FINANCIAL KNOWLEDGE AND SOCIAL INFLUENCE ON GENERATION Z INTENTION TO INVEST: THE MEDIATING ROLE OF FINANCIAL ATTITUDE AND LITERACY

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Abstract

The growing impact of technology has attracted a greater number of people, especially Generation Z, to financial markets. Enhancing financial literacy and attitudes is essential for promoting informed investing choices. This research analyzes the impact of financial knowledge and social influence on Generation Z's investment aspirations, while accounting for the mediating functions of financial literacy and attitude. This research seeks to elucidate the mediating role of financial literacy and attitude in the interaction among financial knowledge, social influence, and investment intentions. A survey methodology was used with a sample size of 200 students enrolled in capital market courses at Widyatama University. The results demonstrate that financial knowledge and attitudes substantially affect investing intentions among Generation Z. Furthermore, financial acumen and social influence indirectly impact investing intentions via these mediating variables. These findings emphasize the need of thorough financial education to develop superior investing strategies among young individuals. Theoretical implications indicate that augmenting financial awareness and attitudes may significantly enhance investment decision-making among Generation Z.

Keywords: Financial literacy; Financial attitude; Financial knowledge; Social influence; Gen Z investment intentions

JEL Classification: G11, D14, M31

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INTRODUCTION

Investment entails the allocation of capital to yield profits or enhance asset value over time, an essential measure for ensuring future financial stability (Trisna Herawati et al., 2020). Investment options include many alternatives, such as mutual funds, equities, bonds, and more complex financial derivatives like futures contracts and options (Ayedh et al., 2021). In light of heightened enthusiasm for stock investing, an increasing number of individuals are participating in the financial market. The banking industry's progress has been propelled by technology (Das & Ali, 2020), which has positively influenced market growth (Aisa, 2021). The effectiveness of investing in financial assets, the adaptability of monetary instruments, and the extensive array of available assets empower investors to select solutions that align with their investment goals (Akhtar & Das, 2019).

Generation Z stands up as a notable population participating in these investing opportunities. This generation, positioned for long-term investment, necessitates early motivation to potentially emerge as significant contributors to economic growth, especially considering the anticipated demographic dividend from 2030 to 2045 (Taibah & Ho, 2023). Nonetheless, the present degree of interest in investing among Generation Z is somewhat limited (Beck & Garris, 2019). This group typically avoids risk and prioritizes security and stability above making substantial expenditures (Dwidienawati & Gandasari, 2018). This issue is essential, as the percentage of investors in Indonesia is quite low, at roughly 0.7%, compared to the overall population (Utami et al., 2022). To increase Gen Z's interest in investing, it is crucial to address their lack of financial literacy (Lusardi & Mitchelli, 2007). Currently, less than a third of Generation Z has a basic understanding of financial literacy (Utami et al., 2022). This emphasizes the growing necessity during financial literacy across Generation Z in order to guarantee their future prosperity (Dhinakaran et al., 2020). Financial literacy includes understanding financial markets and the risks and benefits of investments, allowing for informed choices (Banthia & Dey, 2022). Low financial literacy can lead to incorrect financial decisions (Kadoya & Rahim Khan, 2020; Knoll & Houts, 2012). In contrast, ideal investors possess extensive knowledge of money and have a steady income through careful planning, allowing them to handle the volatile nature of financial markets (Lina, 2016).

Enhancing an individual's financial literacy markedly increases their likelihood to invest (Akhtar & Das, 2019). Financial literacy enables investors to make informed choices regarding suitable investment alternatives (Abdeldayem, 2016; Indah Pertiwi & Lestari Prasilowati, 2023). Individuals possessing robust financial literacy can proficiently assess financial services by balancing rewards and hazards in relation to their particular requirements, thereby circumventing ambiguous financial solutions (Musa et al., 2024). By providing Generation Z with crucial tools and knowledge, they are better equipped to recognize the benefits of investing, opting for investments over less advantageous financial products such as buy now, pay later schemes, which they may find less appealing with increased financial literacy (Gerrans et al., 2022).

Research conducted by Nauman Sadiq and Ased Azad Khan (2019) reveals that elements beyond basic financial understanding, including financial attitudes, significantly influence individuals' investment interest. Their findings correspond with those of Ilyas et al. (2022), who observed that favorable financial attitudes significantly enhance the probability of participating in investing activities. This link enhances confidence and encourages investment participation (Keller & Siegrist, 2006; Nadeem et al., 2020).

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Grasping essential ideas, identifying financial specifics, and cultivating favorable financial attitudes augment financial literacy (Howlett et al., 2008; N. Fernandez et al., 2021). These factors collectively affect financial habits (Jou et al., 2023), highlighting the significance of financial education in fostering favorable financial results. Empowering Generation Z with access to financial information is essential for improving their financial understanding and attitudes (Pangestu & Karnadi, 2020).

The contemporary interconnected world enhances the significance of financial literacy, especially in stock investment. Cheng et al. (2018) underscore the essential need of financial literacy in a globalized world. It is vital for individuals, particularly those in Generation Z, to comprehend investing techniques as the financial landscape transforms. Arrondel et al. (2018) emphasize the necessity for a comprehensive grasp of stock market investment techniques. Financial literacy includes both essential principles and practical applications that empower novice investors to make informed choices, handle risks efficiently, and develop disciplined saving and investment practices. These competencies are essential for sustainable wealth accumulation and financial stability (Hira et al., 2013; Howlett et al., 2008).

Integrating financial education programs into school curricula is vital to promote financial awareness and understanding among children and adolescents (Rai et al., 2019). The Faculty of Economics and Business at Widyatama University provides capital markets courses aimed at enhancing students' comprehension of investing and finance. These courses include capital market principles, investing strategies, portfolio management, and practical applications. Engaging experienced financial professionnals and specialists to provide practical insights enhances the educational experience. This method provides students with essential abilities to become astute investors and successfully handle their funds in the future. Early financial education enhances financial comprehendsion, resulting in favorable financial behaviors (Ameliawati & Setiyani, 2018).

Research indicates that a person's financial literacy and attitudes are significantly shaped by social factors (Howlett et al., 2008; Jou et al., 2023). Social influence in investing refers to how peers or market participants can impact individuals' financial decisions, potentially altering their perceptions of risk, asset value, and resource allocation (Kaustia & Knüpfer, 2012). Investors often pay attention to or emulate investment decisions made by their peers, either through social learning or their desire to own the same assets (Patacchini & Rainone, 2017). This influence can result in herding tendencies within financial markets, where individuals tend to mimic the investment choices of others instead of relying on their own analysis for independent decision-making (Kaustia & Knüpfer, 2012). Additionally, research demonstrates that social circles have an important influence on the stock exchange involvement (Cheng et al., 2018).

This study uniquely investigates the impact of financial knowledge and social influence, mediated by financial attitudes and literacy, on investment intentions among Generation Z in Indonesia. In Indonesia, financial literacy levels remain comparatively low relative to other nations, although Generation Z encounters substantial changes in the financial landscape due to technology progress. This study seeks to address the literature gap about the mediating function of financial attitudes between knowledge and investment intentions, as well as to examine the impact of social influence on investment decisions among Indonesian youth.

