

FINANCIAL BEHAVIOUR AMONG THE MALAY COMMUNITY DURING COVID-19'S MOVEMENT CONTROL ORDER (MCO)

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ABSTRACT

Malaysia is no exception when it comes to the COVID-19's global pandemic. Due to COVID-19's rising active and death cases, the Government imposed the movement control order (MCO) as a preventive measure. As a result, most Malaysians were suffering from financial constraints such as income loss and deficit in cash flow, even though the Government proposed several financial aids and initiatives. This study examined the possible factors that influence financial behaviour among the Malay community during MCO, which underpinned under the theory of planned behaviour (TPB). The data collection method employed in this study was a convenience sampling technique collected from 384 Malay respondents through an online survey. Those data were analysed using structural equation modelling- partial least square (SEM-PLS) with 5000 Bootstrapped samples. Based on a two-tailed test at 0.01 significance level, the findings indicated that perceived behavioural control and financial knowledge were significantly influenced financial behaviour among the Malay community during MCO. However, financial attitude and subjective norm were resulted not significantly influencing financial behaviour. This study embedded significant contribution in two aspects (1) to supports the underpinning theory of planned behaviour (TPB) with the involvement of financial knowledge as a new construct in



influencing the financial behaviour (2) to provide the recent research based on the latest phenomenon, which is the COVID-19 pandemic.

Keywords: *financial behaviour, financial knowledge, Theory of Planned Behaviour, COVID-19*

INTRODUCTION

An unidentified virus, dubbed as the Novel Coronavirus (COVID-19), emerged from Wuhan, China, in late December 2019. It culminated in a spectacular outbreak and has spread in many cities in China, and later on globally (Wu *et al.*, 2020). As of 30th November 2020, global statistics show 65 million active cases and around 1.5 million death cases. On 30th January 2020, the World Health Organisation (WHO) declared a public health emergency of international concern (PHEIC). Most countries took WHO's advice to implement a lockdown as a precautionary measure and to prevent the virus from spreading even aggressively.

Malaysia is no exception, with the first COVID-19 active case was on 25th January 2020. On 13th March 2020, with the approval of the Malaysia Ruler, Malaysia's Prime Minister announced that the movement control order (MCO) through a national live telecast. The MCO phase started on 18th March 2020, and it continued and changed its phases using COVID-19 daily active cases as its indicators. If the daily cases increase mildly, the phase will vary from MCO to conditional movement control order (CMCO). However, if the cases rise drastically in a particular area, the government will impose an emergency movement control order (EMCO) (Shah *et al.*, 2020).

As a result of the pandemic and MCO implementation, the Malaysian economy is going into a depression. Gross domestic product (GDP) is declining from 0.7% in January 2020 to minus 17.1% in July 2020, and the unemployment rate has risen from 3.3% to 4.6% from March 2020 to August 2020. Hence, financial stimulus package aids initiated by Malaysia's Economic Action Council to ease Malaysians financial burden after getting unemployed or loss of income. One of them is the PRIHATIN package, which offers different pay-out amounts, different categories, and six months' bank moratorium (Shah *et al.*, 2020). Even though PRIHATIN and bank

moratorium aided Malaysians, it is still insufficient to reduce the financial burden, especially for individuals with large dependents. Therefore, this incidence made Malaysian forced to change financial behaviour due to restricted or limited income. In addition, it affects those who lost their jobs. In short, this incidence also would raise questions related to Malaysians' financial behaviours, which refer to the distinguish of behaviours before and during the pandemic.

In supporting the government's effort to address the problems of the Malaysian income that would be affected by inflation, the main critical issue to be highlighted is financial behaviour. There are three key points highlighted by Ringgit Plus Malaysian Financial Literacy Survey 2020¹. First, Malaysian's personal finance habits have not changed significantly since 2019, whereby 53% of respondents cannot survive more than three months with their savings. Second, COVID-19 has influenced new norm in financial behaviour such as increased contactless payments, introduction of e-wallet, and online transactions shows shift acceleration. Third, the introduction of loan moratorium that reduced the burden of the impacted group. As far as race is concern, there are ethnic differences in financial vulnerability, with Malay race are being more vulnerable than Indians and Chinese (Abdullah Yusof, 2019). Hence, this will attract the interest for the researchers to conduct the study with Malay is chosen as sample of this study.

