

THE INFLUENCE OF DIGITAL LITERACY ON INTENTION TO USE INVESTMENT APPLICATIONS IN GENERATION Z: A CASE STUDY ON FINANCIAL PRODUCTS

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ABSTRACT

Generation Z is a generation that grew up in an adequate digital environment, where technological innovation is part of their lives. Everyday Generation Z can easily receive and exchange information using applications and various other technologies. Generation Z also occupies the position as the largest population in Indonesia, this means that currently the dominant population of Indonesia is Generation Z. However, looking at the investment side, the number of investors in Indonesia is far different from the population, even though there are currently applications that support the investment process. Given that Generation Z is a digital native, this study wants to analyze the influence of digital literacy on financial attitudes that encourage someone to use investment applications to make investments. Where there are variables that are part of the study, namely: social media literacy, digital literacy, financial literacy, privacy, innovativeness, financial attitude, fintech self-efficacy and also intention to use. From this study with the results of 400 respondents, it was found that social media literacy, digital literacy, financial literacy, privacy have a significant influence on financial attitudes, and financial attitudes towards intention to use. On the other hand, the variables innovativeness and fintech self-efficacy give different results. In this study, it was found that digital literacy has a significant impact on changing a person's financial attitude to support and encourage someone to make investments. The results of this study contribute to research on investment by looking at the perspective of digital literacy as an influence that encourages someone to increase their intention to use investment applications.

Keywords: *Gen Z, Generation Z, Social Media Literacy, Digital Literacy, Financial Literacy, Investment, Intention To Use, Privacy, Innovativeness.*

1. INTRODUCTION

The development of digital technology has changed various aspects of life, including the way individuals access and manage finances. Generation Z, as a generation that grew up in the digital era, has a high tendency to use digital platforms in various activities, including investing in financial products. However, their level of participation in investment is still relatively low compared to previous generations [1]. One of the main factors influencing investment decisions is the level of digital literacy and financial literacy possessed by individuals.

Digital literacy includes an individual's ability to understand, assess, and use digital technology effectively. Meanwhile, financial literacy refers to a person's understanding of financial concepts, including money management, investment, and financial risk [2]. These two

aspects are very important in determining the extent to which a person can understand the risks and opportunities offered by digital financial products.

In the context of investment, digital platforms such as fintech applications and mobile banking are increasingly being used as a means of conducting financial transactions [3]. Although access to investment is getting easier, there are still various challenges, such as a lack of understanding of investment risks, lack of investor participation [4], concerns about data privacy, and low trust in fintech services. Therefore, it is important to explore how digital literacy, financial literacy, and other factors such as innovation and privacy, influence individuals' financial attitudes and intention to use investment app

In addition, Fintech Self-Efficacy, which is an individual's belief in their ability to use financial technology [5], can also act as a

moderating factor in the relationship between financial attitudes and investment intentions. In other words, individuals with higher self-confidence in using fintech tend to be more ready to invest than those who are less confident.

The main objective of this study is to examine how digital literacy, financial literacy, social media literacy, privacy concerns, and innovation shape financial attitudes and influence the intention to use investment apps among Generation Z. By integrating fintech self-efficacy as a moderating factor, this study seeks to provide a more comprehensive understanding of the determinants of investment app adoption in the digital environment. While previous studies have examined financial literacy and digital literacy separately, this study integrates social media literacy and privacy concerns as additional factors influencing financial attitudes and explores how fintech self-efficacy can moderate the effect of financial attitudes on investment intentions. Focuses on Generation Z investors in Jakarta, Indonesia, specifically individuals aged 15–27 years who have used investment applications. The data was collected by a quantitative survey method using a purposive sampling approach and then analyzed using smart-PLS to obtain the results.

Given the existing picture, such as low financial and digital literacy, minimal investor participation, concerns about data privacy, and low trust in financial technology (fintech) services, this study seeks to bridge these problems. By developing a framework that integrates key factors and assesses the moderating role of fintech self-efficacy, this study is expected to provide actionable insights for fintech companies and policymakers. The findings of this study are expected to contribute to the development of more effective financial education strategies to increase investment participation among Generation Z in Indonesia using investment applications. By understanding the influencing factors, this study is expected to contribute to the development of more effective financial education strategies in increasing investment participation among Generation Z.

