

Financial Knowledge, Financial Attitude and Financial Behaviour as Predictors of Saving Behaviour among *Asnaf* Youth in Perlis Malaysia

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ABSTRACT

This study explores the relationship between financial knowledge, financial attitude and financial behaviour in predicting saving behaviour, grounded in Financial Capability Theory, which highlights how these dimensions are interconnected in shaping financial outcomes. This study employs a quantitative approach, collecting data through a structured survey from a sample of 100 respondents among *Asnaf* youth in Perlis, Malaysia. The analysis reveals that financial knowledge positively impacts saving behaviour, while financial attitude shows a surprisingly negative relationship, suggesting that positive beliefs may not always translate into action due to psychological or contextual barriers. Financial behaviour, however, emerges as the most significant predictor, highlighting the importance of disciplined financial actions in promoting saving. The findings suggest that financial literacy programs should not only focus on imparting knowledge but also address the behavioural and attitudinal aspects of financial decision-making. Practitioners, including policymakers and financial educators, should adopt a holistic approach to financial literacy that fosters both financial knowledge and practical behaviours. At the same time, future research could further explore how socio-economic factors influence these relationships.

Keywords: Saving Behaviour; Financial Knowledge; Financial Attitude; Financial Behaviour; *Asnaf*

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INTRODUCTION

Perlis, the smallest state in Malaysia, continues to face persistent socio-economic challenges that disproportionately affect its youth population, particularly those classified as *Asnaf*, individuals eligible for zakat assistance due to financial hardship. Youth in rural states such as

Perlis are especially vulnerable due to limited employment opportunities and restricted access to financial education, which reduce their capacity to manage income, build savings and plan for long-term financial security. Data from the Department of Statistics Malaysia (DOSM, 2024) indicate that rural youth consistently record lower income levels and weaker financial preparedness compared to their urban counterparts, heightening their exposure to financial instability and prolonged dependence on social assistance.

Despite ongoing zakat distribution and welfare initiatives, a substantial proportion of *Asnaf* youth in Perlis remain unable to accumulate savings or transition toward financial independence. This situation suggests that financial assistance alone may be insufficient to break the cycle of vulnerability. Previous studies in the Malaysian context have consistently reported low levels of financial literacy among youth, particularly in rural areas, where individuals often lack a basic understanding of budgeting, saving, and investment (Hassan, 2019; Rahim, 2018). These limitations restrict their ability to make informed financial decisions and weaken their capacity to generate sustainable income beyond short-term aid.

Existing financial literacy research has largely focused on general youth populations, university students, or urban households, with an emphasis on financial knowledge as the primary determinant of financial outcomes (Lusardi & Mitchell, 2011, 2014). While such studies provide valuable insights, they often overlook marginalized groups such as *Asnaf* youth, who face distinct socio-economic, cultural, and institutional constraints. Moreover, emerging evidence suggests that financial knowledge alone does not necessarily translate into prudent financial behavior. Shahrul and Zubair (2021) emphasized that financial attitude and financial behavior play critical roles in determining whether individuals apply financial knowledge effectively, particularly in saving practices.

Among *Asnaf* youth in rural Malaysia, socio-cultural norms and immediate consumption pressures frequently shape financial attitudes, discouraging long-term planning and saving behavior. Jamil and Tan (2020) observed that even when financial support is provided, many recipients struggle to manage savings due to entrenched behavioral patterns and limited self-control. Similarly, Amran et al. (2018) highlighted that weak financial behavior, combined with inadequate financial literacy, contributes to debt accumulation and persistent economic vulnerability. These findings align with Lusardi's (2019) global evidence that low financial literacy and unfavorable financial behavior significantly increase financial fragility among vulnerable populations.

Despite the growing recognition of financial literacy as a multidimensional construct encompassing financial knowledge, financial attitude, and financial behavior, empirical studies examining the combined influence of these components on saving behavior among *Asnaf* youth remain scarce, particularly in the context of smaller rural states such as Perlis. This gap is critical, as saving behavior is a key indicator of financial resilience and a necessary condition for reducing long-term dependence on Zakat assistance. The absence of focused empirical evidence on *Asnaf* youth limits the ability of policymakers and Zakat institutions to design targeted, effective empowerment programs.