The purpose of this paper is to examine the possible factors that influence financial behaviour among Malays, which represents the majority racial population in Malaysia during MCO. The behavioural aspects are taken as consideration of this matter. Several theories associate with behaviour, such as the theory of planned behaviour (TPB) (Ajzen, 1991), the theory of reasoned action (TRA) (Hale *et al.*, 2002), diffusions of innovations (DOI) (Rogers, 2010), etc. Many of the previous studies were applying TPB as a basis for behavioural ethos (Afshar Jalili & Ghaleh, 2020; Balushi *et al.*, 2018; Ganesan *et al.*, 2020; Lajuni *et al.*, 2020; Raut, 2020; Sivaramakrishnan *et al.*, 2017; Sun *et al.*, 2014; Thomas & Subhashree, 2020; Wahab *et al.*, 2016; Widyastuti *et al.*, 2019; Yong *et al.*, 2018). In addition, the previous researchers in their studies also suggested financial knowledge as an additional variable in influencing financial behaviour (Arifin, 2017; Chauhan & Indapurkar, 2020; Deenanath *et al.*, 2019; Grable *et al.*, 2020; Susan & Djajadikerta, 2017). At the time of writing, there

are only three recent studies identified related to financial behaviour and COVID-19 from Canhoto (2020), Talwar *et al.* (2020) and Yuesti *et al.* (2020). To nurture this research, therefore, there are three motivations in this study. First, this would become the motivation for the researchers to extend the study using TPB as a theoretical basis. Second, this paper is an extensive study via intervention, whereby the inclusion of financial knowledge would support the existing TPB theory. Third, this paper is focusing on financial behaviour during the COVID-19 pandemic.

Lastly, this paper contributes to the literature in two important ways. First, this paper is to relate the TPB theory with financial knowledge as a new construct. Initially, TPB has derived three main constructs: attitude, subjective norm, and perceived behavioural control (Ajzen, 1991), with the inclusion of financial knowledge adopted from TPB in the future. Second, this paper based on the latest phenomenon, which is the COVID-19 pandemic. This pandemic is categorised under health risk, which influences people's financial behaviour (Grable *et al.*, 2020). Henceforth, these issues have brought the opportunity to make a connection between health and finance.

The rest of the paper is as follows: Section 2 explores literature and explains the construct variables. Section 3 provides details on the methodology. Section 4 presents the results and explains the supported hypothesis. Lastly, the final section concludes the study.

LITERATURE REVIEW

This study focuses on the financial behaviour context, which refers to human behaviours related to money management (Xiao *et al.*, 2011). Widely known financial behaviours include earnings, spending, investing, savings, and protection. Desirable financial behaviour can improve consumer economic well-being, whereas unwanted financial behaviour damages economic well-being. Several studies conducted were related to financial behaviour, e.g. Chauhan and Indapurkar (2020); Raut (2020); Saurabh and Nandan (2018); Serido *et al.* (2020); Sun *et al.* (2014); and Zainul Arifin (2018). Some of the financial behaviour studies are general. Besides, the context of financial behaviour is going depth into specific financial instruments such as

the stock market (Sivaramakrishnan *et al.*, 2017), Islamic banking products (Ganesan *et al.*, 2020; Lajuni *et al.*, 2020; Widyastuti *et al.*, 2019; Zinser, 2019), gold investment (Wahab *et al.*, 2016), cash waqf product (Zabri & Mohammed, 2018), etc.

Theory of Planned Behaviour (TPB) by Ajzen (1991) is used as a theoretical basis for this study. This theory purpose is to predict and understand human behaviour. The behaviour determined by intention, and the intention was influenced by three main constructs, which is attitude, subjective norm, and perceived behavioural control. This study includes the additional variable known as financial knowledge, as an extensive study by Arifin (2017); Chauhan and Indapurkar (2020); Deenanath *et al.* (2019); Grable *et al.* (2020); and Susan and Djajadikerta (2017).

Financial Attitude

Black swan events, such as the COVID-19 pandemic, have triggered widespread confusion and fear worldwide (Talwar *et al.*, 2020). This understanding of the financial attitude is even more significant in this study. Financial attitude can be characterised as a psychological tendency when people assess well-established financial management activities with varying acceptability or disapproval (Shim *et al.*, 2009). It can also be categorised as an opinion, a state of mind or a judgement about finance (Zainul Arifin, 2018). Besides, financial attitudes express the person's underlying financial awareness and ability to manage financial transaction decisions.