2. LITERATURE REVIEW

2.1 Generation Z (Gen-Z)

Generation Z, born between 1997 and 2012, constitutes the dominant population group in Indonesia, with 74.93 million individuals recorded in the 2020 census by BPS [1]. As digital natives, they have grown up in an environment heavily

influenced by technology and globalization, making them more adaptable to change and inclined to adopt innovations in their daily lives [6]. With extensive access to information through digital devices and the internet, Gen Z is recognized as a highly creative and innovative generation with a strong sense of social awareness [7, 8]. However, compared to previous generations, they also tend to exhibit a lower tendency to avoid risk

In the financial context, their adaptability and ease of access to information highlight the growing need for financial literacy among Gen Z. As the generation that will play a strategic role in the national economy, their understanding of asset management and investment is crucial for ensuring economic stability amid the complexities of global financial challenges [3, 6]. Various studies indicate that financial literacy, particularly in using investment applications, plays a vital role in shaping Gen Z's investment intentions. Therefore Strengthening digital financial education is a strategic step in promoting sustainable adoption of financial technology [1, 8].

2.2 Financial Literacy

Financial literacy is a fundamental pillar in individual financial management, reflecting one's understanding of financial services and products, as well as their ability to manage finances wisely [9, 1]. This understanding encompasses various aspects of financial decision-making, including savings planning, risk management, and investment strategies aimed at economic sustainability [10]. Individuals with a high level of financial literacy tend to be more responsible in financial management, which positively impacts financial stability and overall economic resilience [11]. Moreover, financial literacy plays a crucial role in reducing uncertainty in resource allocation and enables individuals to make more rational financial decisions [12].

In the context of investment, financial literacy serves as a key factor influencing investor behavior, allowing them to assess risks and select investment instruments aligned with their financial goals [6, 13]. A strong financial understanding helps individuals avoid impulsive investment decisions and enhances rationality in financial choices [14]. Previous studies indicate that financial literacy significantly contributes to investment intentions, which may be mediated by factors such as economic status and financial attitudes [1, 15].

In this study [15, 16] it is stated that financial literacy has a direct effect, as it tends to develop a positive financial attitude when individuals possess financial knowledge. This finding is also supported by other studies [5, 17] which conclude that financial knowledge serves as a foundation for shaping one's financial attitude. The broader a person's financial knowledge, the better their financial attitude.

Therefore, strengthening financial literacy is a strategic step in fostering broader participation in inclusive and sustainable investments.

2.3 Digital Literacy

The industrial revolution has transformed the point of view of literacy, not only in the knowledge but also in how individuals receive and manage information, now dominated by digital media powered by computer and internet technology [1]. Digital literacy reflects an individual's ability to access, understand, and interpret information from digital sources, playing a crucial role in enhancing information skills and effectively utilizing technology [18]. This capability is essential in the digital era, where access to and usage of modern technology determine an individual's participation in a nation's digital economy. Moreover, digital literacy contributes to financial decision-making, including investment, by influencing individual behavior and financial attitudes [1]. Previous studies indicate that digital literacy has a positive impact on investment intentions and can be mediated by factors such as financial attitude, strengthening the relationship between digital comprehension and more rational investment decisions [19]. From the previous research approach [20] it was found that digital literacy does not influence a person's financial attitude through their lifestyle, the research environment indicates different behavior, different from research from [19] which positively encourages that lifestyle with acceptance of digitalization of information as digital literacy determines a person's financial attitude.

2.4 Social Media Literacy

Social media literacy has become a crucial element in the dissemination of information in the digital era, where industrial revolution advancements and technological developments have fundamentally transformed how individuals receive and process information [10]. Social media now serves as a primary source of information, particularly for Generation Z, known as Digital

Natives [8]. Various platforms such as YouTube, Instagram, X (formerly Twitter), and LinkedIn play a central role in information sharing, with influencers acting as key figures who shape public opinion, influence attitudes, and drive financial decision-making among their audiences [2, 21]. In the context of investment, the real-time accessibility of information through social media accelerates decision-making processes for retail investors, where positive opinions and attitudes formed through digital interactions strengthen an individual's investment intentions [10, 8]. Previous studies have demonstrated a significant relationship between social media usage and financial attitude in investment, particularly through the influence of social media figures who enhance trust and validate their audience's investment choices [2, 21]. In this study [2, 22] the results of the study stated that social media can have an influence on a person's financial attitude, but this is not the case with the following study [8], in which the study stated that the digital transition has changed the way we receive information, after most people this has had an impact on the way they make decisions, but from another research perspective it is stated that social media only has an influence on content and not a person's attitude.