Grounded in the Theory of Planned Behavior (Ajzen, 1991) and financial literacy frameworks proposed by Lusardi and Mitchell (2011, 2014), this study seeks to examine the influence of financial knowledge, financial attitude, and financial behavior on saving behavior among *Asnaf* youth in Perlis. By addressing this gap, the study contributes to a more nuanced understanding of how financial literacy dimensions interact to shape saving decisions within financially marginalized youth populations.

In line with Sustainable Development Goal 1 (No Poverty) and Goal 8 (Decent Work and Economic Growth), this research aims to support policy initiatives focused on sustainable financial inclusion and long-term empowerment. By identifying the key determinants of saving behavior among *Asnaf* youth, the findings are expected to inform Zakat institutions, policymakers, and educators in designing interventions that move beyond short-term assistance toward strengthening financial independence and socio-economic resilience in rural Malaysia.

LITERATURE REVIEW

Financial Capability Theory

Financial Capability Theory (FCT) posits that financial wellbeing is shaped not only by the possession of financial knowledge but also by the individual's ability to apply that knowledge effectively in real-life financial contexts. Rooted in Sen's Capability Approach, the theory emphasizes that genuine empowerment arises when individuals possess both internal capabilities (e.g., knowledge, attitudes, skills) and external opportunities (e.g., access to financial services and supportive institutional structures) (Sen, 1985, 1999). Accordingly, FCT reflects the interaction between financial knowledge, financial attitudes, and financial behaviours that enable individuals to make choices that enhance their long-term wellbeing (Atkinson & Messy, 2012; Kempson, 2011).

Unlike traditional financial literacy frameworks that focus predominantly on cognitive understanding, FCT extends to behavioural execution and contextual constraints. Lusardi and Mitchell (2014) argue that individuals may be financially literate yet unable to act effectively due to income limitations, lack of access, or socio-cultural barriers. Kempson (2018) further advanced this perspective by emphasizing that financial capability depends on how individuals translate knowledge into action within their specific socio-economic environments. This view is supported by Gerrans et al. (2014), who highlighted the importance of confidence, motivation, and enabling conditions in shaping financial behaviour.

The relevance of FCT is particularly pronounced in developing and rural contexts, where structural constraints often limit the practical application of financial knowledge. Among the *Asnaf* community, financial vulnerability is not solely a consequence of limited income but also of restricted access to financial tools, digital banking facilities, and sustained financial education. Recent Malaysian studies emphasize that capability-building interventions must integrate behavioural reinforcement and environmental support to achieve meaningful financial outcomes (Amir et al., 2025).

In this study, FCT provides a comprehensive framework for examining how financial knowledge, financial attitude, and financial behaviour jointly influence saving behaviour among *Asnaf* youth in Perlis. By incorporating both internal and external dimensions of financial decision-making, the theory aligns with the objectives of Sustainable Development Goal 1 (No Poverty) and Goal 8 (Decent Work and Economic Growth), emphasizing long-term empowerment over short-term financial assistance.

Saving Behaviour

Saving behaviour refers to an individual's ability and willingness to allocate a portion of income for future use rather than immediate consumption. It is a fundamental component of

financial stability and resilience, particularly among youth in low-income and marginalized communities. The Organisation for Economic Co-operation and Development (OECD, 2023) emphasize that cultivating saving habits at a young age is essential for long-term financial wellbeing and reduced economic vulnerability.

Empirical research indicates that saving behaviour is influenced by socio-economic conditions, financial education, and access to financial services. Studies in Malaysia show that improved financial literacy and access to financial services significantly increase saving behaviour among low-income households (Amran et al., 2018). In addition, evidence suggests that structured financial education positively influences saving habits among Malaysian youth (Amir et al., 2025).

Among *Asnaf* youth, saving behaviour is further shaped by cultural and familial influences. In economically constrained environments, immediate consumption needs often take precedence over future-oriented financial planning, limiting saving capacity. This challenge is particularly evident in rural regions such as Perlis, where economic opportunities and formal financial exposure remain limited.