This paper examines the intermediary impact of financial attitude and literacy on the relationship with financial knowledge, social influence, and the investment intentions of Generation Z. The investment preferences of Generation Z undergraduate capital market students are the subject of this investigation. It investigates the impact of financial literacy and attitudes on the relationship between financial knowledge and social influence, as well as the impact of capital market courses on their enthusiasm for future investments.

The main aim of this research is to examine the effects of financial knowledge and social influence on Generation Z's investment intentions, while accounting for the mediating functions of financial literacy and attitude. This study seeks to clarify the role of financial attitudes and literacy in mediating the relationship between knowledge and social influence on investment intentions, specifically among Indonesian students, who constitute a prospective future investment market.

Prior research (e.g., Lusardi and Mitchell, 2014; Howlett et al., 2008) emphasizes the significance of financial literacy in investing decision-making. Nonetheless, there is insufficient emphasis on the impact of social influence on investment aspirations, especially among Generation Z in developing nations like Indonesia. Furthermore, research on the function of financial attitudes as a mediator between knowledge and investment intentions is scarce. This study will create a conceptual model that integrates financial attitudes and literacy characteristics to enhance the understanding of investing intentions among Generation Z.

This research utilizes the Theory of Planned Behavior (Ajzen, 1991) to analyze the investing intentions of Generation Z. The approach incorporates financial knowledge and social influence as external factors affecting financial attitudes and literacy, which then impact investment intentions. The provided hypotheses suggest that financial literacy and attitudes mediate the interaction between financial knowledge, social influence, and investment intentions.

LITERATURE REVIEW

Theory of Planned Behavior

The Theory of Planned Behavior informs this research (Ajzen, 1991). The concept claims that the behaviors of a person are entirely determined by what drives them to participate in the activity, which is influenced by their attitudes, social norms, and perceived capacity to perform the behavior. This concept, rooted in social psychology, posits that an individual's intention to perform a specific behavior is the most direct predictor of that behavior (Albarracín et al., 2024). The theory posits that an individual's intention to perform a specific behavior is the immediate determinant of that behavior, and this intention is influenced by three key factors: attitudes toward the behavior, subjective norms, and perceived behavioral control (Hagger, 2019). It is important to note that while intention is a powerful predictor, it does not always perfectly translate into action (Hapsari, 2021). Factors such as unforeseen circumstances or resource constraints can hinder the actual performance of the intended behavior, even when the intention is strong (Sheeran & Webb, 2016).

Empirical studies support the theory of planned behavior's application to financial decisions, including investment-related behaviors (Kassim et al., 2023; Yuniningsih et al., 2022). In the context of investing, the theory of planned behavior suggests that an individual's intention to invest in a particular financial product or asset is shaped by their attitude toward investing, the perceived social norms around investing, and their perceived control over the investment process (Y. Ibrahim & Arshad, 2017). For example, an individual who has a positive attitude toward investing, perceives social pressure to invest, and feels they have the necessary knowledge and resources to invest effectively would be more likely to form a strong intention to invest (Merkoulova & Veld, 2022).

Intention to Invest

Intentions can predict future behavior as they are the first step in forming behavioral patterns, indicating the possible direction of future actions (Samsuri et al., 2019). Individuals who intend to invest demonstrate a desire to learn about various types of investments, attend investment training seminars and actively engage in investing (Bado et al., 2023). Interest in investing provides a strong incentive to allocate funds in the hope of future profits (Roychowdhury et al., 2019). Investment intentions are influenced by various elements, including knowledge, psycho-logical aspects, attitudes, and innovation, all of which contribute to strategy formulation and decision-making processes (Sun et al., 2021).

This study project examines the effects of financial knowledge and social influence on the financial attitudes and literacy of Generation Z, therefore affecting their investment intentions. This theoretical framework clarifies how educational and social factors affect the informed investment decisions of young adults. This study employs the Theory of Planned Behavior to clarify the effects of financial knowledge, social influence, financial attitudes, and financial literacy on the investing intentions of Generation Z. Investment attitudes perceptions and assessments of one's financial condition are essential to this study. We expect that a healthy financial outlook, marked by prudent financial management, will foster a favorable view of investment. This association with the attitude component of the Theory of Planned Behavior suggests that Generation Z individuals with positive attitudes towards financial management are more likely to develop strong investing intentions (Ameliawati & Setiyani, 2018).

Social influence embodies the subjective norms in the Theory of Planned Behavior (TPB), which denote the perceived social pressures to engage in or refrain from specific activities. In the realm of investment, the financial decisions of peers, family, and society frequently influence an individual's propensity to invest (Hapsari, 2021). Witnessing peers or mentors engage in lucrative investments can stimulate analogous behaviors, affirming the significance of social impact in cultivating investment intentions (Yang et al., 2021). Financial literacy, defined as the comprehension of essential financial ideas and skills, is intricately linked to perceived behavioral control, as it equips individuals with the confidence to make educated financial decisions. Individuals possessing elevated financial literacy may perceive themselves as more competent in engaging with the investment market, thereby enhancing their investment inten-tions (Lusardi, 2019). Collectively, these elements demonstrate that a person's attitude towards financial management, social influences, and financial literacy influence their perceived capacity to invest, hence directing their intention to participate in investing activities.

Financial Literacy

Financial literacy is the term used to describe the fundamental knowledge and understanding that individuals use to make informed financial decisions that are beneficial to them (Raut, 2020; Utami et al., 2024). The fundamental tenets of financial literacy encompass comprehen-ding inflation, diversifying risk, and possessing the capacity to compute interest rates (Lusardi, 2019). Having a good attitude towards making financial decisions might enhance an individual's financial standing by impacting their utilization of financial management tactics (Banthia & Dey, 2022; Chen & Volpe, 1998).

Financial literacy is the capacity and assurance of someone's capacity to effectively manage personal resources by making informed short-term decisions and achieving planned long-term financial objectives, as well as their comprehension of fundamental financial concepts (Memon et al., 2021). Those that possess an elevated degree of financial literacy demonstrate a higher level of proficiency in the planning of their finances, as evidenced by their investments and savings (Pangestu & Karnadi, 2020). The acquisition of a comprehensive unders-tanding of financial literacy, particularly in the stock market, and the development of expertise are essential for those who hope to actively engage in investing and ownership (Mouna & Anis, 2017).

Financial Attitude

Financial attitude denotes a person's cognition framework, beliefs, and assessments on their financial standing (Ameliawati & Setiyani, 2018). This is reflected in their willingness to evaluate established financial management and investment practices while considering variations in their success and failure (Talwar et al., 2021). Financial attitude also stems from one's experiences in dealing with personal financial issues (Banthia & Dey, 2022); thus, individuals with a favorable financial attitude often manage their financial spending patterns (Utkarsh et al., 2020) and maintain their financial health (Rai et al., 2019). Financial attitude is shaped through education (M. E. Ibrahim & Alqaydi, 2013), which helps form excellent and proper financial management behaviors. A positive financial attitude ensures the success of financial activities through sound decision-making (Kadoya & Rahim Khan, 2020).

Financial Knowledge

Financial knowledge is an essential aspect for individuals, businesses, and society as a whole (Hua et al., 2019) . It plays a significant role in decision-making processes and financial behaviors (Jou et al., 2023). Financial knowledge involves understanding essential concepts, principles, and practices related to finance (Lusardi, 2019). This knowledge is crucial for personal financial success, providing individuals with the tools they need to manage their money effectively, prepare for the future, and contribute positively to their overall quality of life (Howlett et al., 2008; Lizares & Bautista, 2021; Thomas & Gupta, 2021). Investors should have basic investment knowledge to understand potential returns before making any decisions (Kim & Hanna, 2021; Walakumbura, 2021). This foundational understanding helps them navigate the complexities of the financial markets, evaluate investment opportunities, and make informed choices that align with their financial goals.