2.5 Innovativeness

The rapid development of mobile technology has significantly increased internet usage, driving fundamental transformations in financial services, reshaping financial institutions, and changing consumer financial behavior [23]. Innovations in financial technology have accelerated the adoption of online investment, the activity of trading digital securities conducted through applications or websites, which offer greater accessibility and potential for future profits [24]. The sustainability of the digital investment ecosystem is further strengthened by the continued development of innovative features in investment applications, which are designed to improve efficiency, convenience, and user experience in portfolio management [15], with the use of technology facilitating the investment process, this makes it easier for users to be able to invest through the use of applications that provide innovation in supporting the investment process. In previous research [23], it was stated that innovation does not always affect financial attitudes because the main goal of investors is to gain profit. However, innovation plays an

important role in determining the adoption of something new [25].

2.6 Privacy

Privacy is a fundamental right that guarantees the protection of personal data, communications, and activities of individuals from unauthorized access. In the digital era, the increasing collection of user data by companies and online platforms has raised concerns about data security [4]. Secure transactions and data privacy play an important role in fostering trust in online investment platforms, as investors prioritize the protection of their financial and personal information [26]. Increasing awareness of data security and privacy measures is essential to maintaining transparency and increasing the credibility of digital investment services. Applications that provide high levels of privacy data security tend to be trusted by users, which increases user retention. In previous research [4] stated that having better privacy protection in the form of security increases a person's trust in the platform, which affects a person's financial attitude. Along with research [27] which agrees that maintained privacy encourages a person's financial attitude, especially this is related to investment activities using investment applications.

2.7 Investment Platform (Financial Technology)

The rapid advancement of technology has significantly transformed the financial industry, marked by the growth of the Financial Technology (Fintech) ecosystem in Indonesia [1]. Fintech integrates modern technology to automate, enhance efficiency, and provide digital financial services, replacing traditional models that are less flexible [28, 3]. Various Fintech-based financial services, such as e-payment, e-wallet, crowdfunding, peer-to-peer lending (P2P), and digital investments, enable users to conduct transactions instantly with greater accessibility to investment instruments, including stocks, bonds, mutual funds, gold, deposits, and cryptocurrency [9, 29]. The key advantages of Fintech include broader accessibility, cost and time efficiency, transparency through documented technology, and service personalization based on user data analysis [29]. However, while regarded as a disruptive innovation reshaping traditional financial systems, Fintech also carries risks such as data breaches, account hacking, and increasing cases of digital

fraud that threaten user security [1]. Nevertheless, Indonesia's Fintech ecosystem continues to experience substantial growth, driven by technological advancements that promote broader adoption of digital financial services.

2.8 Financial Attitude

Financial attitude reflects an individual's understanding of financial aspects and their ability to make financial decisions that impact their future economic well-being [8, 13]. This attitude is rooted in a person's tendency to respond to situations, either positively or negatively, influenced by their perception of benefits [30, 31]. Individuals with a strong financial attitude are more aware of financial management, better prepared for economic uncertainties, and more likely to invest [15, 27]. Financial attitude is also closely linked to financial literacy, which can be improved through education and financial experience, playing a crucial role in shaping prudent financial behavior [8]. Previous studies have demonstrated that a positive financial attitude significantly influences investment intentions, highlighting that an individual's financial understanding and confidence determine their investment decisions [20]. Several previous studies stated that a good financial attitude will encourage adoption of investment application platforms because a positive attitude reduces barriers and encourages action [4], along with research [27] which states that a good financial attitude indicates that a person's intention to invest through investment applications is greater.

2.9 Fintech Self-Efficacy

Self-efficacy reflects an individual's confidence in their ability to achieve goals and complete tasks, including financial management, which is referred to as financial self-efficacy [13, 28]. In the digital era, this concept extends to fintech self-efficacy, which pertains to users' confidence in effectively utilizing financial technology platforms to manage their financial activities [5]. Effective fintech self-efficacy is not solely determined by an individual's skills but also by the availability of accessible information and user-friendly features provided by fintech applications. Enhancing these aspects fosters greater confidence, competence, and engagement among users, enabling them to navigate and optimize digital investment opportunities with increased efficiency and effectiveness.

