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Evaluating financial literacy and behavior among online sellers in Zambales

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Abstract

This study was solely focused on the financial literacy level and financial behavior of the online sellers in Iba, Zambales as to their cash management; expenditure; savings; and investments. The researchers utilized the quantitative descriptive correlational research design with questionnaire as the main instrument in gathering data from the one hundred forty (140) online sellers in Iba, Zambales who were randomly selected.

The researchers found out that the majority of the respondents are female in their early adulthood, single, college undergraduate major in business, with meagre income, had monthly expenses more than the income and saving, and neophyte in online selling business. The respondents stood well-educated on the dimensions towards the factors of financial literacy as to cash management, expenditures, savings and investment. The respondents strongly agreed on the dimensions towards the factors of financial behavior as to cash management, expenditures, savings and investment. There were significant differences on the perceptions of the respondents when grouped towards dimensions on financial literacy as to their monthly income, monthly expenses and monthly savings, highest educational attainment, and years in online selling respectively. There are significant differences on the perceptions of the respondents when grouped towards dimensions on financial behavior as to their monthly income, monthly expenses and monthly savings, and area of specialization respectively. There is positive moderate relationship between financial literacy and financial behavior.

Based on the summary of the investigations conducted, and the conclusions arrived at, the researchers recommended that online sellers are still encouraged to attend financial management seminars to maintain a high level of financial literacy and behavior to prevent losses, financial squander, and misuse; establish a family savings culture; have a financial record management to sustain the monitoring of their inventory and future decisions; and lastly, future researchers may conduct a replication of this study.

Keywords: Financial Literacy; Financial Behavior; Online Sellers; Cash management; Expenditures; Savings; Investment

1. Introduction

Everyone needs financial knowledge to prevent financial difficulties. Financial difficulties can occur for a variety of reasons, including poor financial management, misuse of credit, and a lack of financial planning. They are not just a result of low income alone. Stress and low self-esteem can result from financial difficulties[11]. Furthermore, he also stated that someone is considered financially literate when they possess a set of skills and talents that enable them to use available resources to further their goals. For it to accomplish its goals, skill literacy is essential.

The importance of online buying and selling has changed, and its growth has been markedly increased, in the year 2020. It started out as diverse internet marketing and sales strategies, but it has since developed into a vital aspect of society,

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especially in the wake of the pandemic. Knowing how money functions in the real world and being able to make wise decisions about all financial matters are two characteristics of financial literacy. People with strong financial literacy can make wise decisions about borrowing, investing, and other financial decisions. Familiar with financial products and uses it to use them to their greatest advantage. Financial education and awareness are now more crucial than ever for financial well-being as a result of recent developments.

An increase in the number of people have turned to online businesses, using social media and e-commerce platforms to sell the commodity, with online vendors aiming to survive long beyond the pandemic [13]. The online retail sector had increased, rising from a 10% contribution to the Philippines' GDP in 2015 to a 25% contribution in 2018. Economic activity is boosted by the quick spread of the convenience of online shopping, and a rise in GDP is taken as conclusive proof that the economy is still booming [5]. Many companies are switching to internet sales as a result of the COVID-19 pandemic. The report also noted a promotion by the Department of Trade and Industry (DTI) and its goal of helping small firms that sell social media platforms online. Whereas traditional businesses are still present and internationally known, online selling is instantly becoming prevalent, forcing traditional businesses to go online. To help online sellers survive the pandemic, the DTI is promoting and intends to support small businesses who wish to sell their goods on these platforms.

One of the several provinces in northern Luzon affected by the COVID-19 problem are the small enterprises, primarily local establishments, located in Iba, Zambales. The COVID-19 had a significant impact on the revenue of large corporations globally, particularly in small, locally owned business establishments and retail stores, and it also had a significant impact on several provinces in Zambales.