Social Influence

Social influence refers to the way users interpret how others see a specific product or service (Yang et al., 2021). Social influence is the effect that individuals or organizations have on the attitudes, beliefs, and behaviors of others in a social setting (Bursztyn et al., 2014). Financial choices, including term investments, are significantly affected by social influence (Yuchtman et al., 2013). Multiple research suggest that the adoption of financial innovations and investment methods might be influenced by the success of peers and social learning (Patacchini & Rainone, 2017). Moreover, when individuals witness their peers making investment decisions, particularly if the initial investor is financially astute, they are inclined to revise their perceptions regarding the quality of assets and are more prone to emulate their investment choices (Bursztyn et al., 2014).

Hypothesis Development

The Influence of Financial Knowledge on Financial Literacy and Financial Attitude

It is imperative to possess a thorough understanding of financial concepts and abilities in order to make informed financial decisions and enhance one's overall financial situation (Lusardi & Mitchell, 2014). Individuals must possess a comprehensive understanding of financial fundamentals in order to effectively manage their finances (Susanti, 2021). A person's perception of the investment-

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related risk can also be driven by an increased comprehension of finances (Amagir et al., 2018). The acquisition of a thorough understanding of finance empowers individuals to make informed financial decisions and improves their ability to make wise investments. The research conducted by Banthia & Dey (2022) along with Howlett et al. (2008) demonstrates that financial literacy has a significant impact on an individual's understanding of monetary matters. People's financial perspectives are significantly impacted by the availability of financial information, which facilitates the development of well-informed decisions (Lusardi & Mitchell, 2014).

Individuals who have a substantial understanding of financial concepts can more effectively comprehend the complexities associated with financial sectors, investment opportunities, and risk mitigation measures (Angrisani et al., 2020). Research indicates that a positive attitude for capital enhances one's understanding of financial issues, while a negative perspective hinders the ability to make informed decisions (Rai et al., 2019; Shim et al., 2009). The research study indicates that a person's financial attitude significantly determines their level of financial literacy, as demonstrated by Banthia and Dey (2022) and Rai et al. (2019).

H1: Financial knowledge on financial literacy.

H2: Financial knowledge on financial attitude.

The Influence of Social Influence on Financial Literacy and Financial Attitude

Understanding financial matters is a critical skill that empowers individuals to make wise choices about the state of their finances. Entorf & Hou (2018) found that financial literacy has a substantial impact on a person's wealth and future opportunities. Given this, it is imperative to comprehend the significance of social influence in the development of financial literacy. According to Lusardi and Mitchell (2014), an individual's financial literacy level is significantly influenced by social impact. Ameliawati and Setiyani (2018) emphasize the substantial impact of social networks, including parents, instructors, acquaintances, and the media, on the development of financial literacy.

The distribution of investing triumph accounts through social networks may influence the stock market's oscillations, as proposed by Yang et al. (2021). In order to ensure a more prosperous financial future and make more informed financial decisions, it is imperative to enhance financial literacy through socialization and education. The financial attitudes of individuals and the results of research in this field are profoundly affected by social consequences (Cheng et al., 2018). The cited sources assert that social influence has a significant impact on financial views and behaviors of individuals (García, 2013). The influence of this influence is evident in the assimilation of financial methodologies, including the cultivation of savings, the formulation of financial strategies, and the cultivation of forbearance in the face of financial obstacles (Cheng et al., 2018).

H3: Social influence on financial literacy.

H4: Social influence on financial attitude.

The Influence of Financial Attitudes on Intention to invest

The concept of attitude, which encompasses various psychological dimensions, has been acknowledged for its significant role in forecasting a person's intention to participate in specific behaviors (Sidi & Kassim, 2023). Financial attitude is an internal factor that can encourage someone to invest (Ilyas et al., 2022). An individual with a strong financial mindset possesses the ability to distinguish between essential needs and non-essential desires, as well as anticipate future requirements (Guzman et al., 2019).

H5: Financial attitudes influence intention to invest.

The Influence of Financial Literacy on Intention to invest

Fitriaty (2023) defines financial literacy as the capacity to make informed decisions regarding money and assets, as well as an individual's understanding of financial concepts such as investment, financial administration, and planning. It integrates the knowledge and skills required to make informed financial decisions in daily life (Ameliawati & Setiyani, 2018). Banthia and Dey (2022) advocate that financial literacy fosters the ability of individuals to make decisions based on financial information, thereby facilitating the attainment of their anticipated financial objectives.

Financial literacy is the ability to organize and manage finances in both individual and group settings in order to prevent financial issues, including debt and other financial challenges (Shah & Thakkar, 2023). Financial literacy is necessary due to the ignorance and susceptibility of consumers to making incorrect judgments (Kadoya & Rahim Khan, 2020; Knoll & Houts, 2012). An individual who possesses a high level of financial literacy comprehends the why, how, where, and when of money allocation (Banthia & Dey, 2022). It is possible for individuals to make informed investment decisions in both the short and long term, manage a variety of financial instruments, and effectively develop financial strategies by maintaining a sufficient level of financial literacy (Mireku et al., 2023). Samsuri et al. (2019) and Trisna Herawati et al. (2020) conducted studies that established a correlation between investment intentions and financial literacy. These studies underscore the beneficial influence of financial literacy on investment intentions and the role it plays in enhancing personal financial management.

H6: Financial literacy influences intention to invest.

The Mediating Role of Financial Literacy and Attitudes in Investment Intentions

Factors such as financial literacy and attitude frequently influence the relationship between investment intention and financial knowledge (Totanan et al., 2020). It is imperative to have a comprehensive comprehension of these concepts in order to effectively deal with the complex nature of contemporary financial markets. Research has shown that individuals who have a comprehensive understanding of investment vehicles, including equities, bonds, and capital markets, are more capable of making well-informed investment decisions and capitalizing on investment opportunities (Hidayat et al., 2020). However, this is imperative to remember that financial acumen alone is insufficient to achieve investment success. It is essential to cultivate emotional regulation, exercise restraint in decision-making, and take external variables into account in order to achieve investment success (Yu, 2020).

Research conducted by Ilyas et al. (2022) suggests that Millennials and Gen Z possess a greater degree of financial comprehension, which results in more educated choices regarding investments. This trend is encouraging for the future of investing. Financial literacy is predicated on a solid comprehension of finance. Individuals who possess a greater degree of knowledge about finances are actually more probable to understand fundamental financial concepts and products (Hapsari, 2021). Additionally, individuals' behavior can be significantly influenced by their opinions (Fessler et al., 2020). A financial mindset that is composed, sagacious, and sophisticated can effectively rationalize financial expertise to actively encourage investment inclination (Walakumbura, 2021). Financial literacy and attitude are factors that influence the correlation between investment intentions and financial knowledge. Ultimately, the decision to invest is influenced by financial literacy

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and attitude, which facilitate the conversion of knowledge into positive attitudes and comprehension of financial actions (Hapsari, 2021).

