ABSTRACT

Students today are faced with increasingly complex consumption patterns, where the urge to follow trends, take advantage of instant financial services, and pressure from the digital social environment cause consumption decisions to be based more often on external influences than on urgent needs. This study aims to analyze the influence of financial literacy, mental accounting, and herding behavior on the consumption behavior of university students in the Bandung Raya region, as a representative of an educational urban area with high economic and cultural consumption dynamics. Using a quantitative approach, data was collected through the distribution of questionnaires to 400 students and analyzed using multiple linear regression. The results indicate that financial literacy does not influence consumer behavior, suggesting that financial knowledge alone is insufficient to curb consumption impulses amid social pressure and modern lifestyles. Conversely, mental accounting and herding behavior were found to have a positive influence, reflecting that the mindset of categorizing budgets and the tendency to follow the majority play a role in reinforcing impulsive consumption decisions. All three variables simultaneously influence students' consumption behavior, confirming that consumption behavior is the result of a complex interaction between cognitive, psychological, and social aspects.

Keywords: Financial literacy, herding behavior, mental accounting, consumptive behavior, university students, Bandung Raya.