysis method used is structural equation modeling-partial least squares (SEM-PLS) using SmartPLS software . PLS is capable of explaining the relationship between variables and is capable carry out analyzes in one test. The purpose of PLS is to help researchers to confirm theories and to explain whether or not there is a relationship between latent variables. According to Ghozali (2016: 417). The author uses Partial Least Square because this research is a latent variable that can be measured based on the indicators so that the author can analyze it with clear and detailed calculations.

Outer model analysis is carried out to ensure that the measurements used are suitable for use as measurements (valid and reliable). In this model analysis, it specifies the relationship between latent variables and their indicators. Outer model analysis can be seen from several indicators, namely Convergent Validity and Discriminant analysis.

It is an indicator that is assessed based on the correlation between the item score/component score and the construct score , which can be seen from the standardized loading factor which describes the magnitude of the correlation between each measurement item (indicator) and the construct. An individual reflexive measure is said to be high if it correlates > 0.6 with the construct to be measured, whereas according to Chin, quoted by Imam Ghozali, an outer loading value between 0.5 – 0.6 is considered sufficient.

Discriminant Validity

It is a measurement model with reflexive indicators assessed based on cross-loading of measurements with constructs. If the correlation of the construct with the measurement item is greater than the size of the other construct, it shows that their block size is better than the other blocks. Meanwhile, another method for assessing discriminant validity is by comparing the squareroot of average variance extracted (AVE) value.

Multicollinearity Test

The multicollinearity test is also used in research to test strong correlations between two or more independent variables in a model. The multicollinearity test was carried out by looking at the VIF value. If the VIF value is below <5, then the model is free from symptoms of multicollinearity

Hypothesis Testing

Research hypothesis testing was carried out using the Structural Equation Model (SEM) approach using SmartPLS software. PLS is a structural equation model (SEM) based on components or variance . According to Ghozali and Hengky (2015) PLS is an alternative approach that shifts from a covariance-based to a variance-based SEM approach. Covariance-based SEM generally tests causality/theory while PLS is more of a predictive model.

Hypothesis testing can be seen from the t-statistic value and probability value. So the criteria for accepting or rejecting a hypothesis is that Ha is accepted and H0 is rejected when the t-statistic > t-table. To reject or accept a hypothesis can also be done by looking at the P-Values . Ha is accepted if the P-Values <0.

Result and Discussion
The Influence of Pocket Money on Student Consumption Patterns

Based on research findings that the pocket money variable has positive and significant influence on the consumption patterns of Faculty Students Economics and Business, Muhammadiyah University of North Sumatra. According to Hartanto (2013) pocket money is income children get from their parents, and can influence how their patterns develop someone's consumption. Because in general the higher the pocket money accepted, the higher a person's consumption pattern. One of the factors that influencing student consumption patterns, namely pocket money, by giving various pocket money and receive pocket money every day, weekly, even some receive pocket money every month. This happens because of one factor What influences a person's level of consumption is pocket money. Because when The higher the pocket money, the higher a person's desire to consume an item or services also increase.

The Influence of Self-Control on Student Consumption Patterns

Based on research findings that the pocket money variable has positive and significant influence on the consumption patterns of Faculty Students Economics and Business, Muhammadiyah University of North Sumatra. Self-control here is one of the psychological factors that can influence consumption patterns. So the high and low levels of consumption are also influenced The amount of pocket money as an economic factor turns out to be a psychological factor student at the Faculty of Economics and Business, Muhammadiyah University of Sumatra North can also influence consumption patterns. Category of students who are classified as high pocket money and their pocket money management is low, they also have low self-control. Because in controlling themselves to consume goods and their services are still low so that their consumption patterns are irrational. Students who fall into the category of high pocket money however management is low and self-control is also low shows that they always do what they always want without having to consider whether the goods or services consumed are needed or not.

Based on these answers, it can be concluded that factor social culture in an area can influence the level of consumption values students, which is in the middle of the city of Medan which is currently a metropolis This makes consumption patterns to fulfill needs and lifestyle increasingly increase. The results of this research are in line with research conducted by Lutfiah et al. (2015). The research results found that it was stated that the control A good self will have a positive and significant influence on consumption habits of FEB State University of Malang students

Conclusion

Based on the results of the research carried out, it can be created and the following conclusions are drawn:

1. Pocket money has a positive and significant effect on consumption patterns student at the Faculty of Economics and Business, Muhammadiyah University North Sumatra.
2. Self-control has a positive and significant effect on consumption patterns student at the Faculty of Economics and Business, Muhammadiyah University North Sumatra.
3. Students from the Faculty of Economics and Business, Muhammadiyah University North Sumatra prioritizes needs over desires.

Suggestion

Based on the results of the research carried out, it can be compiled and advice is given to the following parties:

1. To Students Based on the research results, it is known how the amount of money is influenced pocket and self-control of consumption patterns, therefore it is recommended to students of the Faculty of Economics and Business, Muhammadiyah University North Sumatra which has a high pocket money to maintain control spending and consumption according to needs and not too much The current trend is to reduce spending on non-consumption too important and excessive in consuming, because the higher the money The pocket you have will tend to have more desire to do it Continuous consumption or purchasing is therefore necessary good self-control and appropriate financial management with needs and not to fulfill the current lifestyle.

2. To academics or campus officials It is hoped that this research can add to the repository and references in the future regarding the variables discussed in the research, namely pocket money, self-control and consumption patterns.

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