There are a few possibilities that financial attitude influencing financial behaviour. The better the attitude, the better the behavioural will be (Serido *et al.*, 2020). The inner self develops a financial attitude with a positive belief, mindset, and character regarding money management (Sawitri, 2018; Zhu, 2019). Financial attitude can influence financial behaviour if individuals passionate about finance carry out certain financial activities (Faique *et al.*, 2017). On the other hand, financial attitude can develop and influence financial behaviour through the awareness and injection of cultural value (Kim & Torquati, 2019; Weisfeld-Spolter *et al.*, 2018).

Hence, based on the literature presented, the first hypothesis proposed as follows:

H₁ = Financial attitude is significantly influencing financial behaviour among the Malay community during COVID-19's MCO

Subjective Norm

Subjective norm refers to the perceived social pressure for conducting or not conducting the behaviour (Ajzen, 1991). The social pressure comes from family and peers. Previous studies show subjective norms are influencing financial behaviour (Balushi *et al.*, 2018; Raut, 2020; Thomas & Subhashree, 2020; Zabri & Mohammed, 2018). One of the factors is family and friends play an important role in encouraging an individual to perform financial well-being (Thomas & Subhashree, 2020; Zabri & Mohammed, 2018). Besides, an individual will seek opinions related to finance from family, friends, and social media (Balushi *et al.*, 2018; Ganesan *et al.*, 2020). Hence, the views and feedbacks will encourage positive financial behaviour and good response (Widjaja *et al.*, 2020).

Hence, this leads to the following hypothesis statement:

H₂ = Subjective norm is significantly influencing financial behaviour among the Malay community during COVID-19's MCO

Financial Perceived Behavioural Control

Perceived behavioural control is vital as a measurement of behaviour. To some degree, the resources and opportunities available to an individual must determine the probability of behavioural success (Ajzen, 1991). Besides, perceived behavioural control could be looking into another angle, which refers to people's assumption that the behaviour of interest is simple or difficult to execute (Ajzen, 1991). In this study, the resources are money, and the opportunities refer to the ability to make money.

Previous studies show that financial perceived behavioural control significantly influencing financial behaviour (Ganesan *et al.*, 2020; Lajuni *et al.*, 2020; Sirsch *et al.*, 2020; Wahab *et al.*, 2016; Zhu, 2019). The more

resources and opportunities they possess, the more the ability will increase, leading to the easiness of performing the behaviour (Sivaramakrishnan *et al.*, 2017; Zhu, 2018). Also, the easiness perceptions (Ganesan *et al.*, 2020) and able to make an easy decision (Lajuni *et al.*, 2020) on financial matters by individuals make their ability to control the behaviour become better. Hence, it will increase perceived financial behavioural control and influence good financial behaviour. However, higher perceived behavioural control may discourage impulse financial decisions, facilitate resistance to the desire for immediate gratification, reduce the probability of participation in risky behaviour, and increase an individual's financial behaviour (Sirsch *et al.*, 2020).

Hence, the third hypothesis is postulated as follows:

H₃ = Financial perceived behavioural control is significantly influencing financial behaviour among the Malay community during COVID-19's MCO

Financial Knowledge

The need for financial knowledge is highly regarded as an important variable in influencing financial behaviour (Afshar Jalili & Ghaleh, 2020). Financial knowledge refers to the possession of information and intelligence related to money management matters (Deenanath *et al.*, 2019). Individuals will perform better in financial behaviour because they possess knowledge. They can speak and understand financial terms and financial skills (Grable *et al.*, 2020). To enhance knowledge, individuals need to read financial news and learn from others (Yong *et al.*, 2018).

Previous research found out that financial knowledge is significantly influencing financial behaviour, e.g. Arifin (2017); Grable *et al.* (2020); and Saurabh and Nandan (2018). People can gain financial knowledge through educations and gaining information. They can read some financial books or watching tv shows or videos related to money matters (Mahdzan *et al.*, 2019). Also, financial knowledge will slowly gain from job and life experiences (Deenanath *et al.*, 2019). They can ask educators, financial advisors, and financial institution officers to know more about financial terms and financial products (Tang & Baker, 2016). Hence, the greater the knowledge possessed by an individual, the better financial behaviour.