2.10 Intention To Use

The intention to use investment platforms refers to an individual's tendency to utilize online investment platforms as a means of managing assets to achieve both short-term and long-term financial gains [31]. Intention itself represents a cognitive state focused on achieving a specific goal, meaning that individuals with investment intentions will dedicate time to understanding their chosen financial instruments [11, 13]. In the adoption of financial technology, intention to use reflects an individual's willingness to continuously engage with online investment platforms, where positive experiences and high technological acceptance foster habitual usage and enhance user engagement [4,27].

3. METHODOLOGY

This research is quantitative research conducted using a survey method, with respondents aged 15-20 years and above and 21-27 years and above, who have registered as investors and used investment applications domiciled in the city of Jakarta it consists of (Jakarta Barat, Jakarta Timur, Jakarta Utara, Jakarta Selatan). The sample size is determined using the Slovin formula, where the number of investors registered in Indonesia is 12.3 million people, by using the formula, the sample calculation from the existing population will amount to 400 respondents, This online survey was distributed in the form of Google Form via the social media platforms Line, WhatsApp, and Instagram. This online survey contains 35 questionnaire items that are assessed using a 4-point Likert scale, where 1 represents "strongly disagree" and 4 represents "strongly agree".

This study uses a non-probability sampling method with a purposive sampling approach [32], data was collected between October until December 2024. The data analysis was conducted using the Structural Equation Model - Partial Least Square (SEM-PLS) method, with SmartPLS version 4.0 as the analysis tool.

The figure below presents the conceptual framework of this study, based on the research background.

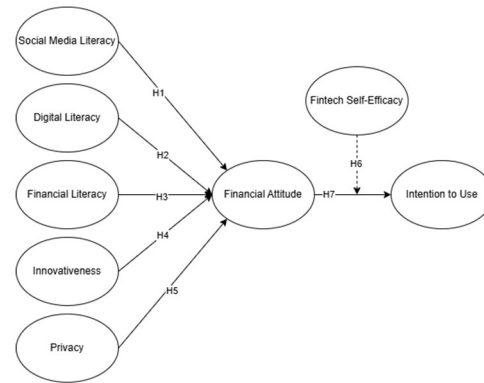


Figure 1. Conceptual Framework

Below is the table of Variabel and indicators that support the research methodology.

Table 1. Variabel & Indicators

Variabel	Code	Indicators	Reference
Social Media Literacy	SML 1	Information trust	[2]
	SML 2	Amount of Influence	[2]
	SML 3	Accuracy of Information	[3]
	SML 4	Amount of Influence	[27]
Digital Literacy	DGL 1	Ability to search and understand information	[34]
	DGL 2	Information traceability	[20]
	DGL 3	Speed of information	[20]
	DGL 4	Level of Understanding	[34]

Financial Literacy	FLC1	Ability to Use Financial Products	[6]
	FLC2	Interest in financial news	[16]
	FLC3	Investment knowledge	[35]
	FLC4	Ability to allocate funds	[6]
Innovativeness	INV1	Latest Features	[23]
	INV2	Latest Features	[23]
	INV3	Technological advances make it easier to get the latest information	[14]
	INV4	Speed of service	[14]
Privacy	PV1	Trust in the platform	[4]
	PV2	Information Security	[4]
	PV3	Security trust	[27]
Financial Attitude	FA1	Financial Knowledge	[8]
	FA2	Attitude towards investment applications	[2]

	FA3	Financial Knowledge	[16]	
	FA4	Financial Knowledge	[20]	
	FA5	Attitude towards investment applications	[4]	
	FA6	Attitude towards investment applications	[23]	
	Fintech Self-Efficacy	FSE1	Confidence in Using	[5]
		FSE2	Ease of use	[5]
FSE3		Confidence in investing	[5]	
FSE4		Usability	[5]	
FSE5		Device availability	[5]	
Intention to Use	IU1	Frequency of use	[8]	
	IU2	Intended use	[3]	
	IU3	Investment trust	[35]	
	IU4	Spread Impulse	[5]	
	IU5	Frequency of use	[4]	

Based on the conceptual framework above, there are 5 independents variabls, 1 mediation variabls, 1 moderator variabls, and 1

dependent variabels, and here are the hypotheses in this research:

- H1: Social Media Literacy (SML) Positively Influences Financial Attitude (FA)
- H2: Digital Literacy (DGL) Positively Influences Financial Attitude (FA)
- H3: Financial Literacy (FCL) Positively Influences Financial Attitude (FA)
- H4: Innovativeness (INV) Positively Influences Financial Attitude (FA)
- H5: Privacy (PV) Positively Influences Financial Attitude (FA)
- H6: Fintech Self-Efficacy (FSE) strengthens the positive relationship between Financial Attitude (FA) and Intention to Use (IU).
- H7: Financial Attitude (FA) Positively Influence Intention to Use (IU)

4. RESULT AND DISCUSSION

4.1 Demography Of Respondents

Based on the collected data, a total of 426 respondents participated in the survey. The demographic information includes gender, age, domicile, educational background, occupation, and monthly income. Table 1 below presents an overview of the respondents' demographic characteristics.

