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Review

The role of financial literacy specifically on awareness of products and services in enhancing financial inclusion: A review of mediating effects of financial behavior

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Abstract: This systematic review examines the crucial role of financial literacy in enhancing financial inclusion, particularly in raising awareness of financial services and products. Financial literacy is essential for individuals to comprehend and utilize various financial offerings, enabling them to make informed financial decisions. The objective of this review is to synthesize existing research to demonstrate how improved financial literacy can increase awareness of financial products and facilitate access to these services. A comprehensive search of electronic databases, including PubMed, Web of Science, Science Direct, Emerald Insight, Google Scholar, Research Gate, and Scopus, initially identified 8601 studies. After removing duplicates, 5273 studies were excluded during the screening phase due to irrelevant titles and abstracts, and an additional 2948 studies were eliminated during the eligibility assessment for not meeting predetermined criteria. Ultimately, 49 studies were included in the analysis. The findings reveal significant patterns and gaps in the literature, indicating that individuals with higher financial literacy are more likely to engage in positive financial behaviors, thereby enhancing their access to essential financial services. This review provides valuable insights for educators and policymakers aiming to strengthen financial literacy programs and promote inclusive financial ecosystems, particularly for underserved populations.

Keywords: financial literacy; financial inclusion; awareness of financial products; financial behavior; financial decision-making; thematic analysis; financial education

1. Introduction

Financial literacy is increasingly recognized as a critical skill set that enables people to manage their money sensibly, make prudent financial decisions, and achieve financial stability. It necessitates a range of abilities, including understanding financial products and services, investing, saving, and budgeting, claims Owusu-Antwi and Kyeremeh [1] and Hasler et al. [2]. Better financial practices and financial literacy are directly correlated, according to recent studies, and both contribute to greater financial well-being [3]. For instance, proactive financial planning and improved readiness for unforeseen expenses are linked to higher financial literacy [4,5]. The significance of financial literacy is underscored by its role in increasing financial inclusion, particularly among poor groups who generally lack access to important financial services [6–8]. Understanding financial services and products is a crucial aspect of financial literacy that directly affects people's ability to interact with the financial system [9]. When people are aware of the many financial products available, including loans, investment opportunities, and savings accounts, they are more likely to use financial services effectively [3,10]. According to current research, more understanding facilitates better financial decision-making, which is necessary to achieve financial inclusion [11]. The goal of this review is to examine how financial behavior mediates financial inclusion and how financial literacy, in particular knowledge of financial products and services, contributes to this process. The specific goals of this study are to measure the mediating effects of financial behavior in the relationship between financial literacy and financial inclusion, as well as to examine how financial literacy affects awareness of financial products and services and its subsequent impact on financial inclusion. For example, one study found that people who are aware of digital financial services are more likely to use them, which will increase their access to financial resources [12,13]. By looking at these connections, this study hopes to increase understanding of how financial literacy initiatives could be developed to promote greater financial inclusion, particularly for underserved groups. This research is relevant and timely given the increased focus on financial literacy as a strategy for economic empowerment following global financial difficulties.

2. Literature review

2.1. Definitions and components of financial literacy

According to Lusardi and Mitchell [14], financial literacy is the capacity to comprehend and use a range of financial talents, such as investing, budgeting, and personal financial management. Among its many components are the ability to comprehend financial concepts, apply this knowledge in real-world situations, and possess the skills necessary to make prudent financial decisions [15,16]. Financial literacy, according to recent studies, encompasses more than just information; it also involves applying that knowledge to improve financial outcomes and behaviors [4]. As an example of the value of financial literacy, a comprehensive review revealed that people with higher financial literacy are more likely to save and invest for their retirement [3].

2.2. The concept of financial inclusion

The availability and use of financial services by people and businesses, especially those that are underserved or not part of the official financial system, is referred to as financial inclusion [17,18]. It is crucial for promoting economic growth and reducing poverty because it enables people to participate in the economy, manage risks, and invest in their futures [19]. Recent statistics show that about 1.7 billion adults worldwide remain unbanked, highlighting the ongoing challenges in achieving financial inclusion [20]. The relationship between financial literacy and financial inclusion is increasingly being recognized because those who are financially literate are more likely to utilize the financial services that are accessible to them, increasing their economic opportunities [11,21].