The following hypothesis propositions are put forward:

H4 = Financial knowledge is significantly influencing financial behaviour among the Malay community during COVID-19's MCO

The proposed conceptual framework developed for this study is based on TPB, as presented in Figure 1.

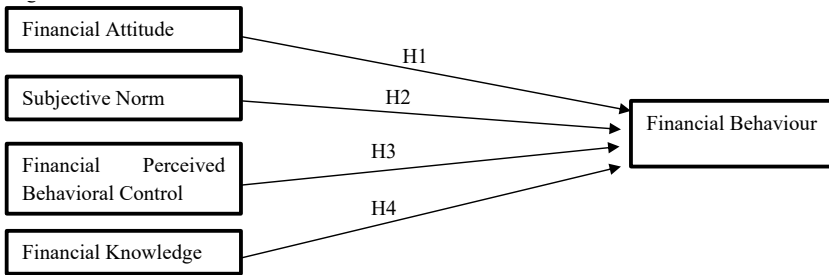


Figure 1: Conceptual Framework

METHODOLOGY

The structural equation modelling- partial least square (SEM-PLS) model evaluates two stages: the first stage is assessing a measurement model, and the second stage is the assessment of the structural model.

Measurement Model Assessment

In the measurement model assessment, the evaluation of reliability and validity is needed for the reflective construct, whereas the formative construct was only required to test validity (Henseler *et al.*, 2009). In this study, the constructs were reflectively measured as the assessments' flow shown in Figure 2, which mean that the latent constructs are measured using several items or indicators.

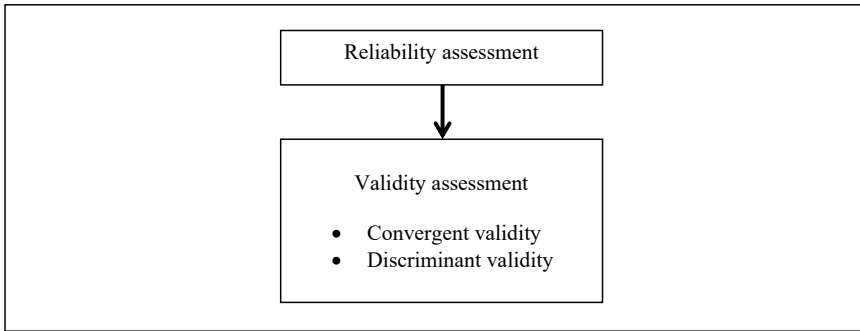


Figure 2: Assessment for Reflective Construct

Structural Model Assessment

In the next step, after analysing the measurement model, the bootstrapping procedure was applied to test the effects and the statistical significance of the parameters in the structural model. Using Smart PLS 3.0 software, the bootstrapping procedure can generate *t*-statistics for significant testing of the hypotheses developed. In this study, 5000 bootstrapped samples adopted as suggested by Hair *et al.* (2019a).

FINDINGS

Respondent's Demographic Profiles

A quantitative strategy is followed here using a descriptive research study approach. Moreover, in this study survey design is used to collect primary data and the sampling method applied was convenience sampling techniques which were taken from indefinite population size to constitute the sample. The pre-testing and pilot study of ten selected respondents within the target population was decided to collect as referring to the suggestion by Cooper *et al.* (2006), in order to assess the reliability and validity of the instrument. Finally, 384 Malay respondents were collected from the questionnaire through an online form and distributed via Bandar Saujana Putra (BSP)'s an official Facebook page. The determination of sample size was based on Krejcie and Morgan (1970) as the maximum sample size to

be analysed for the overall population. The highest age categories of the respondent were between 36 to 45 years old. Male represented 54.9% of the sample, while females represented 45.1% of the sample. Respondents with the following Bandar Saujana Putra residence area: SP 1/2/3 15.6%, SP 4/5 30.5%, SP 6/7/8 31.8%, SP 9/10 12.5% and SP 21/ Skypark 9.6%. The general demographic information of the respondents is listed in Table 1.

