BIEJ
Business Innovation and Entrepreneurship Journal

Volume 8 No.1 2026

Assessing The Impact of Financial Intelligence and Technology on Digital Investment Decision

Stephanus Remond Waworuntu[1], Anastasya Tivani[2], Purwanto[3], Erman Sumirat[4]

[1,2,3]*President University*
[4] *Universitas Padjajaran*
*E-Mail Correspondence: purwanto@president.ac.id

Abstract-The impact of the Internet on global society has been both rapid and transformative, bringing about significant changes in many aspects of life. Currently, Indonesia is dominated by Generation Z and Millennials, who are technologically proficient and comfortable using digital platforms. Technological advances have made it easier for these generations to invest, but this has also led to an increase in unlicensed and illegal investment schemes. The rise of illegal investment schemes in Indonesia is an indication that many Indonesians are not well-informed about the benefits and risks of investing. The purpose of this research was to demonstrate the impact of financial intelligence, such as financial literacy, financial behavior, financial experience, and risk tolerance on digital investment decisions through a moderating variable in the form of financial technology. The method used was quantitative with purposive sampling. All data were collected from millennials and Generation Z domiciled in the Jakarta area, with a sample size of 165. Multiple linear regression was used as an analytical tool integrated with moderation. The experimental results showed that financial literacy, financial behavior, and financial experience significantly contributed to digital investment decisions, while risk tolerance did not significantly influence digital investment decisions. Financial technology weakened the influence of financial literacy, financial behavior, financial experience, and risk tolerance on digital investment decisions.

Keywords: Digital Investment Decision, Financial Literacy, Financial Behavior, Financial Experience, Risk Tolerance, Financial Technology

I. INTRODUCTION

The impact of the Internet on global and Indonesian society has been both rapid and transformative, bringing significant changes to many aspects of life. In the early days of the Internet, it was primarily used by academics and researchers. However, as the technology has become more accessible and affordable, it has become a ubiquitous part of the lives of a wide range of people. A survey by the Indonesian Internet Service Provider Association or known as APJII (2024) showed that Indonesia's Internet user base has grown to almost 80 percent or approximately 221 million in 2024. Several reasons have contributed to this growth, including the increasing availability of mobile devices, the development of the digital economy, and the government's commitment to digitization [28]. The percentage of Internet users is highest among young people aged 15–19 (91%) and 20–24 (88%). In contrast, only 16% of those aged 60–64 years and 8% of those aged 65 and over use the Internet.

The high percentage of internet users in the younger age groups suggests that the use of digital-based delivery channels is likely to increase in the future. This is because two-thirds of Indonesia's population are Generation Z and millennials, who are technologically proficient and comfortable using digital platforms. However, it is important to educate millennials and Generation Z about the benefits and risks of using digital financial services, as they may be more susceptible to frauds and other forms of financial abuse.

Digital finance is transforming the financial services industry in a number of ways, using digital technology to deliver products and services to consumers [19]. Several factors are driving the growth of digital finance, including the increased use of smartphones and other mobile devices, the expansion of e-commerce, and the emergence of big data analytics [5].

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

Digital finance and investment provide a definition encompassing a wide range of new technologies and applications that can simplify financial management. Digital finance makes it easier for individuals to invest their money through online investment platforms. As a result, many people can invest according to their asset holdings, such as stocks, bonds, and mutual funds. Investors can view the progress of their investments in real time using the digital applications they implement, allowing for direct analysis of transparent investment movements.

Millennials and Generation Z are two generations that are particularly open to using digital finance. They are more likely to be comfortable with technology than previous generations and are more likely to be looking for ways to save and invest their money. Fintech is helping to increase investment among millennials and Generation Z. According to data from the Indonesia Central Securities Depository (KSEI), as of March 2024, Indonesian investors are predominantly millennials and generation Z, accounting for 55.98 percent of the total investor population. Investors between 31- and 40-years old account for 23.79 percent of the total, followed by investors between 41 and 50 years old (11.70%), between 51 and 60 years old (5.59%), and above 60 years old (2.94%).

In this regard, financial literacy is important in the financial services sector, especially in the area of investing. Investors who are more financially literate are better able to make informed investment decisions. They have a better understanding of the risks and rewards of different types of investment and are more likely to have predetermined criteria for making investment decisions. This means they can make investment decisions more quickly and confidently.