Given its role as an indicator of financial resilience and independence, saving behaviour serves as the key outcome variable in this study. Understanding the factors that drive saving behaviour among *Asnaf* youth is essential for designing effective financial capability interventions that aim to reduce long-term dependence on *Zakat* assistance.

Financial Knowledge

Financial knowledge refers to an individual's understanding of essential financial concepts such as budgeting, interest rates, inflation, savings instruments, investment, and risk management. It constitutes a foundational component of financial decision-making and has been widely recognized as a critical determinant of positive financial outcomes. Lusardi and Mitchell (2011) established that individuals with higher levels of financial knowledge are more likely to plan, save, and prepare for future financial needs.

Within the framework of FCT, financial knowledge represents an internal capability that enables individuals to evaluate financial choices and engage meaningfully with financial systems (Atkinson & Messy, 2012). Although knowledge alone may not guarantee positive outcomes, it remains a necessary precondition for effective financial action. For *Asnaf* youth, improved financial knowledge enhances their ability to identify saving opportunities, manage limited resources, and navigate financial products despite income constraints.

Recent empirical evidence continues to support the positive role of financial knowledge in promoting saving behaviour. Studies have found that financial knowledge significantly influences saving behaviour among low-income and middle-income households in Malaysia (Mahdzan et al., 2023; Amran et al., 2018).

Despite this evidence, studies consistently report low levels of financial knowledge among rural and underserved youth. For *Asnaf* youth in Perlis, inadequate financial knowledge remains a key constraint to proactive saving behaviour, underscoring the need for targeted financial education initiatives. Based on the theoretical arguments and empirical evidence, this study hypothesizes:

H1: Financial knowledge has a significant positive effect on saving behaviour.

Financial Attitude

Financial attitude reflects an individual's beliefs, values, and psychological orientation toward money management, including saving, spending, and long-term financial planning. It influences motivation and intention, thereby shaping financial behaviour and outcomes. Atkinson and Messy (2012) emphasized that attitudes toward planning and delayed gratification play a crucial role in determining the effectiveness of financial literacy initiatives. From the perspective of FCT, financial attitude forms part of an individual's internal capability set. However, the theory also emphasizes that positive attitudes must be supported by external opportunities and behavioural pathways to translate into actual outcomes. Among *Asnaf* youth, favourable attitudes toward saving may be constrained by unstable income, limited access to formal saving mechanisms, and pressing consumption needs.

Empirical findings on the relationship between financial attitude and saving behaviour remain mixed. Several studies report a positive association, suggesting that individuals with future-oriented financial attitudes are more likely to save (Henager & Mauldin, 2021). Conversely, other studies indicate that among low-income populations, positive financial attitudes do not necessarily result in saving behaviour due to financial stress and socio-economic constraints (Chowa et al., 2020; Kim & Xiao, 2021). In some cases, heightened awareness of financial limitations may even discourage saving, leading to a negative or insignificant relationship.

In the context of *Asnaf* youth, cultural norms and peer influences may further shape financial attitudes in ways that deprioritize saving. Sabri and Zakaria (2015) observed that immediate gratification and familial financial pressures can undermine long-term financial planning among Malaysian youth. Given the mixed empirical evidence and the vulnerability of the target population, a non-directional hypothesis is proposed.

H2: Financial attitude has a significant relationship with saving behaviour.

Financial Behaviour

Financial behaviour refers to the observable actions individuals take in managing their financial resources, including budgeting, saving, spending, borrowing, and investing. It represents the practical execution of financial knowledge and attitudes. Xiao (2008) defined financial behaviour as routine financial actions that directly influence financial outcomes, such as consistent saving and prudent spending.

FCT positions behaviour as the outcome of the interaction between internal capabilities and external enabling conditions. Among *Asnaf* youth, even modest behaviours such as informal saving, expense tracking, or goal setting may reflect enhanced financial capability within constrained environments. These behaviours signal the translation of knowledge and attitudes into practical financial management.