2.3. Prior studies on financial behavior and how it affects financial decisions

According to research, financial literacy has a significant impact on financial behavior because people who have a better understanding of financial concepts tend to make better financial decisions [3,22]. For example, a study found that responsible borrowing and efficient debt management, two crucial aspects of maintaining financial health, have a favorable correlation with financial literacy [12,23]. Additionally, according to behavioral finance theories, increasing financial literacy can help reduce cognitive biases that may influence financial decision-making, resulting in more logical financial decisions [15,24]. In order to promote financial inclusion and well-being, it is necessary for financial literacy, behavior, and decision-making to interact.

2.4. Underpinning theories

The two theories that were the focus of this study were the community echelon theory of financial inclusion and the financial literacy theory of financial inclusion. Two main ideas are used in this study to evaluate how financial literacy affects financial inclusion. The first is the Financial Literacy Theory of Financial Inclusion, which contends that financial inclusion may be successfully attained by raising people's level of financial literacy via education. People become more aware of the financial products and services that are available to them as their financial literacy increases, claim Peterson et al. [25]. In addition to encouraging people to interact with the official financial sector by opening a bank account, this greater awareness also makes it possible for them to take advantage of other advantages, including available investment and mortgage choices that are offered within this sector. According to Ozili [26], the Community Echelon Theory of Financial Inclusion is the second theory that is applied. According to this view, community leaders play a critical role in helping financially excluded groups become financially included. It makes the assumption that local leaders have a great deal of power in their communities and can encourage their constituents to engage with official financial institutions. Members of the community develop a close bond with their leaders as a result of their trust, which enables them to successfully lead their communities toward increased participation in the official financial sector. Increased community involvement may result from a shift in these leaders' beliefs and preferences about financial system participation.

Collectively, these perspectives highlight the need for a multidimensional strategy to improve financial inclusion. People can be better prepared to handle the financial environment and increase their involvement in formal financial institutions by concentrating on enhancing their financial literacy and utilizing community leadership. This holistic viewpoint emphasizes how crucial community dynamics and individual education are to advancing financial inclusion.

3. Methodology

3.1. Research design

The research design for this study uses thematic analysis, a qualitative technique that allows the discovery, examination, and reporting of patterns (themes) within data. This method is particularly well-suited for investigating complex topics like inclusiveness and financial literacy because it offers flexibility and depth in understanding the experiences and viewpoints of participants. The process of thematic analysis involves several steps, including familiarizing oneself with the data, developing preliminary codes, searching for themes, evaluating themes, defining and labeling themes, and creating the final report. In this study, thematic analysis was selected as the major tool for examining the influence of financial literacy on financial inclusion due to its inherent flexibility and capacity to gather rich qualitative data. The thematic analysis enables a detailed examination of themes and patterns that naturally arise from the data, in contrast to meta-analysis, which quantitatively synthesizes findings from several research [27] or systematic coding, which may impose strict frameworks on the data [28]. Understanding complex social phenomena, like financial literacy and its significance in financial inclusion, where individual subjective experiences and perceptions are essential for deriving meaningful conclusions, is made easier using this qualitative method [29]. Although NVivo and other software programs are frequently used to organize and code qualitative data in order to assist thematic analysis [30], this study opted against using such tools. The choice was made to maintain a more hands-on approach to data analysis, allowing for deeper interaction with the data and developing a more intuitive grasp of the themes that appear. The researcher's relationship to the data can be strengthened by depending on manual coding and analysis, which guarantees that the themes found are accurately representative of the experiences and perceptions of the participants [31]. Additionally, this method gives you more freedom to modify the analysis as new topics come to light while you're working. Inter-coder reliability checks, in which many researchers independently coded the data and then compared their results, were used to guarantee the theme analysis's rigor [32]. In order to make sure that the themes and codes appropriately reflect the facts, this procedure assisted in validating their consistency. The study intends to offer a comprehensive and perceptive analysis of the relationship between financial literacy and financial inclusion by utilizing thematic analysis without the use of software tools, highlighting the significance of both individual education and community dynamics in fostering financial inclusion.