Advancing technology has made investing easier, but has also led to increased unlicensed and illegal investment schemes. According to the Task Force for Eradicating Illegal Financial Activities, or *Satgas Pemberantasan Aktivitas Keuangan Ilegal* (2023), the Indonesian Financial Services Authority (OJK) blocked a financial technology application in November 2023. This action coincided with the release of information on 22 entities suspected of engaging in illegal investment activities. Between 2017 and 2023, Satgas Pemberantasan Aktivitas Keuangan Ilegal shut down a total of 1,218 illegal investments, including gold investments, foreign exchange trading, cryptocurrency investments, Ponzi schemes, binary options, insurance, and property investment, as well as numerous online loans. Victims of illegal investment in Indonesia include a wide range of age groups, from children to the elderly. However, the majority of fraudulent investment victims are between the ages of 20 and 45. A significant factor contributing to the prevalence of fraudulent investment victims is their limited knowledge and experience in investing. Therefore, it is crucial to have adequate financial knowledge and financial literacy [23].

The rise of illegal investment schemes in Indonesia in recent years is an indication that many Indonesians are not well-informed about the benefits and risks of investing. This lack of financial literacy has made them vulnerable to scams and fraud [18]. Based on the findings of the 2022 Indonesian Financial Literacy Strategy Report compiled by the Financial Services Authority (OJK), Indonesia's financial literacy index remains relatively low. This indicates a large percentage of the population lacks understanding of financial concepts and adequate financial management skills. Financial decision-making skills still require guidance from experts.

Financial behaviors also influence digital investment decisions [12]. For example, millennials who are financially literate are more confident about investing. The way investors manage their money and make financial decisions is essential to the investment decision-making process. This is because both financial and psychological factors can change investor behavior in making decisions, including contributing greatly to getting returns on invested capital [29]. According to the Digital 2022 Global Overview Report, Indonesia was the fifth most frequent online shopping country in the

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

world, with 36% of internet users in Indonesia being e-commerce customers. Based on a survey conducted by Katadata Insights Center (KIC) and Kredivo, millennials were the biggest spenders on online shopping during the COVID-19 pandemic. In 2021, 48% of e-commerce consumers who made transactions were between the ages of 26 to 35 [4]. This can lead to debt problems and financial hardship. According to Indraswari (2022), there is the fear of missing out (FOMO), which often makes millennials and Generation Z caught up in certain trends. FOMO occurs when someone is afraid of missing out on the latest trends. In investing and finance, this phenomenon is referred to as the FOMO economy. This can can be harmful to investors, especially beginners, because FOMO cannot be a good basis for making good investment decisions. Investors should deeply understand the information provided in order to make investment decision.

According to data from the Financial Services Authority (2021), 48 out of 100 Indonesians are proven to be unwilling to take the risk of losing their money when investing, or in other words, there is a tendency for Indonesians to be risk averse [18]. On the other hand, millennials are generally more willing to face risks than older generations because, at a young age, they have many opportunities to experiment, including recovering from losses and reaping profits. Meanwhile, older generations are more cautious due to fear of declining income. They are also more likely to be familiar with technology and new investment products, which can give them a sense of confidence [36].

A previous study by Ramadani et al. (2022) found that financial experience also has a significant effect on investment decisions. Millennial investors with a history of financial experience are more likely to make sound financial decisions. The investors who have a lot of experience with money have shown that they can manage it wisely and understand the risks involved [25]. On the other hand, people with limited financial experience are more likely to make impulsive decisions that can lead to financial problems. However, the more experience an investor has, they have a tendency to take investments that have a higher risk impact to obtain the desired profitability with higher expectations because the actors have experience in conducting accurate analysis before making the desired decision.[11].

Inconsistent findings from previous studies prompted researchers to incorporate financial technology (fintech) as a moderating variable in their studies, recognizing the crucial role of fundamental investment knowledge for potential investors. The incorporation of fintech aims to protect investors from rash investments, impulsive trends, fraud, and potential losses. As noted by Pajar (2017), adequate knowledge, experience, and business intuition are crucial for analyzing securities when investing in the capital market. Moreover, proper investment knowledge is essential to mitigate potential losses, particularly when investors use instruments such as fintech that facilitate faster and easier investment processes.