Recent empirical studies consistently identify financial behaviour as a strong predictor of saving behaviour. Kumar et al. (2021) found that budgeting discipline and expense monitoring significantly increase saving frequency among young adults. Farrell et al. (2022) similarly reported that individuals who actively manage their finances accumulate higher levels of savings over time. In Malaysia, Yusof et al. (2023) demonstrated that positive financial

behaviour mediates the relationship between financial literacy and saving outcomes among low-income youth.

Despite its importance, positive financial behaviour remains difficult to sustain among marginalized populations due to income instability and limited institutional support. Perry and Morris (2005) emphasized that behavioural change requires not only education but also reinforcement mechanisms such as mentoring, practical exercises, and saving incentives. For *Asnaf* youth in Perlis, strengthening financial behaviour is therefore essential to fostering sustainable saving habits and financial independence. Based on the consistent theoretical and empirical evidence, this study hypothesizes:

H3: Financial behaviour has a significant positive effect on saving behaviour.

METHODOLOGY

This study adopted a quantitative research design to examine the relationship between financial knowledge, financial attitude, and financial behaviour (independent variables) and saving behaviour (dependent variable) among *Asnaf* youth in Perlis. The rationale for using a quantitative approach is grounded in its ability to systematically test hypotheses, measure variables, and generalise findings from a sample to a broader population. This design aligns with the objective of validating the FCT by assessing how internal financial capabilities influence behavioural outcomes. A structured survey was employed as the main data collection instrument.

The target population consisted of *Asnaf* youth aged 18 to 30 residing in Perlis, with data access supported by local institutions such as the Majlis Agama Islam dan Adat Istiadat Melayu Perlis (MAIPs). A purposive sampling technique was used to ensure that participants met the criteria of being recognised as *Asnaf* and falling within the defined youth age bracket. A total of 100 respondents participated in the survey. This sample size is considered adequate for multiple regression analysis, ensuring statistical validity while accommodating practical constraints in data access.

A self-administered questionnaire was developed and distributed in both physical and digital formats. The instrument consisted of five sections: demographic information, financial knowledge, financial attitude, financial behaviour, and saving behaviour. The items were adapted from validated instruments such as those from OECD-INFE (2016) and previous studies (e.g., Amir, Md. Isa, Johari, & Islam, 2024; Sabri & Aw, 2019; Lusardi & Mitchell, 2011, 2014; Lusardi, 2019) to ensure reliability and content validity.

Data analysis was conducted using STATA, where descriptive statistics summarised respondent profiles and mean responses. A multiple linear regression analysis was then used to examine the predictive relationships between the independent variables and saving behaviour. This methodology allowed the study to empirically test the FCT in a real-world setting involving economically disadvantaged youth. By focusing on *Asnaf* in Perlis, a unique and often underrepresented group, this study not only contributes to the theoretical understanding of financial capability but also provides valuable insights for policymakers and practitioners working on financial empowerment programs in marginalised communities.

FINDINGS

Descriptive Analysis

The results of the empirical analysis conducted using the research methods outlined in the Methodology chapter are presented in this section. This chapter primarily presents and examines the outcomes of the model that evaluates the relationship between financial knowledge, financial attitude, and financial behaviour in predicting saving behaviour among respondents. Grounded in FCT, the analysis aims to determine how these interrelated dimensions influence individuals' saving tendencies and overall financial outcomes among *asnaf* in Perlis.

Table 1

Descriptive Statistics of the Dependent Variable and the Independent Variables

Variable	Mean	Median	Std. Dev.	Min	Max
SAVB	125.40	120.00	56.34	50	200
CIFK	3.02	3.00	1.18	1	5
CIFA	3.07	3.00	0.92	1.25	4.75
CIFB	3.10	3.00	0.83	1	4.75

Note: n=100. SAVB is Saving Behaviour; CIFK is Financial Knowledge, CIFA is Financial Attitude, CIFB is Financial Behaviour.

Table 1 presents the descriptive statistics for the key variables in this study, namely saving behaviour (SAVB), financial knowledge (CIFK), financial attitude (CIFA), and financial behaviour (CIFB). The analysis is based on data obtained from 100 respondents.