Table 1: Demographics of the Respondents

Demographic	Information	Frequencies	Percentages (%)
Gender	Male	211	54.9
	Female	173	45.1
Age	16 – 25 years	59	15.4
	26 – 35 years	98	25.5
	36 – 45 years	141	36.7
	46 – 55 years	47	12.2
	56 – 65 years	39	10.2
Education background	SPM	114	29.7
	Diploma	196	25.0
	Degree	143	37.2
	Master/PhD	31	8.1
Marital Status	Single	84	21.9
	Married	295	76.8
	Divorced	5	1.3
Working Status	Self-working	44	11.5
	Public sector	67	17.4
	Private sector	232	60.4
	Not working	32	8.3
	Others	9	2.3
Residence Area (Bandar Saujana Putra)	SP 1/2/3	60	15.6
	SP 4/5	117	30.5
	SP 6/7/8	122	31.8
	SP 9/10	48	12.5
	SP 21/Skypark	37	9.6

Assessment for Measurement Model

First Stage: Reliability Analysis

Cronbach's alpha was traditionally used in assessing the reliability, but Hair *et al.* (2012) suggested using composite reliability (CR) as an alternative for Cronbach's alpha. The previous literature, from Hair *et al.* (2011) and Hair *et al.* (2010) suggested the threshold value for CR and individual item loadings to be greater than 0.70. It also indicates that the reliability of each item is adequate and gives a consolidation to the latent construct (Ismail *et al.*, 2011). From Table 2, all CR values in the range of 0.701 to 0.840. Whereas the items that had factor loadings were in the range of 0.491 to 0.890. The items loading indicates that the value lower than 0.70 (ATB2, FinBehav2, FinBehav3, PBC1, PBC3, SN2, SN3) would be considered for removal. However, the decision for items removal is only allowed if it contributes to the increase in CR value, as Henseler *et al.* (2009) stated. In this situation, all the values of CR well predicted to the reliability adequacy. As a result, it was decided that these items to be kept in the model.

Table 2: Measurement Model

Constructs	Items	Loadings	AVE	CR
Financial Attitude	ATB1	0.799	0.562	0.840
	ATB2	0.433		
	ATB3	0.741		
Subjective Norm	SN1	0.715	0.598	0.702
	SN2	0.588		
	SN3	0.191		
Financial Perceived Behavioural Control	PBC1	0.516	0.508	0.702
	PBC2	0.890		
	PBC3	0.683		
Financial Knowledge	FinKnow1	0.843	0.653	0.792
	FinKnow2	0.867		
	FinKnow3	0.705		
Financial Behaviour	FinBehav1	0.924	0.517	0.701
	FinBehav2	0.454		
	FinBehav3	0.439		

Note:

Average variance extracted (AVE) = (summation of the square of the factor loadings) / {(summation of the square of factor loadings) + (summation of the error variances)}.

Composite reliability (CR) = (square of the summation of the factor loadings) / {(square of the summation of the factor loadings) + (square of the summation of the error variances)}.

Second Stage: Validity Analysis

Convergent Validity

Convergent validity is assessing the degree to which multiple items that measure the same concept are in agreement. Factor loadings, CR and AVE, can be used to measure the degree of convergent validity (Hair *et al.*, 2019a) as in Table 1. The additional measurement to be examined is the AVE that reflects the complete amount of variance in the observed variable accounted by the latent variable relative to measurement error (Ramayah *et al.*, 2013). In addition, to measure the AVE need to square the loading of each indicator on a construct then followed by calculate the mean value average (Hair *et al.*, 2019b). Again, from Table 1, the AVE range lies between 0.508 until 0.653 for all constructs, which is higher than the minimum recommended value of 0.50 (Barclay *et al.*, 1995).

Discriminant Validity

In this study, the discriminant validity was determined by using the Heterotrait-Monotrait ratio (HTMT) criterion as Henseler *et al.* (2015) introduced. The threshold values for HTMT0.90 that have been suggested by Gold *et al.* (2001) and Teo *et al.* (2008) is less than 0.90. However, if Value 1 contains the confidence interval of 0.90, it shows a lack of discriminant validity (Gold *et al.*, 2001). Therefore, Table 3 shown there was no discriminant validity problem existed since all the values were less than 0.90. This result indicated that the construct validity is acceptable, which indicated that the latent construct is truly discriminant to each other.