Various empirical research and experiences have occurred, studies and discussions have been carried out to determine whether financial literacy, financial behavior, financial experience, and risk tolerance have an influence on digital investment decisions. Within this study, financial technology was employed as a moderating variable to evaluate the influence of these factors.

II. LITERATURE REVIEW

2.1 Digital Investment Decision

Investment decision making is the process of allocating financial resources to achieve specific investment goals. It is an important process for individuals and businesses alike, as it can have a significant impact on the long-term financial health of the investor. Investor's investment decisions are heavily influenced by internal factors. A biased and irrational behavior of an investor's decision is greatly influenced by emotions and mood during the decision making process [17]. Although many factors, including external ones, can also influence investment decision, in many cases, even if the external

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

factors are good, investors do not always make investment due to them. To see whether certain investor will invest or not, many factors such as the investor's behavior of being more risk-averse or risk-taking, past investment experience, financial capabilities, behavior, social financial life and financial confidence must also be studied. There is a shift from what investors used to understand to their own knowledge of finance and this greatly influences their decision making.

2.2 Financial Literacy

In understanding financial literacy, it should be done comprehensively because it contains financial concepts, theories and capabilities to implement knowledge as a provision for making decisions appropriately and accurately. It also includes having the skills and confidence to act on these decisions [19]. Financial literacy can help people make wiser investment decisions in a number of ways. First, it can help them understand the various financial choices and the risks and rewards associated with those choices. Second, it can assist customers in creating a financial plan that details their investment objectives and how they intend to achieve those objectives. Third, it can assist individuals in recognizing and avoiding investment fraud.

The relationship between financial literacy and investment decisions has been previously studied by Sulistyowati et al. (2022), and financial literacy was discovered to have a positive effect on the investment decisions of Islamic millennial generation. The same result was delivered by Lubis et al., (2023), that financial literacy significantly and favorably affected the investment decision. However, Ademola et al., (2019) found that financial literacy has insignificant effect on investment decision.

H1: Financial literacy has a significant influence on digital investment decision.

2.3 Financial Behavior

According to Potrich et al. (2016), financial behavior refers to an individual's actions that reflect good behavior in managing pocket money. It includes all of the decisions that people make about their money, such as how much to save, how much to spend, and how to invest [24]. Financial behavior can be influenced by personal beliefs, attitudes, and experiences, as well as by external factors such as economic conditions and cultural norms.

H2: Financial behavior has a significant influence on digital investment decision.

2.4 Financial Experience

Financial experience is the ability to make informed financial decisions based on knowledge and skills. The length and experience of each individual in the financial field will strengthen wiser financial decisions due to in-depth knowledge regarding business risks and benefits resulting from decisions made. [25]. Individual financial experience refers to the knowledge and skills that people have about financial matters, such as investment planning, pension funds, insurance, and credit. During the assessment, various factors and variables can be used regarding investment ability, financial planning, the influence of education and saving habits. [21].

Investing is a continuous learning process in which successes and failures contribute to future decisions. This underscores the importance of carefully weighing the risks and potential rewards before investing. Financial expertise, whether acquired directly or indirectly, is critical to making informed financial decisions. Learning from positive outcomes, past mistakes and experiences can lead to better financial management, planning and decision making. Experienced investors tend to make fewer mistakes because they have acquired knowledge and used a more sound investment approach. On the other hand, those who fail to learn from their mistakes may end up leaving the market.

H3: Financial experience has a significant influence on digital investment decision.

2.5 Risk Tolerance

Risk tolerance is one of the most important factors influencing financial decision making. Important phenomena that are taken into consideration in making investment decisions are external and internal factors that give rise to

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

potential profits and losses as a result of these actions [2]. A high risk tolerance is a characteristic of investors who have expressed a willingness to invest their assets with the existing risks in the hope of achieving a higher return than expected. Various factors influence risk tolerance, including investment timeframe. However, they also run the risk of losing more money if the investments decline in value. Investors who are less risk-tolerant may choose to invest in safer assets, even if they offer lower returns. This is because they want to minimize the chance of losing money. Wardani & Lutfi (2016) state that various factors can be used to assess risk tolerance, including: (1) selected investments, which can be categorized into three models: aggressive, moderate, and conservative; (2) preferred investment model or scheme; and (3) how much value is invested in portfolio assets.