Multiple research investigations have demonstrated that consumers' propensity to invest in a variety of ways can be altered by the use of social media (Cheng et al., 2018). Individuals' participation in the stock market has been demonstrated to be advantageously affected by both the utilization of the internet and social interactions. However, the informative impact of social connection may be diminished as a consequence of the use of modern communication devices (Liang & Guo, 2015). Furthermore, the most recent research conducted by Yang et al. (2021) has revealed that social connections and media can be advantageous when making trading decisions. Wu et al (2018) have shown that consumers' propensity to invest is increased by social connection. An investigation into the influence of social factors on investment intentions discovered that a person's financial literacy can be influenced by a variety of factors, such as gender, academic performance, educational attainment, socioeconomic status, and marital status (Totanan et al., 2020).

H7: Financial knowledge influences intention to invest.

H8: Social Influence influences intention to invest.

H9: Financial knowledge influences intention to invest mediated by financial literacy.

H10: Financial knowledge influence on intention to invest mediated by financial attitude.

H11: Social influence influences intention to invest mediated by financial literacy.

H12: Social influence on intention to invest mediated by financial attitude.

Figure 1 shows the causal relationships between crucial variables in the study's conceptual framework. Financial attitudes and literacy strongly affect financial knowledge (H1) and social influence (H4). Investment decisions are influenced by financial knowledge and attitude. Investment decisions are heavily impacted by financial mentality and knowledge. Financial literacy is also affected by social circumstances (H2), and financial attitudes (H3) need financial knowledge. The framework also shows how financial knowledge (H11, H12) and attitude (H9, H10) mediate investment decision-making. It also emphasizes the links between financial literacy and investment desire (H7) and social influences on investment intention (H8). This model examines the complicated mechanisms by which social factors and knowledge affect students' investment intentions.

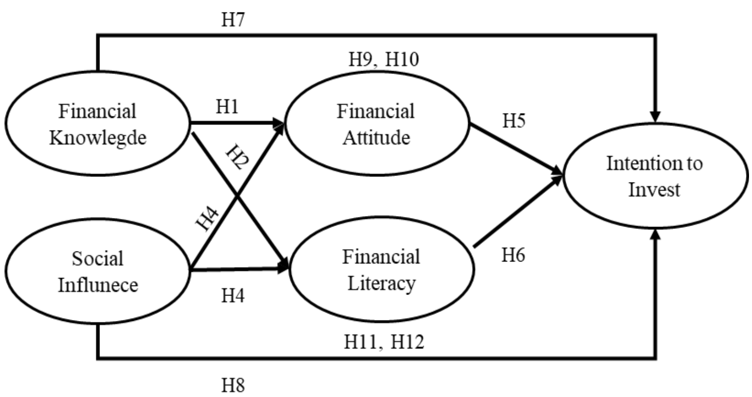

Figure 1. Conceptual Framework

RESEARCH METHODS

Sample

The research employed a positivist-founded descriptive quantitative methodology, concentrating on specific student populations at Widyatama University. The Slovin technique was used to establish a representative sample of 193 students from the 370 students enrolled in the Capital Markets course during semester 5 of the undergraduate management program. During the research, we distributed these students across 14 different classes. However, to accommodate potential response variations and ensure robust data collection, the sample size was rounded up to 200 based on the questionnaires collected. We employed stratified random sampling, a probability sampling procedure, to identify respondents based on specific criteria: students currently enrolled in the Undergraduate Management Study Program, taking Capital Markets courses, participating in Capital Markets events organized by the university, having recently opened a stock trading account, and interested in expanding their investments in the capital markets. To implement this approach, we divided the population into several strata based on their interest in investing and investment plans, including students with a high interest in capital markets and those who plan to invest in the near future. This methodology ensured that our sample accurately represented the diverse interests and intentions of students regarding capital market participation, allowing us to gather more relevant insights into their behaviors and attitudes toward investing. We determined the sample size for each stratum using the Slovin formula after strata identification to ensure proportional representation of each stratum in the sample. We conducted random sampling from each identified stratum to select respondents, ensuring that every individual within the strata had an equal chance of selection, thereby enhancing the representtativeness and accuracy of the research results. This approach ensured that the sample consisted of individuals with a genuine interest and active participation in financial markets, providing deeper insights into students' behaviors and attitudes toward investing in capital markets.

Measurement

Researchers utilized SPSS 26 program to evaluate the reliability and validity of the study instrument. We assessed the instrument's efficacy with tests including Cronbach's alpha, composite reliability, and average variance extracted (AVE) to confirm that the items accurately reflected the constructs. The research instrument employed a 5-point Likert scale from 1 to 5. A threshold of 0.7 was established to evaluate the instrument's dependability, and the AVE value must surpass 0.5 (Hair et al., 2014). The thorough analysis validated the strong convergent validity of all constructs.

This questionnaire table is designed to coincide with the study's objective of examining the elements that affect Generation Z's investment aspirations. This questionnaire evaluates financial knowledge (Hua et al., 2019; Lusardi, 2019), social influence (Bursztyn et al., 2014; Yuchtman et al., 2013), financial attitude and literacy, and investment intention (Utami et al., 2024). This study has crafted each question to assess the extent of information, impact, and personal attitudes that inform financial decision-making in the capital market, especially among students (See Table 1).

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Table 1. Questionnaire Items for Measuring Financial Knowledge, Social Influence, Financial Attitude, Financial Literacy, and Intention to Invest

Construct	Item Code	Questionnaire Items
Financial Knowledge (Hua et al., 2019; Lusardi, 2019)	FK1	I have a comprehensive understanding of the fundamental principles of financial markets, including stocks, bonds, and mutual funds, as taught in the Capital Markets course.
	FK2	After completing the Capital Markets course, I feel confident in assessing a company's performance by analyzing financial statements (e.g., income statements and balance sheets).
	FK3	The Capital Markets course has enabled me to understand the risks and benefits of various investment categories, including bonds, stocks, and mutual funds.
	FK4	I have learned effective investment portfolio diversification strategies from the Capital Markets course.
	FK5	After gaining knowledge from the Capital Markets course, I consistently monitor financial news and trends that may influence my investment decisions
Social Influence (Bursztyn et al., 2014; Yuchtman et al., 2013)	SI1	My financial decisions are influenced by the investment choices of my classmates in the Capital Markets course.
	SI2	Social media influencers affect my confidence in making investment decisions.
	SI3	The financial advice and decisions of my family and colleagues significantly impact my investment strategy
Financial Attitude (Utami et al., 2024)	FA1	I regularly evaluate my investment and financial management strategies to ensure progress toward my financial goals.
	FA2	My experiences in managing financial matters have positively impacted my financial decision-making and spending practices.
	FA3	I believe maintaining financial discipline and managing spending patterns is essential for achieving financial health.
	FA4	I have adopted sound financial management behaviors due to the financial education I have received.
	FA5	I am confident that my positive outlook on finances promotes effective decision-making in my financial pursuits.
Financial Literacy (Utami et al., 2024)	FL1	I can make well-informed decisions regarding potential investments due to my understanding of key financial concepts, including inflation, interest rates, and risk diversification.
	FL2	I am confident in my ability to manage personal finances, including the planning for future investments, as a result of my financial knowledge.
	FL3	I understand how interest rates work and how they affect my savings and potential investments.
	FL4	I can apply financial management strategies, such as budgeting and financial planning, to achieve my long-term financial goals.
	FL5	My financial literacy enables me to make short-term financial decisions that align with my long-term objectives.
	FL6	I have a thorough understanding of how the stock market operates, which prepares me for future investment opportunities.
Intention to Invest (Utami et al., 2024)	INV1	I am eager to invest in various categories within the capital markets and anticipate their potential returns.
	INV2	I plan to participate in investment training seminars or workshops to prepare for my future investments in the capital markets.
	INV3	I actively seek information about opportunities to invest my funds in capital market instruments now or in the future.
	INV4	I will allocate funds for investment in the capital markets.
	INV5	I have a strong intention to make investment decisions in the capital markets.