Table 3: Heterotrait-Monotrait Ratio (HTMT) Test

Constructs	Financial Behaviour	Financial Attitude	Subjective Norm	Financial Perceived Behavioural Control	Financial Knowledge
Financial Behaviour	-				
Financial Attitude	0.802 CI 0.9 [0.736, 0.837]	-			
Subjective Norm	0.860 CI 0.9 [0.819, 0.898]	0.793 CI 0.9 [0.730, 0.847]	-		
Financial Perceived Behavioural Control	0.855 CI 0.9 [0.826, 0.883]	0.786 CI 0.9 [0.737, 0.831]	0.769 CI 0.9 [0.723, 0.812]	-	
Financial Knowledge	0.710 CI 0.9 [0.641, 0.771]	0.889 CI 0.9 [0.858, 0.917]	0.717 CI 0.9 [0.684, 0.778]	0.665 CI 0.9 [0.605, 0.723]	-

Note: Confidence interval used at 90% bootstrap of HTMT inference.

Overall, the assessment for measurement model showed this model is verified to have adequate construct reliability, convergent validity, and discriminant validity. Therefore, Figure 3 illustrates the graphical representation of the measurement model after the PLS algorithm procedure. The results indicate that all the four constructs of financial attitude, subjective norm, financial knowledge and financial perceived behavioural control are all valid measures of their respective constructs.

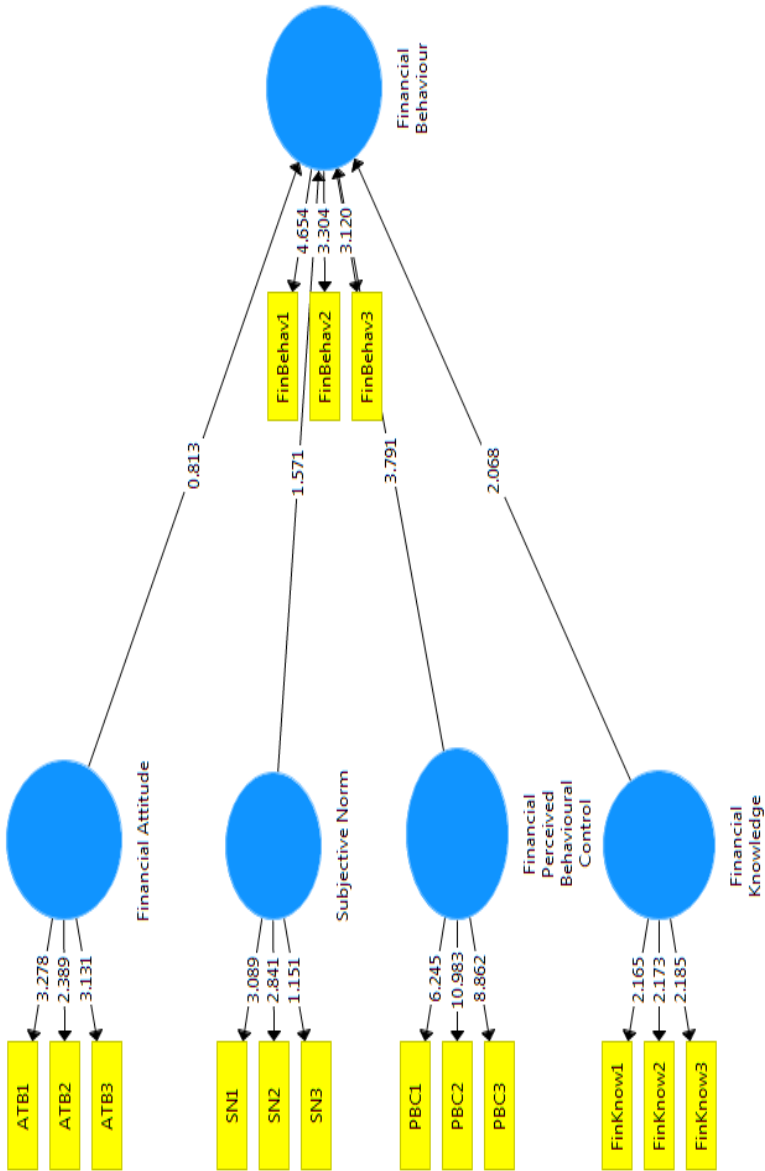


Figure 3: PLS Algorithm Output for Measurement Model Assessment

Assessment for Structural Model

Table 4 presents the path coefficients (β) and their significance values. All the relationships (path coefficients) were significant at t -value > 2.58 , two-tailed test except for financial attitude towards financial behaviour and subjective norm towards financial attitude.