H4: Risk tolerance has a significant influence on digital investment decision.

2.6 Financial Technology

Financial technology, or more commonly referred to as fintech, is the transformation of financial services through the use of technology that can result in applications, processes, and products that have a significant impact on the financial services industry [10]. In its current state, financial technology is primarily driven by consumer needs. As a result, the current definition focuses on mobile applications and devices that enable users to conduct various financial activities digitally, such as money transfers, loan applications, and investment management [13].

Financial technology ensures the efficiency, security, simplicity and reliability of the payment system and is expected to have a positive impact on its users as financial technology advances. Adequate knowledge of how to invest properly is needed to avoid losses when investing, for example, in the capital market, including through equity investment instruments, especially fintech, which makes investing easier and faster. The use of fintech can be measured by various aspects, including the advancement of fintech platforms, the ease of use of fintech platforms, the level of productivity achieved through fintech, and the security features offered by fintech platforms [33].

Every individual needs to acquire knowledge and awareness in order to fully utilize existing financial instruments and products, and to be able to make informed decisions. The presence of fintech as a financial product is expected to improve the investment decisions of potential investors.

H5: Financial technology increases the influence of financial literacy on digital investment decisions.

An individual with commendable financial behavior is more likely to demonstrate responsibility in managing their finances by using money effectively through budgeting, saving, and cost control. They are also more likely to engage in prudent investment practices and ensure timely debt repayment. The desire to meet various life needs, within the constraints of income, influences individuals' financial decisions and actions, thereby shaping their financial behavior. Thus, the existence of fintech encourages potential investors to invest. The application of the theoretical model of UTAUT in this case can be seen in the perceived usefulness and perceived ease of use, which are used as indicators of financial technology.

H6: Financial technology increases the influence of financial behavior on digital investment decision.

Financial experience, gained through personal investment ventures or by observing others, provides valuable insights into market behavior, risk management, and the nuances of financial products. This experiential knowledge can be critical to making informed investment decisions and navigating market fluctuations. By leveraging their financial experience and adopting the investment tools offered by fintech, individuals can make informed and potentially successful investment decisions that are aligned with their individual goals and risk tolerance.

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

H7: Financial technology increases the influence of financial experience on digital investment decision.

Investors can measure their level of comfort regarding the potential losses experienced compared to the high return on profits obtained through the large risk tolerance. The greater the potential results obtained, the more comfortable investors will feel. Age, gender, education, income, and experience all contribute to shaping an individual's risk tolerance, which in turn influences their investment decisions. Ultimately, a higher risk tolerance translates to a bolder approach to equity investing. Meanwhile, Fintech offers exciting opportunities to personalize and democratize investment decisions based on individual risk tolerance,

H8: Financial technology increases the influence of risk tolerance on digital investment decision.

H9: Financial literacy, financial behavior, financial experience and risk tolerance have simultaneously influence on digital investment decision.

III. RESEARCH METHODS

This study employed quantitative methods and non-probability sampling. The target population of this study were millennials and Generation Z residing in the Jakarta metropolitan area, aged 18 to 40 years old with investment experience. Data were collected through online questionnaires using Google Forms, which were distributed through social media. The questionnaire used a 5-point Likert scale (1 = strongly disagree, 5 = strongly agree). For data analysis, validity and reliability tests were conducted, classical assumptions were checked, and multiple regression analysis was performed. Additionally, moderated regression analysis (MRA) using IBM SPSS 26 was used to examine interaction effects. This technique allowed investigating how the influence of financial literacy, behavior, experience, and risk tolerance (independent variables) on digital investment decisions (dependent variable) might be influenced by the level of fintech use (moderator variable). In simple terms, in this study, MRA helped in understanding how fintech use strengthens or weakens the impact of these factors on people's digital investment decision.

IV. RESULTS AND DISCUSSION

Results

4.1 Respondent Profile and Validity and Reliability Tests

The survey attracted a relatively balanced group of respondents, with 52% (85 respondents) identifying as male and 48% (80 respondents) identifying as female. The educational level of the respondents was diverse, with a bachelor's degree being the most common educational level of the respondents (74%). Importantly, all respondents had investment experience, with a minimum investment period of 4 months. The majority had been investing for one to five years.