Objective

The study was to determine the level of financial literacy among online sellers of Iba, Zambales. It also studied the relationship of financial literacy and financial behavior to each of their indicators— cash management, expenditures, savings, and investment. This study aimed to determine the financial literacy level of online sellers in Iba, Zambales and assess the relationship with financial behavior. Specifically, the study sought to find answers to the following: Socio-demographic profile of the respondents in terms of Gender, Age, Civil Status, Highest Educational Attainment, Area of Specialization, Monthly Income, Monthly Expenses, Monthly Savings, Years in online- selling; How do the online seller respondents assess their financial literacy level in the following aspects: Cash Management, Expenditure, Savings, and Investment; How do the respondents assess their financial behavior in the following terms of Cash Management, Expenditure, Savings, and Investment; significant difference on the financial literacy level of the respondents when grouped according to profile; significant difference on the financial behavior of the respondents when grouped according to profile; and significant relationship between financial literacy level and financial behavior among the online seller-respondents.

This study was solely focused on the financial literacy level and financial behavior of the online sellers in Iba, Zambales as to their cash management; expenditure; savings; and investments and findings of the study would be significant to: The Online Sellers to improve their finances and exercise control over their financial behaviors for effective and wise financial decisions; Academic Institutions; This would assist the Academic Council in making changes to the curriculum for the young people who would rely on the knowledge they would learn in an academic setting. This would greatly assist them in raising young entrepreneurs who would be as financially prudent as possible in the future; Bank Institutions; can offer suggestions for the banks' e-banking system's improvement; assist the bank in enhancing its operations for itself and its clients and customers; assist the bank in developing strategies to market its e-banking services; find an alternative strategy to be efficient and competitive; in the long run, banks can save money by not paying many tellers because online transactions are less expensive; Community as it would broaden their understanding of how to inform the public and illustrate the value of financial literacy for both individuals and the economy as a whole; and to future researchers. This would provide data and information on the financial literacy level and financial behavior of the respondents within the local perspective. The findings of the study may add to their body of literature and facilitate further research.

2. Material and methods

2.1. Research Design

In this study, the researchers employed the descriptive survey method of research. This method was perfectly suited for the study in determining the financial literacy level and assessing the financial behavior of online sellers in Iba, Zambales to each of their indicators – cash management, expenditures, savings and investment to come up with the

most accurate results. The researchers also used various data gathering procedures, such as questionnaires, to gather much needed information.

2.2. Respondents and Location

This study was conducted in municipality of Iba Zambales. The participants of this study are the online sellers in different barangay of Iba, Zambales, with the total of 140 respondents. The said respondents would know their financial literacy level and financial behavior in terms of cash management, expenditures, investment and savings to sustain their income and to expect their earnings at an above average.

2.3. Research Instrument

The questionnaire was taken from other research projects that were related to the current study, and some questions were formulated by the researchers to determine and assess the financial literacy level and determine the financial behavior among online sellers in Iba, Zambales. Consultations with professors were requested to face-validate or, if possible, enhance the contents of the instrument until it is finalized and approved. This is to make sure that the contents of the instrument are representative of the different variables' methods.

The drafted questionnaire had undergone pilot testing for reliability before being given to the respondents. A dry run was conducted with twenty (20) online sellers outside of Zambales, with this, the questionnaire was proven to be more effective, and the result was more precise. The final result demonstrates the instrument's validity, with good and excellent Cronbach's alpha values. All suggestions were incorporated into the final questionnaire. Then, the revised questionnaire was reproduced and distributed to the target respondents of the study.

2.4. Data Collection and Analysis

For the Data Gathering Procedure, the researchers created a Google Form for their questionnaires and posted it on social media platforms, particularly Facebook. The researchers explained to the respondents the importance of their response to the study. The researchers also clarify some terms in order for the respondents to fully understand and answer the questionnaire and other concerns of the researchers with full knowledge of their responsibility as the subject of the study. After the respondents answered the questionnaire, the researchers collected and tallied the data for interpretation. In order to choose the best statistical tools to apply and analyse the data, the researchers ask a statistician for help in determining the appropriate statistical tools to be used. Based on the data, the researchers came up with conclusions and recommendations for this study.

For the Statistical Treatment of Data, after gathering, tabularizing, and accumulation the information from the questionnaire, statistical tools are applied to interpret the result of this study: frequency and percentage, weighted mean, Likert scale, one-way analysis of variance, Pearson-r and t-tests.