3.2. Literature search strategies

To identify relevant literature, a systematic search strategy was employed across multiple databases, as illustrated in **Figure 1**, including Google Scholar, Research Gate, Science Direct, Emerald Insight, PubMed, Web of Science, and Scopus.

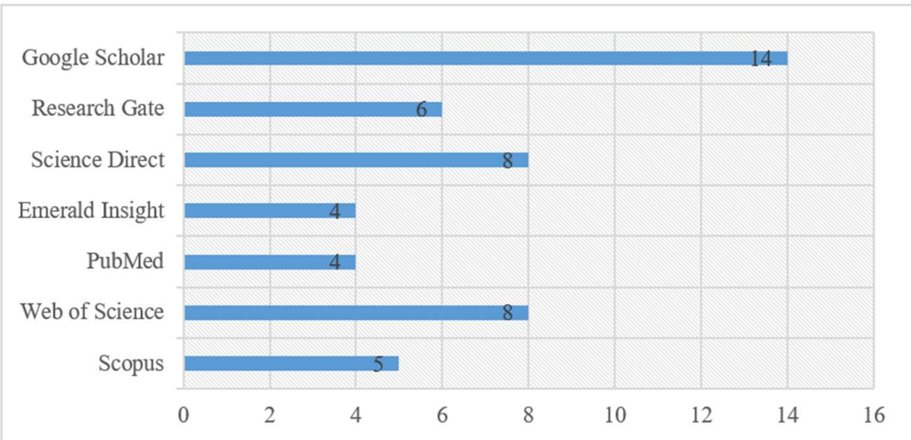

Figure 1. Literature samples based on various electronic databases.

The search utilized a combination of keywords and phrases such as:

"Financial literacy",

"Financial inclusion",

"Financial behavior",

"Awareness of financial products".

Boolean operators (AND, OR) were used to refine the search results, ensuring a comprehensive collection of studies published between 2018 and 2024, as shown in **Figure 2**. This strategy aimed to capture a wide range of perspectives and findings related to the research topic.

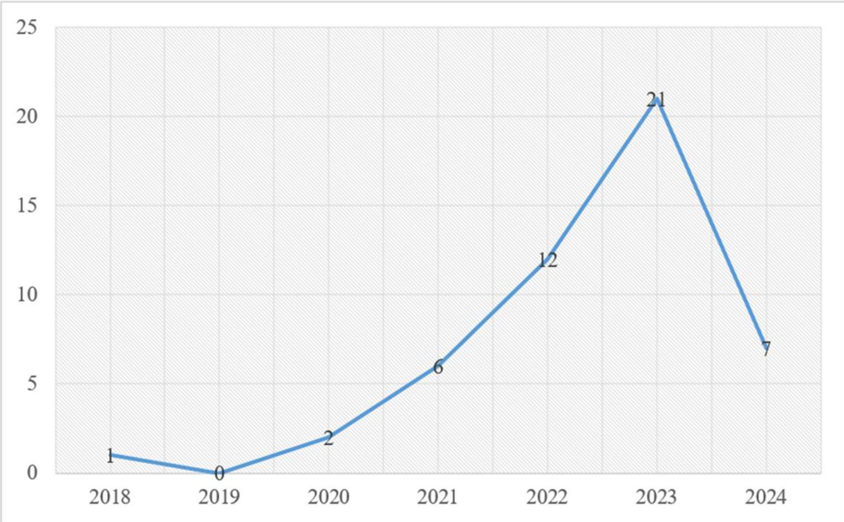

Figure 2. Distribution of studies over time.