Analysis of Data

The data was analyzed using the principle of partial least squares (PLS) approach within the context of the structural equation modelling (SEM) framework. For its ability to assess research models without requiring data to adhere to a normal distribution and its efficacy in addressing issues associated with inadequate theoretical frameworks, PLS was selected. The SEM analysis facilitated the evaluation of the proposed model's fit with the empirical data collected by examining the relationships and impacts of various factors. This meticulous methodology enabled a comprehensive examination of the relationships between investment intentions, financial literacy, financial attitude, social influence, and financial knowledge.

RESULT AND DISCUSSION

Demographic Characteristics

A total of 370 questionnaires were disseminated to students enrolled in the Undergraduate Management Study Program at Widyatama University, which represents the entire population of the studied. 200 of the questionnaires that were distributed were returned. 200 responses were determined to be suitable for additional analysis after being screened for accuracy and completeness. Responses that were fully completed and met the required criteria for inclusion in the study are considered usable data, which guarantees the reliability and validity of the findings. The investment preferences, financial knowledge, and related attitudes of the respondents were subsequently analyzed based on the 200 valid responses.

The 200 respondents' demographic characteristics are summarized in terms of their gender, economic status, and sources of investment knowledge. Table 2 show in terms of gender, males comprise 54% (108 respondents) of the total, while females comprise 45% (92 respondents). When analyzing the economic status based on their allowance, most respondents fall into the medium category, with 50.5% (101 respondents) receiving between Rp. 500.000 and Rp. 1.500.000. Meanwhile, 30% (60 respondents) are classified in the low-income group with an allowance of Rp. 500.000 or less, and 19.5% (39 respondents) belong to the high-income group, with an allowance exceeding Rp. 1,500,000. The respondents also obtain their investment knowledge from various sources, with social media being the most common, used by 27.5% (55 respondents). Articles are another significant source at 23.5% (47 respondents), followed by books (13%), seminars (14.5%), friends or relations (11.5%), and other unspecified sources (10.4%). This data highlights the diversity of respondents in terms of economic status and the various channels through which they acquire knowledge on investments.

Table 2. Demographic Characteristics of Respondents (N = 200)

Demographics	Category	Count	Percentage (%)
Gender	Male	108	54
	Female	92	45
Economic Status (Allowance)	Low (≤ Rp. 500,000)	60	30
	Medium (Rp. 500,000 – Rp. 1,500,000)	101	50.5
	High (≥ Rp. 1,500,000)	39	19.5
Sources of Investment Knowledge	Books	26	13
	Articles	47	23.5
	Seminars	29	14.5
	Friends/Relations	23	11.5
	Social Media	55	27.5
	Others	20	10

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Results of Testing the Measurement Model

This investigation employs SEM analysis to evaluate hypotheses regarding the mediation effects of financial literacy and attitude on the relationship between financial knowledge, social influence, and the investment intentions of Generation Z. The study will commence with tests on the exterior model. The external model testing was conducted on each variable to assess the validity and reliability of the questionnaire results. Assess the reliability of the outer model by analyzing the loading components to establish convergent validity. To achieve precise results, we employed the SmartPLS 3 software for several rounds of testing. The objective was to remove loading factor values that fell below 0.7 (Hair et al., 2014).

Based on the calculation results in Figure 2, in the 1st Iteration of the PLS Algorithm Measurement Model, it can be concluded that all indicators show a factor loading value of more than 0.7. This indicates that there is every relevant indicator to measure each variable studied. Therefore, it can be interpreted that each indicator can reflect the construct of each variable well.

After successfully passing the convergent validity test, the next step is to carry out a discriminant validity test by checking cross-loading. The test carried out was cross-loading, where the cross-loading values for each indicator were measured and then compared with the predetermined threshold value, namely 0.70 (Hair et al., 2014).

The fact that the loading factor on its construct is higher than the loading factor on other constructs is demonstrated in Table 3, which suggests that the findings can be regarded as valid..

The next stage is to evaluate the instrument's reliability using Cronbach's alpha, composite reliability, and average variance extracted (AVE) to see whether the items properly reflect the constructs. As recommended by Hair et al. (2014), a minimum criterion of 0.7 is used to assess instrument reliability, and the AVE should be above 0.5. The instrument's Cronbach's alpha, composite reliability, and AVE score will demonstrate all constructs' substantial convergent validity.