Table 2. Demography of Respondents

Description		Respondents (Person)	Percent age (%)
Gender	Male	283	66%
	Female	143	34%
Age	15-20 years old	112	26%
	21-27 years old	314	74%
Education Background	Primary school or equivalent (SD)	0	0%
	Junior high school or equivalent (SMP)	0	0%
	Senior high school or equivalent (SMA)	69	16.2%
	Academy (Diploma)	17	4%
	Bachelor's degree (S1)	211	49.5%
	Master's degree (S2)	127	29.8%

	Doctoral degree (S3)	2	0.5%
Occupation	Student	159	37.3%
	Information Technology (System Analyst, Programmer, Web Designer, Technical Engineer, etc.)	95	22.3%
	Economics (Economic Consultant, Credit Analyst, Bank Teller, etc.)	107	25.1%
	Law (Lawyer, Judge, Prosecutor, Notary, etc.)	14	3.3%
	Education (Teacher, Lecturer, Tutor, Counselor, Librarian, School Principal, etc.)	16	3.8%
	Engineering & Industry (Quality Control Engineer, Data Engineer, Project Manager, etc.)	13	3.1%
	Arts & Literature (Artist, Graphic Designer, Animator, Writer, etc.)	12	2.8%
	Healthcare (Doctor, Nutritionist, Physiotherapist, Midwife, Pharmacist, etc.)	2	0.5%
	Unemployed	8	1.9%
Residence	West Jakarta	146	34%
	North Jakarta	56	13%
	Central Jakarta	118	28%
	South Jakarta	73	17%
	East Jakarta	33	8%
Monthly salary	No Income	2	0.5%
	< Rp 4,000,000	162	38%
	Rp 4,000,000 - Rp 6,000,000	43	10.1%
	Rp 6,000,000 - Rp 8,000,000	197	46.2%
	Rp 8,000,000 -	19	4.5%

	Rp 10,000,000		
	> Rp 10,000,000	3	0.7%

4.2 Measurement Model: Validity & Reliability

This study employs a measurement approach to assess the validity and reliability of all indicators in testing the proposed hypotheses. Convergent validity is determined by analyzing the outer loading values of each indicator within the construct. As stated by [32], outer loading values should be above 0.7. Table 2 displays the loading factors of the indicators utilized in this research.

Table 3. Loading Factor

Variable	Indicator	Outer Loading
Digital Literacy	DGL1	0,780
	DGL2	0,704
	DGL3	0,700
	DGL4	0,730
Financial Attitude	FA1	0,772
	FA2	0,785
	FA3	0,783
	FA4	0,763
	FA5	0,788
	FA6	0,789
Financial Literacy	FCL1	0,786
	FCL2	0,815
	FCL3	0,718
	FCL4	0,739
Fintech Self-efficacy	FSE1	0,764
	FSE2	0,767
	FSE3	0,751
	FSE4	0,789
	FSE5	0,787
Innovativeness	INV1	0,848
	INV2	0,863
	INV3	0,809
	INV4	0,732
Intention to Use	IU1	0,772
	IU2	0,764
	IU3	0,785
	IU4	0,733
	IU5	0,803
Privacy	PV1	0,804
	PV2	0,749
	PV3	0,721
Social Media Literacy	SML1	0,963
	SML2	0,755
	SML3	0,767
	SML4	0,833

In table 2 above, we can conclude that each indicator value owned by each variable has a valid value for measuring because it is above 0.7

Table 4.. Construct Reliability

Variabel	Cronbach's alpha	Composite reliability (rho a)	Composite reliability (rho c)	(AVE)
Digital Literacy	0,706	0,712	0,819	0,531
Financial Literacy	0,768	0,783	0,849	0,586
Financial Attitude	0,872	0,875	0,903	0,608
Fintech Self-Efficacy	0,830	0,831	0,880	0,595
Innovativeness	0,830	0,847	0,887	0,664
Intention To Use	0,830	0,834	0,880	0,596
Privacy	0,631	0,637	0,802	0,576
Social Media Literacy	0,849	0,863	0,900	0,695

Construct reliability was tested using Cronbach's alpha and composite reliability, with acceptable thresholds above 0.60. Convergent validity was assessed through the average variance extracted (AVE), which should exceed 0.50. In this study, both composite reliability (>0.60) and AVE (>0.50) met the required standards.