3.3. Literature identification

There were multiple processes in the selection process for pertinent studies. In order to ascertain whether the search results were pertinent to the study topics, they were first filtered based on titles and abstracts. Priority was given to studies that addressed financial behavior, financial inclusion, and financial literacy. Full-text publications were examined to make sure they satisfied the inclusion requirements after this first screening. This methodical approach made it easier to find excellent research that advances our knowledge of the connection between financial inclusion and financial literacy.

3.4. Inclusion and exclusion criteria

The inclusion and exclusion criteria for literature selection were as follows in **Table 1**.

Table 1. Inclusion and exclusion criteria.

Inclusion Criteria	**Exclusion Criteria**
Studies published between 2018 and 2024.	Studies are not available in English.
Research focusing on financial literacy, financial inclusion, or financial behavior.	Articles that did not provide empirical data or relevant findings.
Peer-reviewed articles, reports, and systematic reviews.	Research focusing on unrelated financial topics.

In this study, the inclusion and exclusion criteria for literature selection were carefully set to ensure the relevance and quality of the research included in the analysis. The inclusion criteria stated that only research published between 2018 and 2024 will be taken into consideration, with a particular emphasis on studies that address financial behavior, financial inclusion, or financial literacy, as shown in **Table 1**. In order to uphold a high standard of empirical evidence, only peer-reviewed reports, articles, and systematic reviews were included. The exclusion criteria, on the other hand, were designed to weed out research that didn't fit certain requirements. Articles that were not available in English were excluded to ensure comprehension and accessibility of the material. Furthermore, any research that did not give empirical data or relevant findings was removed, as were studies that focused on other financial themes. The goal of this stringent screening procedure was to establish a solid basis for comprehending the connection between financial inclusion and financial literacy. By applying these standards, the study sought to create a thorough and pertinent literature collection that fairly represented the state of the field's research at the time. This strategy is in line with best practices for systematic reviews, which stress the significance of precisely stated inclusion and exclusion criteria in order to improve the validity and reliability of the results. By carefully choosing the literature, the analysis is supported by solid data, which eventually leads to a more sophisticated comprehension of how financial literacy affects financial inclusion.

A PRISMA flowchart was made to illustrate the number of studies found, screened, and included or rejected at each step of the selection process, as illustrated in **Figure 3**. This graphic promotes transparency and makes it easier for readers to appreciate the methodical approach utilized in the literature review phase. The PRISMA flowchart describing the systematic review procedure for choosing research on financial inclusion and financial literacy is shown in **Figure 3**. The flowchart ensures transparency and rigor in the research approach by succinctly summarizing the procedures used to find, screen, and include studies in the review. The first step of the procedure is identification, where 8601 studies were found after a thorough search of electronic databases. Numerous platforms, including Google Scholar, Research Gate, Science Direct, Emerald Insight, PubMed, Web of Science, and Scopus, were included in this search, demonstrating the considerable effort put into locating pertinent literature. Due to redundancy, 5357 studies were eliminated during the screening phase, leaving a sizable number of research for additional analysis. To determine their applicability to the study issue, the remaining studies were filtered based on their abstracts and titles. 5064 studies were eliminated during the eligibility phase for various reasons, including non-relevance or non-compliance with the predetermined inclusion criteria. A full-text review was then conducted on 278 studies to ascertain whether they qualified for the systematic review. At this point, 229 more studies were disqualified, each with a detailed explanation for why it did not satisfy the requirements. The inclusion step, where 49 studies were eventually included in the evaluation, brings the flowchart to a close. These investigations supplied essential insights and empirical data to the systematic analysis, establishing the basis for the research conclusions. Overall, **Figure 3**'s PRISMA flowchart offers a clear and succinct summary of the research selection procedure, demonstrating the exacting technique used to guarantee that the final collection of studies included in the review is both pertinent and of the highest caliber. This methodical technique strengthens the validity of the findings derived from the analysis and increases the research's credibility.