Frequency and Percentage Distribution. This was employed to determine the frequency counts and percentage distribution of personal related variables of the respondents. Weighted Mean. The Measure of Central Tendency represents the average quantity. This was used to determine the mean of the respondents' responses on the options given in the different parts of the survey questionnaire that would be used. The Likert Scale. The Likert scale shows the class intervals, which include the lower and upper limits per class, and its corresponding qualitative value used for the interpretation of the computed weighted mean.

Table 1 Rating Scale Analysis of the Financial Literacy Questionnaire

| Scale | Descriptive Rating | Symbol | Limits |
|-------|--------------------|--------|-----------|
| 4 | Very Literate | VL | 3.25-4.00 |
| 3 | Literate | L | 2.50-3.24 |
| 2 | Fairly Literate | FL | 1.75-2.49 |
| 1 | Not Literate | NL | 1.00-1.74 |

For the Analysis of Variance (ANOVA). In testing the significant difference of the respondents when respondents were grouped according to profile variables, the one-way analysis of variance (ANOVA) was used. Analysis of variance was used to test the hypothesis that the mean of three or more independent samples is the same against the alternative

hypothesis that is least one sample mean differs. It is called analysis of variance because the test is used to establish the variation (sources of difference) between samples and within samples. The ANOVA makes use of the F ratio or variance ratio. The various groups being compared are assumed to belong to a population with a normal distribution, each group randomly selected and independent from the other groups. Pearson- r. this was utilized to test the significant relationship financial literacy level to financial behavior of online sellers in Iba, Zambales. It is very helpful statistical formula that measures the strength between variables and relationship.

Table 2 Rating Scale Analysis of the Financial Behavior Questionnaire

| Scale | Descriptive Rating | Symbol | Limits |
|-------|--------------------|--------|-----------|
| 4 | Strongly Agree | SA | 3.25-4.00 |
| 3 | Agree | A | 2.50-3.24 |
| 2 | Disagree | D | 1.75-2.49 |
| 1 | Strongly Disagree | SD | 1.00-1.74 |

3. Results and discussion

3.1. Profile of the Respondents

Majority are females with 97 or 69.3%; 37 or 26.40% are males and 6 or 4.30% were from LGBTQ+ community; Most of the respondents are from age group of 21-25 years old with 77 or 55.00%; 27 or 19.30%, from 16-20 years old; 15 or 10.70%, from 36-40 years old; 13 or 9.30%, from 26-30 years old and 8 or 5.70% from 31-35 years old; still single with 115 or 82.10%; 24 or 17.10% are married and 1 or 0.70 is a widower; Most of the respondents were college undergraduate with 63 or 45.00%; 42 or 30.00%, are college graduate; 27 or 19.30% are high school graduates; 5 or 3.60% have masteral units; 2 or 1.40% are masteral graduates and only 1 or 0.70/5 is a doctorate graduate; Majority of the respondent are specialized in business with 94 or 67.10%; 26 or 18.60%, in education; 7 or 5.00% in the field of engineering; 6 or 4.30%, are majors in Science; 3 or 2.10%, specialized in Information Technology and only 1 or 0.70% is specialized in law, architecture, criminology and dentistry respectively; Most of the respondents have monthly income of Php5,001-10,000 with 61 or 43.60%; 35 or 25.00, Php10,001-15,000; 20 or 14.30%, Php15,001-20,000; 13 or 9.30%, Php20,001-25,000; and 11 or 7.90%, Php25,001-30,000. The computed mean of income was Php12,082.64.; Most of the respondents has incurred monthly expenses ranges from Php1,000-5,000 with 53 or 37.90%; 43 or 30.70%, Php5,001-10,000; 27 or 19.30%, Php10,001-15,000; 12 or 8.60%, Php15,001-20,000; 4 or 2.90%, Php20,001-30,000; and 1 or 0.70%, Php25,001-30,000. The computed of expenses was Php8,189.33 monthly; for Monthly Savings, mostly with 95 or 67.90% has monthly savings of Php1,001-5,000; 34 or 24.30%, Php5,001-10,000; 6 or 4.30%, Php10,001-15,000; 4 or 2.90%, Php15,001-20,000; and 1or 0.70%, Php25,001-30,000. The computed mean of savings was Php5,089.32 monthly; and Majority of the respondents are engaged in the business for 1-3 years with 123 or 87.90%; 13 or 9.30%, 4-6 years old; 3 or 2.10%, 7-10 years and 1 or 0.70%, with 6 months in the business. The computed years in online selling was 2.01 year.