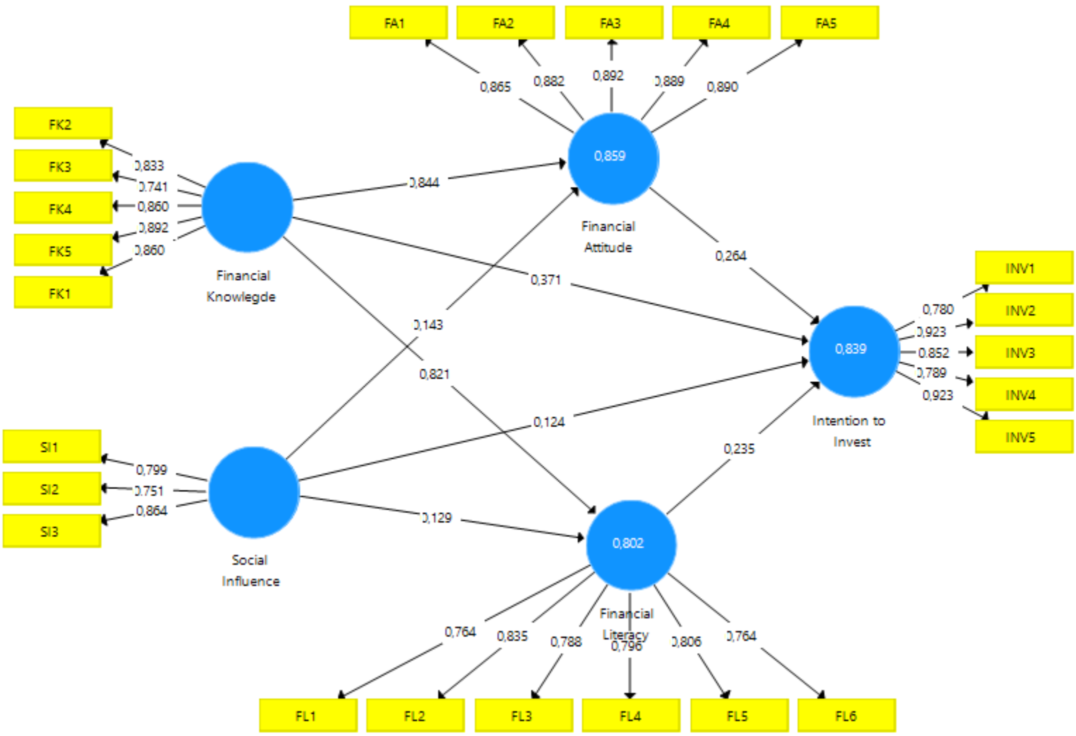

Figure 2. Results of PLS Algorithm Measurement Model 1st Iteration

Table 3. Discriminant Validity Test Based On Cross-Loading

Construct	Financial Knowledge	Social Influence	Financial Attitude	Financial Literacy	Intention to Invest
FK1	0.860	0.424	0.782	0.748	0.847
FK2	0.833	0.438	0.693	0.696	0.781
FK3	0.741	0.300	0.572	0.751	0.549
FK4	0.860	0.545	0.888	0.759	0.769
FK5	0.892	0.448	0.879	0.782	0.750
SI1	0.353	0.799	0.394	0.411	0.451
SI2	0.411	0.751	0.488	0.391	0.457
SI3	0.480	0.864	0.515	0.529	0.537
FA1	0.774	0.558	0.865	0.725	0.780
FA2	0.764	0.542	0.882	0.746	0.805
FA3	0.784	0.457	0.892	0.817	0.771
FA4	0.851	0.550	0.889	0.757	0.776
FA5	0.882	0.463	0.890	0.782	0.760
FL1	0.678	0.383	0.555	0.764	0.536
FL2	0.799	0.426	0.875	0.835	0.775
FL3	0.654	0.500	0.673	0.788	0.784
FL4	0.633	0.537	0.672	0.796	0.709
FL5	0.717	0.451	0.715	0.806	0.696
FL6	0.740	0.337	0.589	0.764	0.569
INV1	0.638	0.513	0.676	0.776	0.780
INV2	0.743	0.568	0.800	0.746	0.923
INV3	0.857	0.431	0.779	0.742	0.852
INV4	0.811	0.486	0.701	0.689	0.789
INV5	0.732	0.574	0.800	0.737	0.923

Source: data processed by researchers

Table 4 show reliability test, which encompasses Cronbach's Alpha, Composite Reliability, and Average Variance, demonstrated that every factor is consistent and reliable. This suggests that all indicators evaluate each construct within each variable, as evidenced by Cronbach's Alpha and Composite Reliability ratings exceeding 0.70 and AVE scores exceeding 0.5.

Table 4. Reliability Test Based On Cronbach's Alpha, CR, & AVE

Construct	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)	Interprets
Financial Knowledge	0.894	0.922	0.704	Reliable
Social Influence	0.729	0.847	0.650	Reliable
Financial Attitude	0.930	0.947	0.781	Reliable
Financial Literacy	0.882	0.910	0.628	Reliable
Intention to Invest	0.907	0.931	0.732	Reliable

Source: data processed by researchers (2024)

Results of Testing The Structural Model

Once the model meets the validity and reliability requirements, we will conduct additional tests. These tests will include R-squared, F-squared, Q-squared, path coefficient, and hypothesis testing, involving the examination of p-values and T-statistics. Below is the structural model diagram after testing using bootstrapping in the SmartPLS application, as shown in Figure 3.

The R Square test quantifies the degree to which changes in endogenous variables may be accounted for by exogenous ones. A higher R Square value indicates a greater capacity of the exogenous variable to elucidate fluctuations in the endogenous variable. According to Chin (1998), the interpretation criteria for the R Square value state that a value of 0.67 represents a strong model, 0.33 represents a moderate model, and 0.19 represents a weak model. The R Square test findings will provide an assessment of the structural model's effectiveness in understanding the relationship between variables.

The analysis presented in Table 5 indicates that the R-Square coefficient for the Intention to Invest variable is 0.839. This suggests that more than 83.9% of the variations in Intention to Invest can be attributed to external influences, particularly Financial Attitude and Financial Literacy. Therefore, this model can be considered strong. The R Square value for the Financial Literacy variable is 0.802, indicating that about 80.2% of the variability in Financial Literacy is attributable to external factors, namely Financial Knowledge and Social Influence. This model can be classified as robust as well. Additionally, the R Square value for the Financial Attitude variable stands at 0.859, indicating that around 85.9% of the variability in Financial Attitude is attributable to external factors, namely Financial Knowledge and Social Influence. This model is considered to be highly reliable.

Table 5. R-Square

Variable	R-Square	Interpretation
Financial Attitude	0.859	Strong
Financial Literacy_	0.802	Strong
Intention to Invest	0.839	Strong

Source: data processed by researchers (2024)

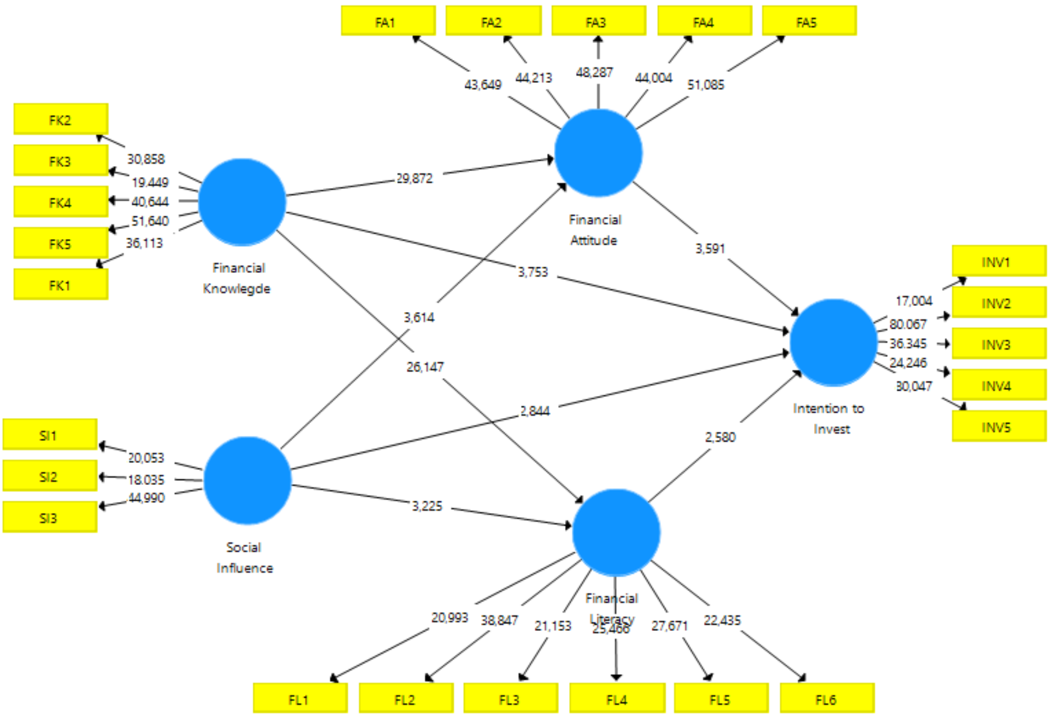

Figure 3. Result of Bootstrapping Structural Model

Source: data processed by researchers (2024)

Subsequently, an F-Square test will be conducted to evaluate the strength of the relationship between variables by utilizing effect size. The assessment of the F-Square value could be grounded in the standards established by Chin (1998). A result falling between 0.02 and 0.15 signifies a minor level of influence, whereas a value ranging from 0.15 to 0.35 indicates a moderate level of influence. A value exceeding 0.35 suggests a considerable and significant degree of influence. A F-Square value in Table 6 is 0.02 indicates that the influence of this variable is negligible. The F-Square metric is utilized to assess the predictive capability of an independent variable regarding a dependent variable within a structural model. A higher F-Square value signifies a more substantial role of exogenous variables in elucidating variations in endogenous variables. This test offers further understanding of the importance and extent of the connections among variables within the structural model.