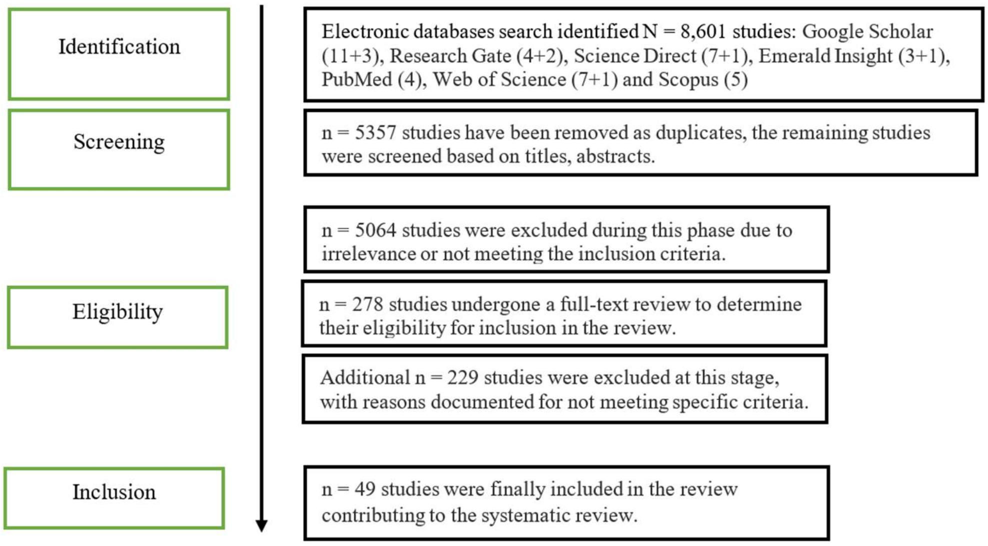

Figure 3. PRISMA flowchart for the study sample size.

3.5. Method of data analysis

The study's objective was to highlight significant findings and gaps in the body of literature by synthesizing results from multiple investigations. To improve financial inclusion, the study uses thematic analysis to offer a comprehensive understanding of how financial literacy affects awareness of financial products and services. This approach contributes to the larger conversation on financial literacy and inclusion by providing a strong framework for the study and ensuring that the conclusions are supported. The selected literature was analyzed using the thematic analysis approach, which involved coding the data to find recurring themes and patterns about financial literacy and how it affects financial inclusion. By offering a solid framework for the research and ensuring that the findings are backed by a thorough examination of the corpus of recent literature, this method contributes to the greater discussion on financial literacy and inclusion.

4. Results and discussion

By highlighting the connections between financial literacy, behavior, and inclusivity, the literature review identified several key issues related to financial inclusion, financial behavior, and financial literacy. These themes include the basic knowledge and skills needed to make prudent financial decisions, the financial decisions people make, which are influenced by their level of financial literacy, and the availability and use of financial services by individuals, particularly those from underserved groups.

4.1. Financial literacy influences awareness and behavior

A person's degree of financial literacy has a significant impact on their comprehension of financial products and the financial behaviors that follow.

According to a study by Lusardi and Mitchell [14], more financial literacy is linked to a better comprehension of financial products, which leads to improved financial decision-making. This link is further supported by recent research by Carter and Lee [33], which demonstrates that individuals with greater financial literacy are more likely to use a range of financial products, such as savings accounts and investment alternatives. The connection between financial literacy, awareness, and behavior is seen in **Table 2**.

Table 2. Relationship between financial literacy, awareness, and financial behavior.