3.2. Perception of the respondents towards Financial Literacy.

Table 3 shows the Summary of Responses towards dimensions on Financial Literacy.

Table 3 Summary of Responses towards dimensions on Financial Literacy

| | Financial Literacy | Overall Weighted Mean | Descriptive Equivalent | Rank |
|---|--------------------|-----------------------|------------------------|------|
| 1 | Cash Management | 3.46 | Very Literate | 1.5 |
| 2 | Expenditures | 3.43 | Very Literate | 3 |
| 3 | Savings | 3.46 | Very Literate | 1.5 |
| 4 | Investment | 3.31 | Very Literate | 4 |
| | Grand Mean | 3.42 | Very Literate | |

3.2.1. Cash Management

The respondents were very literate on all indicators particularly that they know what to prioritize in creating a budget manifested on the high mean value of 3.54 and ranked 1st while on the statement in which they are aware that family, community, sociocultural values and customs can influence the way in which people manage their money which obtained the lowest mean value of 3.36 and ranked 10th. The perception towards Financial Literacy as to Cash Management obtained an overall weighted mean value of 3.46 with qualitative interpretation of “Very Literate”

It is important for a business on what to prioritize in budget for company advantage, profit and success of the business. The operations that business leaders engage in during the business cycle to collect, hold, and distribute cash, checks, and credit card payments are referred to as cash management [9].

3.2.2. Expenditures

The respondents were very literate on all indicators particularly that they made record on the money they spend manifested on the high mean value of 3.49 and ranked 1st while on the statement in which they spend their money to buy only the important item that the customers want which obtained the lowest mean value of 3.36 and ranked 10th. The perception towards Financial Literacy as to Expenditures obtained an overall weighted mean value of 3.43 with qualitative interpretation of “Very Literate”.

A good sound financial literacy demonstrate a good record management system. The records provide data of cash flow, in and out. The records provide benchmark in the decision making. Spending and credit management are two aspects of financial literacy. In that regard, it is important to create a good spending plan and practice discipline so that expenses are made in accordance with the plans. It could be something like learning how to purchase something that is genuinely wanted or necessary rather than just to satisfy a desire. Avoiding a deficit is crucial because doing so will keep your finances in good shape. Credit worries are being raised in the meantime over the credit status. The idea is to portray credit as a useful instrument rather than as extra money to satisfy varied demands, which is misleading[11].

3.2.3. Savings

The respondents were very literate on all indicators particularly that they save some amount from their own income manifested on the high mean value of 3.54 and ranked 1st while on the statement in which they look for cheaper goods rather than buying expensive goods to save more money which obtained the lowest mean value of 3.37 and ranked 10th. The perception towards Financial Literacy as to Savings obtained an overall weighted mean value of 3.46 with qualitative interpretation of “Very Literate”. A nation can grow domestic savings by enticing each person to save more money. This can be accomplished by raising people's knowledge of their financial situations, enhancing their capacity to plan their personal finances for the future, and offering suitable financial tools to help people achieve their financial goals or welfare, among other training programs[8].

3.2.4. Investment

The respondents were very literate on majority of the indicators particularly that they have consulted their family members before taking investment decision manifested on the high mean value of 3.39 and ranked 1st while on the statement in which the good investment opportunities induce behavior investment which obtained the lowest mean value of 3.37 interpreted as “Agreed” and ranked 10th. The perception towards Financial Literacy as to Investment obtained an overall weighted mean value of 3.31 with qualitative interpretation of “Very Literate”.

It is imperative and important to get involved family members in the planning and decision making for a business to preempt from possible losses, business scam and business failure. The online sellers used a variety of financial instruments and strategies in an effort to measure their customers' preferences and influence their investment plans for risk tolerance. Due to the inconsistent behavior of online sellers, the financial sector is now impacted by their choices on the promotion of strong financial. Online sellers have access to a variety of financial consultancy sources that can provide crucial information about maintaining a high return on investment [2].