4.3 R-Square Testing

Table 5. R-Square

	R-square	R-Square Adjusted
Financial Attitude	0,542	0,537
Intention to Use	0,563	0,560

From the results of this test, we can prove that the R-Square value above 0.5 means that the independent variable can explain the dependent variable well. From the results received, we can conclude that: The variables Social Media

Literacy, Digital Literacy, Financial Literacy, Innovativeness, and Privacy significantly influence the Financial Attitude variable as seen through the R-Square value of 0.542. The Financial Attitude variable significantly influences the Intention To Use variable as seen through the R-Square value of 0.563. The R-Square value explains how well the independent factors explain the dependent variable.

4.4. Hypothesis Testing

Table 6. Path Coefficient

Hypothesis		Original sample (O)	T statistics ((O/STDEV))	P values
H1	DGL -> FA	0,280	5,020	0,000
H2	FA -> IU	0,195	3,256	0,001
H3	FCL -> FA	0,262	5,196	0,000
H4	INV -> FA	0,042	1,392	0,164
H5	PV -> FA	0,136	2,849	0,004
H6	SML -> FA	0,207	4,342	0,000
H7	FSE x FA -> IU	-0,185	5,894	0,000

Hypothesis testing is conducted by analyzing the path coefficients, which indicate the parameter coefficient and the significance of the t-statistic value. According to [32], a construct is considered significant if the T-statistic value exceeds 1.960 and the P-value is below 0.005; otherwise, it is not significant.

Social media literacy has a significant influence on Financial Attitude with a T-Statistic value of 4.342 and a P-Value of 0.000, then Social Media Literacy (SC) has a significant influence on Financial Attitude (FA), Hypothesis Accepted. Digital Literacy has a significant influence on Financial Attitude with a T-Statistic value of 5.020 and a P-Value of 0.000, then Digital Literacy (DL) has a significant influence on Financial Attitude (FA). Hypothesis Accepted. Financial Literacy has a significant influence on Financial Attitude with a T-Statistic value of 5.196 and a P-Value of 0.000, then Financial Literacy (FL) has a significant influence on Financial Attitude (FA), Hypothesis Accepted. Innovativeness does not have a significant effect on Financial Attitude with a T-Statistic value of 1.392 and a P-Value of 0.164, then Innovativeness (INV) does not have a significant effect on Financial Attitude (FA),

Hypothesis Rejected. Privacy has a significant effect on Financial Attitude with a T-Statistic value of 2.849 and a P-Value of 0.004, then Privacy (PV) has a significant effect on Financial Attitude (FA), Hypothesis Accepted. Fintech Self-Efficacy has a significant moderating effect between Financial Attitude on Intention To Use with a T-Statistic value of 5.894 and a P-Value value of 0.000, then the Positive Relationship between Financial Attitude (FA) and Intention to Use (IU) will strengthen when fintech self-efficacy (FSE) increases, Hypothesis Accepted. Financial Attitude has a significant influence on Intention to Use with a T-Statistic value of 3.256 and a P-Value of 0.001, then Financial Attitude (FA) has a significant influence on Intention to Use (IU), Hypothesis Accepted.

4.5. Discussion

H1: Social Media Literacy (SML) has a significant effect on Financial Attitude (FA)

From the test results using Smart-PLS, the first hypothesis can conclude regarding the results obtained, where the first hypothesis shows that social media literacy has a significant effect on financial Attitude, seen from the p-value of 0.000 which is below 0.05 and also the t-statistic value of 4.342 which is above 1.96 proves that the hypothesis is accepted.

The results of this study are in line with several previous studies, where social media has a major influence in influencing a person's way of acting, this is because the methods provided are easy, simple, and fast [8] and learning in the use of financial technology influenced by social media influences their attitudes in acting [22].

H2: Digital Literacy (DL) has a significant effect on Financial Attitude (FA)

From the test results using Smart-PLS, in the second hypothesis we can conclude regarding the results obtained, where the second hypothesis shows that Digital literacy has a significant effect on financial literacy, seen from the p-value of 0.000 which is below 0.05 and also the t-statistic value of 5.020 which is above 1.96 proves that the hypothesis is accepted.