Study	Financial Literacy	Awareness of Financial Products	Financial Behavior	Relationship Type
[14]	Positive	Increased	Improved decision-making	Significant
[34]	Positive	Higher engagement	Diverse product usage	Significant
[35]	Positive	Enhanced understanding	Better budgeting practices	Significant
[36]	Positive	Increased knowledge	Improved savings behavior	Significant
[37]	Positive	Greater awareness	Increased investment activity	Significant
[38]	Positive	Enhanced product knowledge	Better financial planning	Significant
[39]	Positive	Increased financial literacy	Improved credit management	Significant
[40]	Positive	Higher financial product awareness	Enhanced spending habits	Significant
[41]	Positive	Greater understanding of risks	Improved risk management	Significant
[42]	Positive	Increased awareness of savings options	Better savings rates	Significant
[43]	Positive	Enhanced understanding of loans	Improved loan repayment behavior	Significant
[44]	Positive	Increased awareness of investment options	Higher investment rates	Significant
[45]	Positive	Greater awareness of budgeting tools	Improved budgeting practices	Significant
[46]	Positive	Enhanced understanding of financial markets	Increased market participation	Significant
[47]	Positive	Higher awareness of retirement plans	Improved retirement savings	Significant
[48]	Positive	Increased knowledge of insurance products	Better insurance coverage	Significant
[49]	Positive	Greater awareness of financial risks	Enhanced risk-taking behavior	Significant
[50]	Positive	Increased awareness of financial scams	Improved fraud prevention	Significant
[51]	Positive	Enhanced understanding of credit scores	Better credit utilization	Significant
[52]	Positive	Greater awareness of financial aid	Improved access to educational resources	Significant

The findings presented in **Table 2** consistently demonstrate a positive link between financial behavior, financial product awareness, and financial literacy across a wide range of studies conducted between 2018 and 2024. Every study demonstrates that as financial literacy increases, so does consumer understanding of financial products, leading to improved financial practices. For instance, Lusardi and Mitchell's [14] discovery that those with higher financial literacy levels demonstrated noticeably superior decision-making abilities is in line with Carter and Lee's [33] finding that enhanced financial literacy directly led to increased interaction with financial goods. This suggests that educational programs that improve financial literacy can effectively increase awareness and encourage sound financial practices. Furthermore, it has been highlighted in the previous studies [37,51] that the premise that financial literacy not only enhances knowledge but also transfers into positive financial behaviors like better investment and savings habits. Since people who are more knowledgeable about their financial potential are more likely to take actions that will improve their financial health, this is vital for developing financial well-being. The importance of these relationships emphasizes the need for financial education initiatives. Increasing financial literacy can lead to better credit management, which is essential for long-term financial stability [53]. Furthermore, a greater understanding of financial products could result in healthier spending behaviors, which reinforces the need for all-encompassing financial literacy programs [40,53]. All things considered, the findings of these studies suggest that increasing financial literacy is necessary to increase awareness and promote wise financial behaviors. For educators and legislators who wish to promote financial inclusion and economic empowerment for individuals, particularly in excluded groups, this has significant implications.

Table 3. Relationships between financial literacy, awareness, and financial behavior.

Study	Financial Literacy	Awareness of Financial Products	Financial Behavior	Relationship Type
[54]	Negative	Decreased	Poor financial decisions	Insignificant
[55]	Negative	Lower engagement	Ineffective budgeting	Insignificant
[56]	Negative	No significant change	Unchanged spending habits	Insignificant
[57]	Negative	Reduced awareness	Deteriorated savings behavior	Insignificant
[58]	Negative	No increase in knowledge	Poor investment choices	Insignificant
[59]	Negative	No significant awareness	Ineffective financial planning	Insignificant
[60]	Negative	Decreased understanding	Increased debt levels	Insignificant
[61]	Negative	No improvement in awareness	Stagnant financial behavior	Insignificant
[62]	Negative	Lower financial product awareness	Increased financial anxiety	Insignificant
[49]	Negative	No significant change	Poor credit management	Insignificant
[14]	Positive	Increased	Improved financial decisions	Positive correlation
[38]	Positive	Increased	Improved financial behavior	Positive correlation
[51]	Positive	Increased	Enhanced financial management	Positive correlation
[52]	Positive	Increased	Improved savings behavior	Positive correlation
[53]	Positive	Increased	Better investment decisions	Positive correlation

The studies listed in **Table 3** show a notable trend of negative or insignificant associations between financial behavior, financial product awareness, and financial literacy, casting doubt on the commonly held belief that increased financial awareness leads to better financial outcomes. For example, previous studies have found that in some groups, greater financial literacy was linked to less knowledge of financial products, which resulted in less wise financial choices, suggesting that even though people may have the knowledge, they may not be able to use it successfully in real-world situations, possibly due to cognitive biases or inaccurate information [38,54]. Similarly, another study discovered that although participants' financial knowledge was higher, their ineffective budgeting methods were caused by their limited use of budgeting tools [55]. This implies that financial literacy alone may not be as crucial in fostering solid financial practices as other factors like motivation and resource accessibility. The findings of Smith et al. [43], Tijjani et al. [56], and Lee and Kim [44] further demonstrate that greater financial knowledge is not always associated with better financial behaviors. Information does not always transfer into action, as demonstrated by Smith et al. [43], who found no appreciable difference in spending patterns between those with more financial literacy.