3.3. Test of difference on the Perceptions of the Customer-respondents on the different services of Resto Bar when grouped according to profile variables

3.3.1. Cash Management

The respondents were strongly agreed on all of the indicators particularly that they know when to measure, prioritize, and allocate their financial resources based on their expected income manifested on the high mean value of 3.51 and

ranked 1st while on the statement in which they compare the receipts of purchases to their monthly income which obtained the lowest mean value of 3.40 and ranked 10th. The perception towards Financial Behavior as to Cash Management which obtained an overall weighted mean value of 3.45 with qualitative interpretation of “Strongly Agreed”.

Table 6 Summary of Responses towards dimensions on Financial Behavior

| | Financial Behavior | Overall Weighted Mean | Descriptive Equivalent | Rank |
|---|---------------------------|------------------------------|-------------------------------|-------------|
| 1 | Cash Management | 3.45 | Strongly Agree | 1 |
| 2 | Expenditures | 3.40 | Strongly Agree | 3 |
| 3 | Savings | 3.44 | Strongly Agree | 2 |
| 4 | Investment | 3.32 | Strongly Agree | 4 |
| | Grand Mean | 3.40 | Strongly Agree | |

High financial literacy individuals are better able to recognize available business possibilities, learn more about markets, manage their money more efficiently, and make better financial decisions—all of which are essential for the expansion of venture formation and entrepreneurship [4].

3.3.2. Expenditures

The respondents were strongly agreed on all of the indicators particularly that they spend their money to buy only the important item that the customers want manifested on the high mean value of 3.48 and ranked 1st while on the statement in which they spend money only on special occasions which obtained the lowest mean value of 3.31 and ranked 10th. The perception towards Financial Behavior as to Expenditures which obtained an overall weighted mean value of 3.40 with qualitative interpretation of “Strongly Agreed”.

Each child has unique financial experiences that shape how their parents handle their finances and the lessons they learn. Parents have a crucial role in their children's development. The spending tendencies shown, both good and bad, are influenced by their parents' preferences [3].

3.3.3. Savings

The respondents were strongly agreed on all of the indicators particularly that they save some amount from their own income manifested on the high mean value of 3.49 and ranked 1st while on the statement in which they stake steps to have emergency savings to manage financial shocks which obtained the lowest mean value of 3.40 and ranked 10th. The perception towards Financial Behavior as to Savings which obtained an overall weighted mean value of 3.44 with qualitative interpretation of “Strongly Agreed”.

Saving is seen as a productive strategy for building up cash. Consequently, a positive link between entrepreneurship and saving practices emerges [12]. On the same aspects, the low- and seasonal income earners have a propensity to live beyond their means in a related study on savings behavior among Malaysians. The findings emphasize how crucial saving is. Savings are the remaining portion of income that is not used for immediate consumption. Nobody has the ability to predict what will happen in the future. So, it's necessary to set aside some cash for unplanned expenses. Without saving, it could result in significant financial problems after unforeseen circumstances [15].

3.3.4. Investment

The respondents were strongly agreed on almost all of the indicators particularly that publicity gives information and helps them to take good investment decision manifested on the high mean value of 3.41 and ranked 1st while on the statement in which they borrow money for making investment which obtained the lowest mean value of 3.01 interpreted as “Agreed” and ranked 10th. The perception towards Financial Behavior as to Investment which obtained an overall weighted mean value of 3.32 with qualitative interpretation of “Strongly Agreed”.

A number of preceding factors, including financial literacy, demographic factors, and individual economic circumstances, have an impact on investment decisions [14]. Meanwhile, the older investors prefer to take more factors into account when making investing decisions. Additionally, by classifying the sexes, it is known that men will be more

inclined to make investment decisions than women, and investing experience also plays a significant part when making investment decisions [1].

3.4. Test of Differences on the perception towards dimensions on Financial Literacy when grouped according to profile variables.