Table 4: Hypothesis Testing

Hypothesis	Relationship	Sd.Beta	SE	t -value	Decision
H ₁	Financial Attitude > Financial Behaviour	0.040	0.053	0.761	Not supported
H ₂	Subjective Norm > Financial Behaviour	0.080	0.005	1.460	Not supported
H ₃	Financial Perceived Behavioural Control > Financial Behaviour	0.371	0.108	3.441	Supported
H ₄	Financial Knowledge > Financial Behaviour	0.383	0.167	2.585	Supported

Note: $p < 0.01$ at two tailed test/ t -value > 2.58 is considered significant

Hypothesis 1 stated that financial attitude is significantly influencing financial behaviour. This hypothesis is rejected with the t -value of 0.761, which is less than 2.58 ($H_1 = 0.761 < 2.58$). Hence, financial attitude does not significantly influence financial behaviour.

Hypothesis 2 stated that subjective norm is significantly influencing financial behaviour. This hypothesis rejected with the t -value of 1.460, which is less than 2.58 ($H_2 = 1.460 < 2.58$). Therefore, the subjective norm does not significantly influence financial behaviour.

Hypothesis 3 stated that financial perceived behaviour is significantly influencing financial behaviour. The hypothesis accepted with the t -value of 3.441, which is more than 2.58 ($H_3 = 3.441 > 2.58$). Thus, financial perceived behavioural control does significantly influence financial behaviour.

Hypothesis 4 suggested that financial knowledge is significantly influencing financial behaviour. The hypothesis accepted with the t -value of

2.585, which is more than 2.58 ($H_4 = 2.585 > 2.85$). Consequently, financial knowledge does significantly influence financial behaviour.

DISCUSSIONS AND CONCLUSION

COVID-19 leaves a significant impact on people, especially in terms of financial well-being and forced them to change their financial behaviour. Hence, the main objective of this paper is to examine the possible factors that influence financial behaviour among the Malay community during MCO. This study uses TPB as the theoretical basis by involving financial knowledge as an additional variable to support the model. PLS-SEM analysis was applied to generate the results and elaborate the findings to meet the study's objectives.

Hypothesis 1, H_1 (financial attitude is significantly influencing financial behaviour) and Hypothesis 2, H_2 (subjective norm is significantly influencing financial behaviour) among the Malay community during MCO shows both hypotheses rejected. In both cases, the Malay community might be concerning or realising to having either a positive or negative attitude as long as they can financially behave in the way they desired. This situation illustrated that the Malay's financial attitude was still under control without affecting their financial behaviour. Regardless of either positive or negative attitudes, they still need to continue their financial obligations, such as paying with credit cards, paying loans, etc. Also, most Malay communities do not believe that the influence of family and peers plays a vital role in practising the desired financial behaviour. Even though past studies suggested that subjective norm is important, but most of the Malay community are independent when it comes to money management. They have certain beliefs that they will be able to survive financially by themselves. Hence, financial attitude and subjective norms are not significant factors influencing the Malay community's financial behaviour during MCO.

Hypothesis 3, H_3 (financial perceived behavioural control is significantly influencing financial behaviour), and Hypothesis 4, H_4 (financial knowledge is significantly influencing financial behaviour) among the Malay community during MCO shows both hypotheses were accepted with a positive magnitude of β . In both cases, the majority of them might