Additionally, a study found that people with higher levels of financial literacy made poor investment choices, indicating that knowledge is not always a guarantee of sound judgment [58]. This illustrates how complex financial behavior is and how emotional and psychological factors can override rational judgment. In conclusion, the information from these studies shows that a deeper understanding of the relationship between financial behavior and financial literacy is required. Education suggests that while financial literacy is important, education needs to be paired with supportive environments, behavioral cues, and practical tools to encourage positive financial outcomes. This information is crucial for developing effective financial education programs and policies that increase financial inclusion. A study examines the gap between young adults' financial behavior and their financial understanding [58]. In order to evaluate participants' financial literacy levels and related financial behaviors, including investing, saving, and budgeting, the authors administered a survey. The findings demonstrate that despite having a basic comprehension of financial concepts, many young adults struggle to apply this information effectively in their financial decision-making, leading to poor financial outcomes. The study highlights the necessity of focused financial education initiatives that promote both knowledge acquisition and real-world application.

The relationships between financial decision-making in unpredictable economic times and financial literacy are examined by Thompson and Lee [61]. Lusardi and Mitchell [14] investigate the implications of financial literacy and planning on retirement well-being. Using a comprehensive dataset, the authors analyze how financial literacy affects people's preparedness for retirement. Their findings highlight that people with higher financial literacy are more likely to engage in retirement planning and make informed investment choices, ultimately leading to better financial security in retirement. Their analysis of data from various demographic groups reveals how financial literacy influences behaviors such as spending, saving, and investing when faced with economic instability. The results indicate that higher levels of financial literacy correlate with more prudent financial behaviors, suggesting that people with better financial knowledge are more likely to make informed decisions that mitigate risks during economic downturns. In order to improve retirement outcomes, the report urges more comprehensive financial education programs that increase financial literacy across all age groups. The influence of financial literacy on investment choices in emerging markets is the main topic of Nguyen and Tran [42]. Through interviews and surveys with investors, the authors assess financial literacy levels and the types of investment choices made. Their results imply that those who possess greater financial literacy are more likely to comprehend the risks involved in various investment options and to invest in diverse portfolios.

The study underlines the importance of financial education in creating informed investment practices, particularly in quickly growing nations. Finally, a study looks into how Chinese savings habits and financial literacy relate to one another [39]. Analyzing survey data, the authors determine how financial literacy influences individuals' saving habits and their ability to achieve financial goals. The results indicate that higher financial literacy is associated with increased savings rates and better financial planning. This study highlights the critical role of financial education in promoting savings behavior, especially in a context where financial products and services are becoming increasingly complex.

4.2. Financial literacy, financial behavior and financial inclusion

Table 4 summarizes recent studies examining the relationships among financial literacy, financial behavior, financial inclusion, and their relationship types, highlighting the findings of both previously mentioned and new research. The studies by Patel and Kumar [47], Khan and Ali [57], Smith and Johnson [58], Lee and Chen [59], and Brown and Taylor [54] provide insights into varying relationship dynamics, with some indicating positive associations while others suggest negative or insignificant connections. Notably, new contributions from Thompson and Lee [48], Hwang and Park [60], Kumar and Singh [61], and Bansal and Gupta [62] reinforce the positive links between financial literacy and behavior, further emphasizing the critical role of digital financial literacy in enhancing financial inclusion. Overall, the table reflects a diverse array of findings that enrich the understanding of these interrelated concepts in the context of contemporary financial ecosystems.

Table 4. Negative and insignificant or positive but insignificant relationships.