The results of this study are supported by [19] which shows that digital literacy can significantly influence a person's attitude, as the person behaves, the digital literacy obtained by him can influence the way he views, which means that digital literacy for an individual can change his attitude, then [33] said that digital literacy can influence Decisions, minimize uncertainty that

affects the way a person behaves, so that digital literacy in this study can influence attitudes in finance.

H3: Financial Literacy (FL) has a significant effect on Financial Attitude (FA)

From the results of testing using Smart-PLS, in the third hypothesis we can conclude regarding the results obtained, where the third hypothesis shows that Financial literacy has a significant effect on Financial Attitude, seen from the p-value of 0.000 which is below 0.05 and also the t-statistic value of 5.196 which is above 1.96 proves that the hypothesis is accepted.

From the results of this study, it is proven that financial literacy influences a person's attitude, how a person's financial knowledge can change their behavior towards finance, [5] said that financial literacy is a basis and foundation for someone to make decisions regarding their financial attitudes.

H4: Innovativeness (INV) has a significant effect on Financial Attitude (FA)

From the test results using Smart-PLS, in the fourth hypothesis we can conclude regarding the results obtained, where the fourth hypothesis shows that Innovativeness does not have a significant effect on Financial Attitude, seen from the p-value results of 0.164 which is above 0.05 and also the t-statistic value of 1.392 which is below 1.96 proves that the hypothesis is rejected [23].

This study supports the results found Where innovativeness does not have a significant effect on a person's attitude and behavior even though the innovation is for finance, the study explains that even though good innovation is not always determined as something that affects their financial attitudes, because the main goal of investors in investment applications is to gain profit, then with sufficient information and confidence related to Financial decisions are more than enough from the innovation presented, besides this condition is also influenced by the location of the research carried out with the attitudes and knowledge possessed by each research area.

H5: Privacy (PV) has a significant effect on Financial Attitude (FA)

From the test results using Smart-PLS, then in the fifth hypothesis we can conclude regarding the results obtained, where the fifth hypothesis shows that Privacy has a significant effect on Financial Attitude, seen from the p-value

of 0.004 which is below 0.05 and also the t-statistic value of 2.849 which is above 1.96 proves that the hypothesis is accepted. The results of this study indicate that there is an effect of privacy on financial attitudes, supported by research [4] which states that the existence of privacy protection in the form of security in the application will positively affect a person's financial attitude, which means that this study is in line with the results received. Trust in the platform regarding maintained privacy will encourage a person's financial attitude to use the platform [27]. Because privacy plays an important role in influencing user attitudes regarding their finances in using Fintech services [22].

H6: Positive Relationship between Financial Attitude (FA) and Intention to Use (IU) will strengthen when fintech self-efficacy (FSE) increases

From the test results using Smart-PLS, it can be concluded that the sixth hypothesis is related to the results obtained, where the sixth hypothesis shows that the Relationship between Financial Attitudes will strengthen against Intention to Use if fintech self-efficacy increases, as seen from the p-value of 0.000 which is below 0.05 and also the t-statistic value of 5.894 which is above 1.96, but with the original sample value which is negative, so that it becomes negative, this proves that the hypothesis is rejected.

H7: Financial Attitude (FA) has a significant effect on Intention to Use (IU)

From the test results using Smart-PLS, then in the Seventh hypothesis we can conclude regarding the results obtained, where the seventh hypothesis shows that Financial Attitude has a significant effect on intention to use, seen from the p-value of 0.001 which is below 0.05 and also the t-statistic value of 3.256 which is above 1.96 proves that the hypothesis is accepted.

4.6 Implications

This study provides strategic insights for managers and stakeholders in the fintech and investment industry to develop policies and service enhancement strategies. Financial, digital, and social media literacy play a crucial role in shaping financial attitudes that drive the intention to use investment applications. Therefore, fintech companies must optimize digital education through informative campaigns, interactive content, and seamless access to investment platforms. This approach not only increases application adoption but also strengthens brand

awareness, particularly among Gen-Z, who actively consume digital content. Beyond education, enhancing security systems is a dominant factor influencing user trust. Multi-layered security measures such as two-step verification, security PINs, and data privacy protection must be prioritized to ensure investors' confidence in using investment applications.