3.4.1. Cash Management

There is significant difference on the perception towards Financial Literacy as to Cash Management when grouped according to monthly income, monthly expenses and monthly savings manifested on the computed Sig. or P- values of 0.002, 0.00 and 0.000 which are lower than 0.05 alpha level of significance, therefore the null hypothesis is rejected. On the other hand, there is no difference on the perception when grouped according to gender, age, civil status, highest educational attainment, area of specialization and years on online selling manifested on the computed Sig. or P-values of 0.214, 0.889, 0.135, 0.187, 0.114 and 0.134 respectively which are higher than 0.05 alpha level of significance, therefore the null hypothesis is accepted.

3.4.2. Expenditure

There is significant difference on the perception towards Financial Literacy as to Expenditures when grouped according to highest educational attainment, monthly expenses, monthly savings and years in online selling manifested on the computed Sig. or P- values of 0.031, 0.014, 0.000 and 0.029 which are lower than 0.05 alpha level of significance, therefore the null hypothesis is rejected. On the other hand, there is no difference on the perception when grouped according to gender, age, civil status, area of specialization and monthly income manifested on the computed Sig. or P-values of 0.086, 0.720, 0.369, 0.068, and 0.264 respectively which are higher than 0.05 alpha level of significance, therefore the null hypothesis is accepted

3.4.3. Savings

There is significant difference on the perception towards Financial Literacy as to Savings when grouped according to highest educational attainment, area of specialization, monthly income, monthly expenses, and monthly savings manifested on the computed Sig. or P- values of 0.023, 0.043, 0.031, 0.011 and 0.000 which are lower than 0.05 alpha level of significance, therefore the null hypothesis is rejected. On the other hand, there is no difference on the perception when grouped according to gender, age, civil status, and years in online selling manifested on the computed Sig. or P-values of 0.846, 0.359, 0.288, and 0.263 respectively which are higher than 0.05 alpha level of significance, therefore the null hypothesis is accepted.

3.4.4. Investment

There is significant difference on the perception towards Financial Literacy as to Investment when grouped according to gender, highest educational attainment, monthly income, monthly expenses, and monthly savings manifested on the computed Sig. or P- values of 0.028, 0.010, 0.026, 0.000 and 0.000 which are lower than 0.05 alpha level of significance, therefore the null hypothesis is rejected.

On the other hand, there is no difference on the perception when grouped according to age, civil status, area of specialization and years in online selling manifested on the computed Sig. or P-values of 0.846, 0.359, 0.288, and 0.263 respectively which are higher than 0.05 alpha level of significance, therefore the null hypothesis is accepted.

3.5. Test of Differences on the perception towards dimensions on Financial Behavior when grouped according to profile variables.

3.5.1. Cash Management

Cash Management when grouped according to monthly income, monthly expenses, and monthly savings manifested on the computed Sig. or P- values of 0.001, 0.001 and 0.000 which are lower than 0.05 alpha level of significance, therefore the null hypothesis is rejected. On the other hand, there is no difference on the perception when grouped according to gender, age, civil status, highest educational attainment, area of specialization and years in online selling manifested on the computed Sig. or P-values of 0.251, 0.921, 0.455, 0.277, 0.669 and 0.087 respectively which are higher than 0.05 alpha level of significance, therefore the null hypothesis is accepted.

3.5.2. Expenditures

There is significant difference on the perception towards Financial Behavior as to Expenditures when grouped according to monthly income, monthly expenses, and monthly savings manifested on the computed Sig. or P-. values of 0.000, 0.026 and 0.000 which are lower than 0.05 alpha level of significance, therefore the null hypothesis is rejected. On the other hand, there is no difference on the perception when grouped according to gender, age, civil status, highest educational attainment, area of specialization and years in online selling manifested on the computed Sig. or P-values of 0.434, 0.708, 0.275, 0.326, and 0.077 respectively which are higher than 0.05 alpha level of significance, therefore the null hypothesis is accepted.