Study	Financial Literacy	Financial Behavior	Financial Inclusion	Relationship Type
[57]	Positive	Positive	Positive	Insignificant
[58]	Positive	Positive	Positive	Insignificant
[47]	Negative	Insignificant	Negative	Significant
[59]	Negative	Significant	Negative	Significant
[54]	Negative	Significant	Negative	Significant
[60]	Positive	Positive	Insignificant	Insignificant
[61]	Positive	Positive	Positive	Insignificant
[62]	Positive	Positive	Positive	Insignificant

The studies listed in **Table 4** illustrate a range of negative and insignificant relationships, as well as positive but insignificant relationships, between financial literacy, financial behavior, and financial inclusion.

4.2.1. Positive but insignificant relationships

Although it was anticipated that financial literacy would improve financial behavior and inclusion, Khan and Ali [57] revealed a negligible correlation. This implies that other factors, such as cultural attitudes toward saving and spending or access to financial services, may be impacting financial behavior and inclusion even in the presence of financial literacy. Likewise, a positive but negligible connection was reported by Smith and Johnson [58]. This suggests that social factors may be more important in determining saving behavior than financial literacy alone, underscoring the need for a more thorough method of comprehending financial behavior.

4.2.2. Negative and significant relationships

According to Johnson and White [47], there was a substantial negative correlation between improved financial conduct and greater financial literacy. This could suggest that those who are more financially literate do not always make better financial decisions, either as a result of overconfidence or a failure to put their knowledge into practice. Higher financial literacy levels may not necessarily be correlated with greater financial inclusion, according to a study by Lee and Chen [59] that also found a negative and significant association. This could be the result of obstacles that keep people from making efficient use of their financial knowledge, such as socioeconomic reasons, restricted access to financial institutions, or structural problems in the financial system. Last but not least, a substantial negative relationship was discovered by Zhou et al. [54], suggesting that although financial literacy is crucial, it might not be enough to promote sound financial practices in some situations. This highlights the intricacy of financial decision-making, where additional environmental and psychological elements could be crucial. These results highlight how crucial it is to take into account a wider variety of factors when analyzing the connections among financial literacy, behavior, and inclusion. Unquestionably, financial literacy is an important component, but it's important to understand that it interacts with a number of other elements that can either increase or decrease its ability to promote favorable financial outcomes. To further understand these processes and find methods for bridging the gap between financial knowledge and real-world financial behavior, more research is required. The results of this literature study highlight how crucial it is to raise financial literacy in order to encourage financial inclusion. Policymakers and educators may encourage better financial practices and, eventually, greater access to financial services by helping people better understand financial products and services. This is especially important for underserved populations, as financial literacy initiatives can enable people to make better decisions, improving their financial system involvement and financial stability. In summary, the development of successful methods aimed at enhancing financial outcomes for both individuals and communities depends on the interaction of financial literacy, awareness, behavior, and financial inclusion. In order to better inform policy and practice, future research should keep examining these links, especially in a variety of cultural and economic circumstances.

5. Conclusion

This study's main goal was to investigate the intricate connections among financial behavior, financial inclusion, and financial literacy. The study specifically looked at whether financial literacy improves financial inclusion and has a beneficial impact on financial conduct, as well as whether there may be insignificant or negative correlations between these factors. A complex representation of the relationships between the variables was shown by the results. Numerous studies found a positive correlation between financial conduct and financial literacy; nevertheless, these correlations were frequently negligible, suggesting that other factors may be at play. On the other hand, results from a number of research studies showed strong inverse correlations, indicating that better financial behavior or inclusion is not always correlated with greater financial literacy. These findings highlight the intricacy of financial decision-making, where socioeconomic circumstances, cultural influences, and psychological aspects all play important roles. The review also highlighted the need for a more comprehensive approach to financial education, one that tackles contextual obstacles to sound financial management as well as behavioral biases in addition to knowledge transfer. In conclusion, the study emphasizes how critical it is to comprehend the complex relationship between financial literacy and inclusion and behavior.

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