be able to control and allocate their spending limit. In this regard, they were might able to differentiate between needs and wants. They could also control their behaviour because of the awareness of the limited budget and spending, especially during MCO. The behaviour is slightly changing, whereby they have the checklist of priority spending. This finding is supported by Lajuni *et al.* (2020), who claimed that anyone who is resourceful, especially with a limited budget, can control their income and spending. This finding is also backed by Sirsch *et al.* (2020), emphasising that different people have their own financial risk, and lower risk has better control than the higher ones. Besides, the Malay community might gain financial knowledge from various sources, such as reading news, bulletins, books related to financial management. They were also referring to some knowledge from social media regarding controlling the credit through Credit Counselling and Management Agency (AKPK) websites or its Facebook page. When it comes to moratorium information, they gain knowledge from Central Bank of Malaysia websites and its Facebook page. This explanation supported by Tang and Baker (2016). Deenanath *et al.* (2019) and Mahdzan *et al.* (2019) supported and claimed that the more financial exposure and financial experience they have, they will gain more knowledge, influencing better financial behaviour. Therefore, the perceived financial behaviour and financial knowledge is a factor in influencing financial behaviour control among the Malay community during MCO.

In terms of managerial implications, the present study provides two suggestions. First, to make financial perceived behavioural control effective, AKPK can develop short advertisements via radio or television. The ad contains awareness and reduces financial anxiety message. The researcher reinforces the claim made by Grable *et al.* (2020) whereby, financial perceived behavioural control will become better if an individual injects some awareness and reduce their anxiety, especially when the pandemic is still ongoing. Besides, the research also suggests that the Ministry of Higher Learning (MOHE), in collaboration with the Central Bank of Malaysia and AKPK, proposes a new subject or new module, Basic Personal Financial Management. In the Malaysian education system, the module is at secondary school Form 3, in Life Skills (Elective). They should start the module earlier than that, perhaps either in Standard 6 or Form 1. Since the result indicated that financial attitude and subjective norm do not influence financial behaviour, it does not mean that the Malay community

is not concern about that. Yet, to have better financial behaviour, Malays are encouraged to inject cultural value by looking at how countries behave financially well so that they will learn something about that. On the other hand, the financial behaviour of Malays has the potential to become effective if they seek valuable feedback from family, friends or read more comments and feedback from social media.

This paper provides a theoretical implication. This paper is applying TPB as the theoretical basis, with financial knowledge used as an additional construct. Based on the result, this paper would fill the gap with the significant contribution of financial knowledge guided by TPB theory as an additional construct in gauging the behaviour. Figure 4 presents the validated framework in this study.

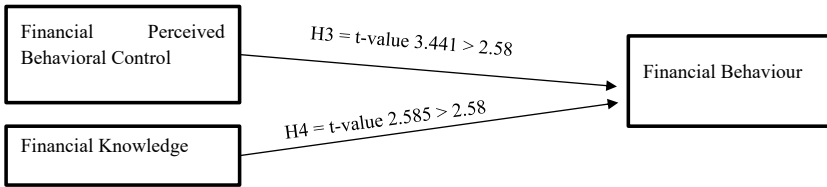


Figure 4: Validated Framework on Financial Behaviour

LIMITATIONS AND FUTURE RESEARCH

Discussions on the literature regarding financial behaviour from COVID-19’s MCO are still limited and inadequate. It is due to COVID-19 is perceived as a health risk, and in this study, only financial perceived behavioural control and financial knowledge stimuli the financial behaviour among the Malay community during COVID-19’s MCO. Further questions remain unanswered, i.e., how about in the context of the Chinese and Indian community’s financial behaviour? To what extent the financial attitude and subjective norm will influence financial behaviour? Is there any test to measure financial knowledge level in influencing financial behaviour? The only more in-depth investigation could provide answers for such questions, which remains a task in the future.

Furthermore, future research suggested adopting different theories or different variables since this study only limits TPB theory. Several base

theories are available, such as diffusion of innovation (DOI) and theory of reasoned action (TRA). This suggestion would determine the possibility of financial behaviour in a theory context.

This study is using Krejcie and Morgan (1970) approach in calculating the sample size. Hence, the future research suggested to use GPower analysis recommended by Hair *et al.* (2019a) to better measure the entire population, reduce constraint, improve accuracy and heuristics. Since this study measures HTMT to measure discriminant validity, hence the researcher suggested to use another criterion for further research.

Most of the studies related to financial behaviour are more on the quantitative approach. Hence, there is a need to study via qualitative research. These qualitative data will provide originality and requires in-depth analysis.

NOTES

¹Full report can be accessed at <https://www.fenetwork.my/wp-content/uploads/2020/11/RinggitiPlus-Financial-Literacy-Survey-Full-Report.pdf>

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