Furthermore, innovation in investment applications should not focus solely on technological advancements but should also enhance user experience tailored to their investment needs. In this context, integrating financial literacy communities within applications can serve as an effective strategy to foster user engagement and improve investment understanding. Trust in investment platforms is not solely determined by profit potential but also by stability, security, and service transparency. Therefore, balancing literacy, security, and user experience should be the primary focus in developing investment applications to ensure sustainable adoption and long-term trust among digital investors.

4.7 Comparative Analysis & Discussion

In this study, the analysis conducted and the findings obtained provide something new that supports knowledge, the following are the results stated in the PMI (Plus-Minus-Interesting) framework.

4.7.1 Plus

The model tested is in accordance with the phenomenon, unlike the previous one which only focused on financial literacy and digital literacy, in this study it has only integrated several factors, such as social media literacy, privacy issues and innovation. And the inclusion of fintech self-efficacy as a moderating variable adds deeper insight into how self-confidence in using fintech platforms can influence investment behavior that focuses on generation z in Indonesia.

Most studies focus on those with advanced economies, while this study was conducted in a market environment that is still developing, especially Jakarta which is currently experiencing rapid fintech development. The results can contribute to knowledge and education related to finance from the investment side and the role of digital media technology in providing

literacy that influences a person's financial attitudes in environmental testing.

4.7.2 Minus

Limited generalization, because this study was only conducted on respondents in Jakarta so that it is possible not to fully represent the behavior of people throughout Indonesia.

In this study does not consider economic factors in detail, such as the influence of inflation or interest rates, which can actually also influence decisions, but this study focuses more on the role of digitalization and the technological side that drives a person's attitude in the intention to use investment applications in further research can add the role of external economics, as well as research on technology acceptance to enrich the model's insights.

4.7.3 Interesting

Social media literacy plays an important role in shaping financial attitudes, this shows that literacy received from digital media influences the intention to use investment applications in investing.

This study adds several things that are different from previous studies, this study identifies privacy concerns that are barriers to the adoption of financial technology in investment, so companies need to address data security issues in priority order to address data security issues to increase trust in digital investment platforms.

In this study also combines fintech self-efficacy as a moderating variable that can test and see the relationships that occur and make a new finding that can be an insight into financial attitudes towards the use of investment applications, This insight can help financial technology companies to design strategies to increase the implementation of application use.

5. CONCLUSION

The findings of this study reveal that digital literacy, encompassing social media literacy, digital literacy, and financial literacy, plays a crucial role in shaping financial attitude, which ultimately drives the intention to use investment applications. Unlike previous studies that focused solely on financial literacy, this study combines social media literacy and privacy concerns as key variables influencing financial attitudes. These findings highlight the growing role of digital media as a source of information for investment decisions.

This study is grounded in the Theory of Acceptance Model (TAM) and the Theory of Planned Behavior (TPB), which further support the notion that a higher level of technological and financial understanding enhances individuals' tendency to utilize investment applications as a means of managing their assets. This study extends the existing model by showing that fintech self-efficacy moderates the relationship between financial attitudes and investment intentions. This insight provides a new perspective on the body of knowledge related to financial literacy and adoption of fintech applications.

Application security emerges as the dominant factor influencing usage intention. The higher the security level of an application, the greater the trust users place in it for investment purposes. This underscores that, in the context of digital investment, data protection and privacy are the primary concerns for users, outweighing other factors. Conversely, innovation in investment applications does not significantly impact users' decision-making. Instead of prioritizing how innovative an application's features are, investors are more concerned with its ability to generate financial returns and ensure transaction security.

Previous studies have mostly focused on developed economies, this study provides insight into the investment behavior of Generation Z in Indonesia, which focuses on the rapidly growing fintech market. The results of this study provide an overview of the development of digital financial literacy programs tailored for young investors in developing countries. Several findings have an impact in the form of The strong influence of social media and digital literacy suggests that financial education programs should utilize social media platforms to reach younger audiences and knowledge to invest using app. Policymakers should focus on strengthening data privacy regulations to build trust in digital investment platforms. And financial technology companies can increase user engagement through digital-based literacy, by developing strategies for digital use in applications as a medium for digital literacy.

From the results of this study, we can find that digital literacy which has now become part of our lives, either directly or indirectly through social media, digital media, to the financial literacy that we get will affect our financial attitudes that lead to decision making related to the use of investment applications. Future research should explore the emphasis on economic factors (e.g., inflation, interest rates) influencing decisions in using digital investment apps to invest.

Expanding the study to a more diverse demographic and geographic scope could validate whether the findings apply outside of Jakarta or Indonesia.

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