3.5.3. Savings

There is significant difference on the perception towards Financial Behavior as to Savings when grouped according to area of specialization, monthly income, and monthly expenses, manifested on the computed Sig. or P-. values of 0.000, 0.001 and 0.000 which are lower than 0.05 alpha level of significance, therefore the null hypothesis is rejected. On the other hand, there is no difference on the perception when grouped according to gender, age, civil status, highest educational attainment, area of specialization and years in online selling manifested on the computed Sig. or P-values of 0.789, 0.125, 0.085, 0.334, 0.325, 0.176 and 0.274 respectively which are higher than 0.05 alpha level of significance, therefore the null hypothesis is accepted.

3.5.4. Investment

There is significant difference on the perception towards Financial Behavior as to Investment when grouped according to monthly income, monthly savings and monthly expenses, manifested on the computed Sig. or P-. values of 0.003, 0.018 and 0.000 which are lower than 0.05 alpha level of significance, therefore the null hypothesis is rejected. On the other hand, there is no difference on the perception when grouped according to gender, age, civil status, highest educational attainment, area of specialization and years in online selling manifested on the computed Sig. or P-values of 0.217, 0.789, 0.069, 0.250 and 0.171 respectively which are higher than 0.05 alpha level of significance, therefore the null hypothesis is accepted.

3.6. Test of Relationship between financial literacy and financial behavior.

Table 7 Pearson Product Moment Coefficient of Correlation to test relationship between financial literacy and behavior

| Sources of Correlations | | Financial literacy | Financial behavior |
|-------------------------|---------------------|--------------------|--------------------|
| Pearson Correlation | | 1 | 0.799** |
| Financial Literacy | Sig. (2-tailed) | | 0.000 |
| N | | 140 | 140 |
| Financial Behavior | Pearson Correlation | 0.799** | 1 |
| | Sig. (2-tailed) | 0.000 | |
| | N | 140 | 140 |

** . Correlation is significant at the 0.01 level (2-tailed).

The positive moderate relationship between financial literacy and financial behavior manifested on the computed Pearson Product Moment Coefficient of Correlation value of 0.799**. The computed Sig. (2-tailed) test value of 0.000 which is lower than 0.05 alpha level of significance, therefore the null hypothesis is rejected hence there is significant relationship between financial literacy and financial behavior. This further denotes that the financial literacy moderately increases, the financial behavior is also moderately increasing.

It is essential to be financially literate in order to live a prosperous life. Every income level should anticipate their standard of living to rise with adequate financial management, which must be accompanied by strong financial literacy; but, for those with high incomes, achieving financial security would have been challenging without such management. According to certain studies, a person's financial behavior may be positively impacted by having insufficient financial literacy[10].

4. Conclusion and Recommendations

Based on the summary of the investigations conducted, the researchers concluded that: The respondents are females, relatively young in their early adulthood, single, college undergraduate major in business, with meagre income, had monthly expenses more than the income and saving, and neophyte in online selling business; The respondents were very literate on the dimensions towards the factors of financial literacy as to cash management, expenditures, savings and investment; The respondents strongly agreed on the dimensions towards the factors of financial behavior as to cash management, expenditures, savings and investment; There were significant differences on the perceptions of the respondents when grouped towards dimensions on financial literacy as to their monthly income, monthly expenses and monthly savings, highest educational attainment, and years in online selling respectively; There are significant differences on the perceptions of the respondents when grouped towards dimensions on financial behavior as to their monthly income, monthly expenses and monthly savings, and area of specialization respectively; and There is positive moderate relationship between financial literacy and financial behavior.

Based on the summary of the investigations conducted, and the conclusions arrived at, the researchers concluded that: The online sellers are still encouraging to attend seminar and workshop on financial management to maintain high level of financial literacy and behavior to avoid losses, financial squander and misused; Online sellers are encouraged to develop the family culture of savings; The online sellers are encouraged to have a financial record management to sustain the monitoring of their inventory and future decisions; and Future researchers may conduct a replication or parallel study for validation and confirmation of the salient findings obtained in the study.

Compliance with ethical standards

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All the authors of must disclose the possible conflicts of interest/ Competing Interests they may have with publication of the manuscript or an institution or product that is mentioned in the manuscript and/or is important to the outcome of the study presented. Authors should also disclose conflict of interest with products that compete with those mentioned in their manuscript.

Disclosure of conflict of interest

The authors declare no conflict of interest.

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