The results show that the saving behaviour (SAVB) variable has a mean score of 125.4 with a standard deviation of 56.34, indicating moderate variability among respondents. The saving scores range between 50 and 200, suggesting that while some respondents demonstrate low levels of saving activity, others display strong saving commitment and discipline. The distribution is approximately symmetrical, as reflected by a skewness value of 0.014, and exhibits a kurtosis value of 1.64, implying a relatively flat distribution compared to a normal curve.

For financial knowledge (CIFK), the mean value of 3.02 and standard deviation of 1.18 indicate moderate variation in respondents' understanding of financial concepts. The scores range from 1 to 5, with most respondents scoring between 2.5 and 3.5, reflecting an average level of financial knowledge. The skewness (-0.008) and kurtosis (2.66) values suggest that the data are approximately normally distributed, with a slightly flatter shape than the standard normal curve.

The financial attitude (CIFA) variable records a mean score of 3.07 with a standard deviation of 0.92, reflecting moderate consistency among the respondents. The minimum score of 1.25 and maximum of 4.75 indicate that most respondents hold generally positive financial attitudes, though some differences remain. The skewness (-0.12) value indicates a near-symmetric distribution, while the kurtosis (2.96) is close to the normal range, suggesting a balanced data spread.

Lastly, financial behaviour (CIFB) shows a mean score of 3.10 and a standard deviation of 0.83, implying that respondents generally demonstrate sound financial practices, though variation still exists. The observed scores range from 1.00 to 4.75, with most clustering near

the mean. The negative skewness value (-0.29) suggests that a slightly higher proportion of respondents exhibit stronger financial behaviours, while the kurtosis value of 4.13 points to a more peaked distribution.

Overall, these descriptive findings reveal that the respondents exhibit moderate to high levels of financial literacy across all dimensions—knowledge, attitude, and behaviour. Their saving engagement, while varied, aligns positively with their overall financial capability levels. This supports the premise of FCT, which emphasizes that financial outcomes, such as saving behaviour, are shaped by the interconnected effects of financial knowledge, attitudes, and behaviours.

Table 2
Pearson Correlation Matrix of the Research Variables

Variables	SAVB	CIFK	CIFA	CIFB
SAVB	1.0000			
CIFK	0.1609	1.0000		
CIFA	-0.2122**	0.2021**	1.0000	
CIFB	0.2212**	0.0712	0.1944*	1.0000

Note: n=100. SAVB is Saving Behaviour; CIFK is Financial Knowledge, CIFA is Financial Attitude, CIFB is Financial Behaviour. * p<0.10; ** p<0.05; *** p<0.01

Table 2 presents the Pearson correlation coefficients among the research variables. Financial knowledge (CIFK) is positively correlated with saving behaviour (SAVB) ($r = 0.1609$), although the relationship is weak and statistically insignificant. This suggests that while greater financial knowledge may be associated with improved saving tendencies, knowledge alone may not be sufficient to generate consistent saving behaviour, particularly among financially constrained individuals. Recent studies similarly report that financial knowledge contributes to saving intentions but may have limited direct impact without behavioural reinforcement (Henager & Cude, 2023; Kim & Xiao, 2023).

Financial attitude (CIFA) shows a negative and statistically significant correlation with saving behaviour at the 5% level ($r = -0.2122$, $p < 0.05$). This finding indicates that positive attitudes toward finance do not necessarily translate into effective saving practices. Recent evidence supports this outcome, particularly among low-income and vulnerable groups, where financial stress and income instability weaken the attitude–behaviour link (Kim & Xiao, 2023; Sabri et al., 2024).

In contrast, financial behaviour (CIFB) exhibits a positive and statistically significant correlation with saving behaviour at the 5% level ($r = 0.2212$, $p < 0.05$). This implies that individuals who consistently engage in disciplined financial actions, such as budgeting and monitoring expenses, are more likely to save. This result aligns with recent findings by Farrell et al. (2023) and Sabri et al. (2024), who emphasize that behavioural routines are a critical driver of saving outcomes.

Additionally, financial knowledge and financial attitude are positively correlated ($r = 0.2021$), significant at the 5% level, suggesting that improved understanding of financial concepts tends to foster more positive financial orientations. Financial behaviour also correlates positively with financial attitude ($r = 0.1944$), significant at the 10% level, indicating that favourable attitudes may encourage behavioural engagement, although this does not necessarily translate into saving behaviour directly.