The analysis results indicate that Financial Knowledge exerts a significant influence of 2.484, which is categorized as strong and significant. In a similar vein, Not Far with Financial Knowledge demonstrates a robust and noteworthy influence of 3.686. Furthermore, Social Influence exhibits a 0.061 impact, representing 6.1% of the Intention to Invest, alongside a 0.106 impact, both categorized as minor influences, respectively. Additionally, Financial Attitude exerts a minor influence of 0.058 on the Intention to Invest, whereas Financial Knowledge demonstrates a slightly greater influence of 0.103 on the same intention. Ultimately, social influence exerts a minor effect of 0.103 on the Intention to Invest, alongside a 0.061 influence, with both being categorized as small. The analysis results indicate that Financial Knowledge significantly influences both financial literacy and financial attitude.

The Q Square test was used to analyze the model data and parameter estimates for variables, dimensions, and indicators. A model is deemed predictive if its Q Square value exceeds zero. Q Square analysis is conducted to assess the model's predictive performance on new data and determine the reliability of the model in making accurate predictions. The Q Square values for each endogenous variable in Table 7 are all above zero, showing their predictive relevance. This suggests that the model may be used again with the same measurement settings and assumptions, and gives assurance that the model can accurately predict outcomes on new data that share comparable characteristics.

Subsequently, path coefficient testing is implemented to assess the degree to which a control variable affects the dependent variable in question. The magnitude of the route parameter is directly correlated with the degree of influence that the independent variable has on the dependent variable.

Table 7. Q-Square

Relationship	Q-Square	Conclusion
Financial Literacy	0.496	Has a predict relevance
Financial Attitude	0.664	Has a predict relevance
Intention to Invest	0.603	Has a predict relevance

Table 6. F-Square

Hypothesis	Relationship	F-Square	
H1	Financial Knowledge -> Financial Literacy	2.484	Strong
H2	Financial Knowledge -> Financial Attitude	3.686	Strong
H3	Social Influence -> Financial Literacy	0.061	Small
H4	Social Influence -> Financial Attitude	0.106	Small
H5	Financial Attitude -> Intention to Invest	0.058	Small
H6	Financial literacy -> Intention to Invest	0.065	Small
H7	Financial Knowledge -> Intention to Invest	0.103	Small
H8	Social Influence -> Intention to Invest	0.061	Small

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Table 8. Path Coefficient Test Results

Hypothesis	Relationship	Path Coefficient	P-Value	T-Statistic	Decision
H1	Financial Knowledge -> Financial Literacy	0.821	0.000	26.147	Supported
H2	Financial Knowledge -> Financial Attitude	0.844	0.000	29.872	Supported
H3	Social Influence -> Financial Literacy	0.129	0.000	3.225	Supported
H4	Social Influence -> Financial Attitude	0.143	0.000	3.614	Supported
H5	Financial Attitude -> Intention to Invest	0.264	0.000	3.591	Supported
H6	Financial literacy -> Intention to Invest	0.235	0.010	2.580	Supported
H7	Financial Knowledge -> Intention to Invest	0.371	0.000	3.753	Supported
H8	Social Influence -> Intention to Invest	0.124	0.005	2.844	Supported
H9	Financial Knowledge->Financial Literacy->Intention to Invest	0.193	0.011	2.553	Supported
H10	Financial Knowledge->Financial Attitude->Intention to Invest	0.223	0.000	3.573	Supported
H11	Social Influence->Financial Literacy->Intention to Invest	0.030	0.047	1.994	Supported
H12	Social Influence->Financial Attitude->Intention to Invest	0.038	0.016	2.414	Supported

The hypotheses examine the relationships within financial behavior. Path coefficients in Table 8 indicate the strengths of these relationships. It is found that financial knowledge strongly influences financial literacy (0.821) and financial attitude (0.844), suggesting that increased knowledge significantly enhances literacy and attitudes towards finances. Social influence has modest effects on financial literacy (0.129) and attitude (0.143), showing that social factors contribute somewhat to these areas. Furthermore, financial attitude (0.264) and literacy (0.235) moderately impact the intention to invest, while financial knowledge has a significant positive influence (0.371). Social influence has a lower effect on investment intentions (0.124). Mediated relationships reveal that financial literacy (0.193) and attitude (0.223) positively mediate the impact of financial knowledge on investment intentions, though the mediation effects of social influence through literacy (0.030) and attitude (0.038) are minimal. The study underscores the critical role of financial information in enhancing financial literacy, as well as attitudes, which have a significant impact on investment intentions. Social influence, on the other hand, has a less significant but still significant impact.

Hypothesis and significance testing were conducted following the evaluation of the measurement (outer) model and the assessment of the structural (inner) model. The primary metrics employed to assess significance include t-statistic values exceeding 1.64 (α = 5%) and p-values falling below 0.05. The investigation explored different connections in financial behavior, focusing on decisions derived from p-values and T-statistics. All relationships were upheld, demonstrating notable effects. The findings indicated that a rise in financial knowledge markedly improves both financial literacy and attitudes. The impact of financial knowledge on financial literacy is significant (p-value 0.000, T-statistic 26.147), as is its effect on financial attitude (p-value 0.000, T-statistic 29.872). The impact of social influence on financial literacy is substantial (p-value 0.000, T-statistic 3.225) and on financial attitude as well (p-value 0.000, T-statistic 3.614), albeit to a lesser extent than that of financial knowledge. Additionally, the financial attitude (p-value 0.000, T-statistic 3.591) and financial literacy (p-value 0.010, T-statistic 2.580) demonstrate significant positive influences on the intention to invest, while financial knowledge exhibits an even more pronounced effect (p-value 0.000, T-statistic 3.753). The impact of social influence on investment intentions is noteworthy, with a p-value of 0.005 and a T-statistic of 2.844.

The mediation analysis indicated that financial literacy (p-value 0.011, T-statistic 2.553) and financial attitude (p-value 0.000, T-statistic 3.573) positively mediate the relationship between financial knowledge and investment intentions. Additionally, social influence demonstrates significant indirect effects on investment intentions through financial literacy (p-value of 0.047 and T-statistic of 1.994) and financial attitude (p-value of 0.016 and T-statistic of 2.414). Financial literacy and attitudes are substantially influenced by the findings presented, which emphasize the essential significance of financial education in enhancing investing intentions. While the impact of social influence on financial behavior and intentions to invest is substantial, it has been somewhat diminished.

Discussion

The findings of this study underscore the critical role of financial literacy in effective asset management and investment risk assessment, aligning with the investigations conducted by Amagir et al. (2018) and Susanti (2021). These studies highlighted that a robust understanding of financial concepts enhances individuals' capabilities to navigate complex financial scenarios, suggesting that financial literacy serves as a foundation for informed decision-making.