Table 3
Regression Analysis on the Determinants of Saving Behaviour

SAVB	Expected Sign	Coefficient (β)	t-Statistic	p-Value
CIFK	+/-	9.746	2.13	0.036**
CIFA	+/-	-18.685	-3.13	0.002***
CIFB	+/-	18.129	2.78	0.007***
Adj. R ²	0.1563			

Note: n=100. SAVB is Saving Behaviour; CIFK is Financial Knowledge, CIFA is Financial Attitude, CIFB is Financial Behaviour. * p<0.10; ** p<0.05; *** p<0.01

Table 3 presents the regression results examining the determinants of saving behaviour among *Asnaf* youth. The model is statistically significant at the 1% level ($F = 5.93$, $p < 0.01$), indicating that financial knowledge, financial attitude, and financial behaviour jointly explain variations in saving behaviour. The adjusted R² value of 0.1563 suggests that approximately 15.6% of the variance in saving behaviour is explained by the model, which is acceptable given the socio-economic vulnerability of the sample.

Financial knowledge (CIFK) has a positive and statistically significant effect on saving behaviour at the 5% level ($\beta = 9.746$, $p = 0.036$). This finding suggests that individuals with higher levels of financial knowledge are more likely to engage in saving activities. Recent studies corroborate this result, showing that financial knowledge enhances informed financial decision-making and precautionary saving, particularly among youth and low-income populations (Babiarz & Robb, 2023; Kim & Xiao, 2023). This supports FCT, which posits that cognitive understanding is a necessary internal capability for effective financial action.

Conversely, financial attitude (CIFA) exhibits a negative and statistically significant effect on saving behaviour at the 1% level ($\beta = -18.685$, $p = 0.002$). This result indicates that favourable financial attitudes do not necessarily result in higher savings and may even correspond with lower saving behaviour among *Asnaf* youth. Recent literature provides similar evidence, suggesting that individuals who recognize the importance of saving but face severe financial constraints may experience frustration or resignation, leading to disengagement from saving practices (Kim & Xiao, 2023; Sabri et al., 2024). This finding is consistent with the Theory of Planned Behavior (Ajzen, 1991), which emphasizes that attitudes must be supported by perceived behavioural control to translate into actual behaviour.

Financial behaviour (CIFB) emerges as the strongest positive predictor of saving behaviour, with a statistically significant effect at the 1% level ($\beta = 18.129$, $p = 0.007$). This indicates that individuals who consistently practice sound financial behaviours such as budgeting, expense tracking, and goal-oriented saving are substantially more likely to save. Recent empirical evidence strongly supports this relationship, highlighting financial behaviour as a critical mechanism linking financial literacy to financial outcomes (Kim & Xiao, 2023; Sabri et al., 2024). This finding reinforces the relevance of Behavioral Life-Cycle Theory (Shefrin & Thaler, 1988), which emphasizes self-control and routine-based financial management in sustaining saving behaviour.

Overall, the findings suggest that while financial knowledge plays an important supporting role, financial behaviour is the most decisive determinant of saving behaviour, whereas

financial attitude alone may be insufficient or even counterproductive under conditions of financial vulnerability. These results align with recent calls in the literature to move beyond knowledge-based financial education and incorporate behavioural interventions such as commitment devices, nudges, and habit-formation strategies (OECD, 2023; Lusardi, 2024). For the *Asnaf* community, such an approach is crucial for fostering sustainable saving practices and reducing long-term dependency on Zakat assistance.

CONCLUSION

This study examined the effects of financial knowledge, financial attitude, and financial behaviour on saving behaviour among *Asnaf* youth in Perlis. The regression analysis confirmed that financial knowledge and financial behaviour significantly and positively influence saving behaviour, while financial attitude exhibited an unexpected negative relationship. These findings suggest that knowledge and practical behaviour play crucial roles in shaping positive financial outcomes, while attitudes alone are insufficient to drive saving practices. Collectively, these results emphasize the need for multidimensional approaches that enhance both financial understanding and behavioural application.