In support of this, Banthia & Dey (2022) and Howlett et al. (2008) assert that comprehensive knowledge of financial concepts not only improves overall financial literacy but also enhances individuals' analytical skills concerning financial markets. Jou et al. (2023), who identified education as vital for fostering positive financial perspectives, support this research by demonstrating that financial knowledge significantly influences financial attitudes. Consequently, individuals with a solid grasp of financial principles are more adept at identifying investment opportunities and implementing effective risk-reduction strategies.

Furthermore, this study corroborates Angrisani et al. (2020), which posits that financial literacy directly enhances decision-making efficacy. It emphasizes that a positive attitude toward money facilitates better financial understanding, reinforcing the notion that financial literacy is essential for both personal financial success and broader economic stability.

The impact of social influence on financial literacy emerges as a significant theme in this investigation. Consistent with the research by Lusardi and Mitchell (2014) and Cheng et al. (2018), our findings indicate that social networks, including parents, peers, and media, play a pivotal role in shaping perceptions of stock market volatility and investment behaviors. Entorf and Hou (2018) found that social contexts heavily influence financial literacy, highlighting the significance of social networks in enhancing financial literacy levels.

Moreover, Sidi & Kassim (2023) echo the research's finding that financial attitudes significantly influence investment interests. This perspective is crucial for forecasting individual behaviors regarding investment participation. Individuals with strong financial reasoning are better equipped to distinguish between essential needs and unnecessary wants, which influences their investment decisions (Ilyas et al., 2022). The study further indicates that financial knowledge not only affects interest in investing but is also integral to achieving financial stability and accurately assessing risks, as noted by Fitriaty (2023).

The correlation between financial knowledge and the motivation to invest for social impact is another significant finding. This study supports prior research indicating that financial literacy and attitudes influence investment intentions and awareness (Totanan et al., 2020).

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Understanding financial principles is essential for navigating the complexities of modern financial markets, as emphasized by Hidayat et al. (2020).

However, it is crucial to recognize that possessing financial information alone does not guarantee investment success. Emotional regulation, self-control, and the ability to assess external circumstances are vital components of effective investment strategies (Yu, 2020). This highlights that a well-structured financial perspective can effectively enhance investment behavior, as argued by Walakumbura (2021).

The study also indicates that digital media consumption significantly boosts novice investors' engagement in the stock market, corroborating Liang & Guo (2015). The findings from Yang et al. (2021) further suggest that data from social media can enhance investment decision-making processes. These results illustrate the evolving landscape of investing, particularly among younger generations, who are increasingly inclined to engage in informed investment choices driven by their financial knowledge (Ilyas et al., 2022).

Ultimately, the statistical analyses reveal a strong correlation between an individual's financial mindset and their financial expertise. This indicates that fostering a positive financial attitude can enhance comprehension and skills in financial matters, reinforcing previous studies by Rai et al. (2019) and Ameliawati & Setiyani (2018) that emphasize the influence of financial perceptions on literacy, especially within youth demographics. In conclusion, the implications of this study are profound. By fostering financial literacy and positive financial attitudes, educational institutions and policymakers can significantly enhance individuals' investment behaviors and overall financial well-being, contributing to a more informed and financially capable society.

CONCLUSION AND RECOMMENDATION

The discussion highlights the essential importance of nurturing Generation Z as a key demographic for investment opportunities from an early age. The next generation is expected to significantly contribute to economic growth in addressing the demographic dividend from 2030 to 2045. Nonetheless, the current disinterest in investment among individuals requires thorough examination, particularly in light of the limited number of investors in Indonesia. Furthermore, individuals from Generation Z show a strong preference for security and stability regarding their current assets, underscoring the importance of fostering effective investment strategies within this group.

The results underscore the substantial impact of financial information on the development of financial literacy and attitudes, which in turn significantly influence the investment intentions of individuals. While social influence does play a role, its impact is relatively small when compared to financial understanding. Therefore, successful financial education initiatives should prioritize enhancing financial literacy and fostering constructive attitudes to promote investment intentions. Additionally, leveraging social networks and the impact of peers could provide further support in improving financial literacy and encouraging investment behaviors. These observations emphasize the critical significance of comprehensive financial knowledge via equipping those to make better financial choices and safeguard their financial security.

Heightened awareness of the importance of financial information can improve financial literacy and result in more informed investment decisions. A productive strategy to achieve this involves establishing a capital market education program that incorporates engagement from educators and professionals connected to the Indonesia Stock Exchange (IDX). Offering proactive support in stock investment and integrating the university curriculum with insights from the IDX are essential actions in this scenario.

Multiple limitations of this study necessitate acknowledgment. The findings' applicability to various demographics or age groups may be restricted by the small number of participants of 200 undergraduate students from Widyatama University. The research was conducted at a single institution in Indonesia, which implies that the results may be less pertinent to nations or regions with distinct financial structures and educational methodologies due to the cultural, economic, and educational context. The validity of the findings may be compromised by the reliance on self-reported data from surveys, which might include potential biases such as social desirability bias and inaccurate evaluation. Additionally, the cross-sectional design of the study limits the ability to analyze changes over time or establish causal connections between variables by gathering data at a specific point in time. The study deliberately disregards other potential factors that could potentially impact investment intentions, including personality traits, economic conditions, and technological advancements, in favor of focusing on financial knowledge, social influence, financial literacy, and financial attitudes.

To overcome these constraints, long-term studies might follow financial literacy, attitudes, and investment intentions across time to elucidate their relationships. The results may be more applicable if the research included varied people from different institutions, regions, and nations. Comparative research may examine how cultural, economic, and educational variations affect finance. Experiments on financial education programs or treatments may show that they enhance financial literacy and investing aspirations. To better understand investment behaviors, future studies may include psychological traits (e.g., risk tolerance, self-efficacy), economic conditions (e.g., income levels, employment status), and technological advances (e.g., financial applications). Qualitative research like interviews and focus groups may reveal complex characteristics about financial literacy and investment motivations, attitudes, and experiences that quantitative approaches may overlook. Given Generation Z's growing dependence on technology for financial management, studying how digital financial tools and platforms affect financial literacy and investing behavior is a lucrative opportunity. By addressing these constraints and following the proposed study agenda, future studies might enhance existing results and increase teenage financial knowledge and investing aspirations.

Theoretical Consequences

This study enhances the comprehension of the ways in which financial knowledge, social impact, financial attitude, and financial literacy influence investment intentions, specifically among Generation Z. It enhances the Theory of Planned Behavior by illustrating the crucial function of financial literacy and attitudes as mediators between financial knowledge and social influence about investment intentions. This highlights that financial knowledge alone is inadequate; instead, the interaction with social factors and attitudes more accurately forecasts investment behaviors among younger investors. This study enhances the discussion on financial literacy, indicating that holistic educational strategies aimed at financial attitudes and literacy are essential for cultivating investment enthusiasm in emerging economies.

Implications for Management

The study underscores the necessity for educators and policymakers to develop targeted financial literacy programs that impart financial knowledge while cultivating good financial attitudes. Universities, especially in Indonesia, can partner with financial institutions to offer

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practical training and investment simulations that improve financial skills and risk assessment capabilities. Financial companies and educational organizations could utilize social influence by engaging peer mentors or influencers to advocate for investment literacy. Organizations can improve financial literacy and positively affect Generation Z's investment intentions by adopting organized financial education programs and strategically utilizing peer influence, thereby contributing to economic growth and financial stability.

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