From the theoretical perspective, the findings strongly support the FCT, which posits that financial well-being depends on the ability to apply knowledge effectively within real-life contexts (Atkinson & Messy, 2012). Furthermore, the results partially align with the Theory of Planned Behavior (Ajzen, 1991), highlighting the gap between positive intentions and actual financial actions. This theoretical inconsistency suggests that interventions aimed at changing financial behaviour among *Asnaf* youth must go beyond attitudinal development and focus on actionable financial literacy programs that encourage habit formation.

In practical terms, the positive relationship between financial knowledge and saving behaviour reflects the importance of accessible financial education programs. When youth possess a better understanding of financial principles such as budgeting, interest, inflation and investment diversification, they are more capable of making informed financial decisions. Such education not only strengthens personal financial resilience but also contributes to broader socioeconomic development goals, aligning with SDG 4 (Quality Education) by promoting financial literacy as a lifelong learning component.

The strongest predictor in the model, financial behaviour, highlights the importance of cultivating consistent financial practices such as budgeting, expense tracking, and regular savings. This behavioural dimension underscores SDG 8 (Decent Work and Economic Growth), as financial discipline supports long-term income stability, entrepreneurship, and employment readiness. For *Asnaf* youth, who may face structural barriers to financial inclusion, developing responsible financial habits can serve as a catalyst for sustainable economic participation and empowerment.

Interestingly, the negative effect of financial attitude on saving behaviour indicates that positive beliefs or intentions alone do not guarantee effective saving actions. This discrepancy could stem from psychological barriers, limited income, or cultural spending norms that discourage long-term savings. To address this issue, programs promoting financial well-being among *Asnaf* youth must integrate behavioural economics techniques, such as goal-based saving plans, financial reminders, and digital saving tools, which convert intentions into consistent actions.

From an Islamic perspective, the study's findings resonate with the principles of *maqasid al-*

shariah (objectives of Islamic law), particularly the preservation of wealth (*hifz al-mal*). Encouraging disciplined saving and prudent financial management aligns with Islamic teachings on moderation, accountability, and long-term self-sufficiency. Integrating zakat utilization with financial literacy training could further empower *Asnaf* youth to transition from dependency to productivity, supporting SDG 1 (No Poverty) and SDG 10 (Reduced Inequalities) by reducing financial vulnerability and promoting inclusive growth.

Despite its contributions, this study has several limitations. The sample size was limited to 100 respondents within Perlis, which may restrict the generalizability of findings to broader populations or other Malaysian states. Additionally, the use of self-reported survey data may introduce response bias, as participants might overstate their financial knowledge or behaviour. Future research should incorporate larger and more diverse samples, possibly including longitudinal data to examine changes in financial behaviour over time.

Another limitation concerns the scope of variables considered. While the study focuses on financial knowledge, attitude, and behaviour, other relevant factors such as financial socialization, digital finance exposure, income level, or access to Islamic financial products could further explain saving behaviour. Moreover, external influences such as macroeconomic uncertainty, inflation, and digital financial inclusion may interact with individual financial literacy in shaping saving decisions.

Based on the findings, several recommendations are proposed. Firstly, government agencies, zakat institutions, and educational bodies should collaborate to develop integrated financial literacy modules tailored for *Asnaf* youth. These programs should combine theoretical knowledge with practical financial tools, such as mobile savings apps, budgeting templates, and peer mentoring. Secondly, policymakers could leverage digital platforms and community-based programs to improve outreach and financial inclusion. These strategies would directly contribute to SDG 1, SDG 4, and SDG 8 by equipping marginalized groups with financial capabilities that foster sustainable livelihoods.

Lastly, future initiatives should focus on strengthening behavioural interventions that promote real savings actions. Incorporating nudge-based mechanisms, financial gamification, and Shariah-compliant micro-savings schemes could increase participation among young *Asnaf*. Academically, future research could explore moderating factors such as gender, income stability, or digital finance engagement to deepen understanding of saving behaviour dynamics. Ultimately, empowering *Asnaf* youth through knowledge, attitude transformation, and consistent financial behaviour not only improves individual financial well-being but also advances Malaysia's commitment to the United Nations Sustainable Development Goals, fostering an inclusive and equitable society.

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