The data from the question items in this study were declared valid because the data passed the validity test. This is evidenced by the calculated r value being greater than the critical r value. The reliability test of the questionnaire showed that the value of Cronbach's Alpha was more than 0.60. According Stephanie (2017), Cronbach's Alpha higher than 0.6 (α > 0.6) is generally considered to be acceptable. Therefore, the questionnaire used as a research instrument in this study is reliable for research purposes.

Table 1. Pearson Correlation

No	Item	Pearson Correlation	Sig. (2-tailed)
1	FL 1	.763**	0.000
2	FL 2	.670**	0.000
3	FL 3	.797**	0.000
4	FL 4	.769**	0.000
5	FL 5	.768**	0.000
6	FB 1	.686**	0.000
7	FB 2	.546**	0.000

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

8	FB 3	.735**	0.000
9	FB 4	.711**	0.000
10	FB 5	.637**	0.000
11	FL 1	.758**	0.000
12	FL 2	.747**	0.000
13	FL 3	.749**	0.000
14	FL 4	.768**	0.000
15	FL 5	.747**	0.000
16	RT 1	.780**	0.000
17	RT 2	.769**	0.000
18	RT 3	.758**	0.000
19	RT 4	.597**	0.000
20	RT 5	.523**	0.000
21	FT 1	.860**	0.000
22	FT 2	.841**	0.000
23	FT 3	.765**	0.000
24	FT 4	.825**	0.000
25	FT 5	.818**	0.000
26	DID 1	.748**	0.000
27	DID 2	.622**	0.000
28	DID 3	.725**	0.000
29	DID 4	.716**	0.000
30	DID 5	.747**	0.000

4.2 Normality Test

The purpose of normality test is to determine whether confounding variables or residuals follow a normal distribution. In this study, the one-sample Kolmogorov-Smirnov test with the Monte Carlo method (2-tailed) was used to determine whether the residuals were normally distributed. The result was 0.925, and the Monte Carlo (2-tailed) value was > 0.05, so it was concluded that the residual data were normally distributed.

4.3 Multicollinearity Test

The multicollinearity test determines whether the independent variables in a regression model are correlated. If all independent variables have a VIF value less than 10 or a tolerance value greater than 0.1, it is concluded that there is no multicollinearity. Based on the result, the tolerance value obtained for each independent and moderation variable in this study was greater than 0.10. The VIF value obtained for each variable was lower than 10. Therefore, it was concluded that there was no multicollinearity in the regression model in this study.

4.4 Heteroscedasticity Test

Heteroscedasticity test in this study used the Park test through regression between the independent variable and error to detect the occurrence of heteroscedasticity in errors. With the help of SPSS, the significance value was considered when it was > 0.05. Based on the result, the significance level of each variable included in this study was greater than 5% or 0.05. Thus, it was concluded that the regression model did not indicate heteroscedasticity.

Regression Analysis

Table 3. Result of Regression Analysis

	Variables	Coefficient	t	Sig.	Note
Model 1	FL	0.329	6.305	0.000	Accepted
	FB	0.242	4.980	0.000	Accepted
	FE	0.471	9.514	0.000	Accepted
	RT	0.057	1.226	0.222	Rejected
	Constant = 9.179 F-test = 93.998 Sig. value ANOVA = 0.000 R-squared = 0.701 Adjusted R-squared = 0.694 Dependent variable: DID				

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

Table 3. Result of Regression Analysis (MRA)

	Variables	Coefficient	t	Sig.	Note
Model 2 *(MRA)*	FLFT	0.721	1.515	0.132	Weakening
	FBFT	-0.518	-1.396	0.165	Weakening
	FEFT	0.411	1.125	0.262	Weakening
	RTFT	-0.495	-1.578	0.117	Weakening
	Constant = 9.920 F-test = 43.664 Sig. Value ANOVA = 0,000 R-squared = 0.717 Adjusted R-squared = 0.701 Dependent variable: DID				

From the result of the table above, the multiple regression equation for this model is the regression coefficient of all the independent variables used. This means the total influence of the independent variables on the digital investment decision as the dependent variable is represented by the estimated coefficients. The regression equation is as follows:

DID = 9.179 + 0.329FL + 0.242FB + 0.471FE + 0.057RT

The equation of this multiple regression model and the value of the Table 2 above are explained below:

1. The constant of 9.179 has a positive value, which means that if financial literacy, financial behavior, financial experience and risk tolerance are 0, then the digital investment decision value is 9.179 units.
2. The coefficient of financial literacy is 0.329 and it is positive, which means that the financial literacy variable has a positive influence on digital investment decisions. If the value of other independent variables remains constant and the financial literacy variable increases by 1 unit, then digital investment decisions will increase by 0.329 or 32.9%.
3. The coefficient of financial behavior is 0.242 and it is positive, which means that the financial behavior variable has a positive influence on digital investment decisions. If the other variables remain constant and the financial behavior variable increases by 1 unit, digital investment decisions will increase by 0.242 or 24.2%.
4. The coefficient financial experience is 0.471 and it is positive, which means that the financial experience variable has a positive influence on digital investment decisions. If the other variables remain constant and the financial experience variable increases by 1 unit, digital investment decisions will increase by 0.471 or 47.1%.
5. The coefficient of risk tolerance is 0.057 and it is positive, which means that the risk tolerance variable has a positive influence on digital investment decisions. If the other variables remain constant and the risk tolerance variable increases by 1 unit.

4.5 F-Tets

F-test in multiple regression model is used to assess significant influence of independent variables on the dependent variable at the same time. The F-test result can be seen by looking at the probability value compared to the significant value of 0.05. The alternative hypothesis is accepted if the independent variables at the same time will have significant influence on the dependent variable if the probability value is less than 0.05. On the other hand, the null hypothesis is accepted if the independent variables at the same time will not have significant influence on the dependent variable if the probability value is more.

Table 4. Result of ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	405.447	4	101.362	93.998	.000[b]
	Residual	172.535	160	1.078		
	Total	577.983	165			
a. Dependent Variable: DID						

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

b. Predictors: (Constant), FE, FB, RT, FL

Table 3 shows a statistically significant influence (Sig. = 0.000 < 0.05) of financial literacy (FL), financial behavior (FB), financial experience (FE), and risk tolerance (RT) on digital investment decisions (Y) as the F-test statistic (93.998) exceeded the critical F-table value (2.4356), supporting the acceptance of Model 1. To further explore the moderating effect, a moderated regression analysis (MRA) was conducted. The resulting F-value (43.664) also exceeded the critical F-table value (2.1419), indicating that the Model is accepted. Additionally, the significance level (0.000 < 0.05) suggested that all the independent variables (FL, FB, FE, RT, and FT), as well as the interaction effects between FL and FinTech (FLFT), FB and FinTech (FBFT), FE and FinTech (FEFT), and RT and FinTech (RTFT), jointly exerted a statistically significant influence on digital investment decisions.

4.6 Coefficient of Determination

The R-squared value reflects the influence of the independent variables on the dependent variable. The coefficient of determination evaluates the effectiveness of the model in explaining the independent variables. Including a varying number of independent variables in the model could introduce bias, resulting in reduced explanatory power, as indicated by a weaker R-squared value.

In Table 2 above, it is shown that the adjusted R-squared value was 0.694. It means that financial literacy, financial behavior, financial experience, and risk tolerance as independent variables had an influence of 69.4% on digital investment decision. Other factors outside of this study influenced 30.6% of digital investment decisions.

Discussion

4.1 The Influence of Financial Literacy to Digital Investment Decision

Based on the above it was concluded that financial literacy has a significant influence on digital investment decisions. Financial literacy proves to be crucial in empowering individuals to navigate the complexities of investment decisions. With financial literacy, they can confidently choose appropriate options and potentially secure a better financial future. Those with a strong grasp of financial concepts are more likely to manage their assets effectively, pursue investment strategies that align with their financial goals, and achieve positive returns [26]. Investors who are financially literate are less likely to be attracted to investments that offer high returns with very low or no risk [33]. They understand the inherent trade-off between higher potential returns and increased risk, and they are critical thinkers who thoroughly analyze the underlying details of any investment before making decisions. This finding is consistent with previous studies by Hutasoit and Ginting (2021), Tamara et al. (2022), Kurniadi et al. (2022), and Hendarto et al. (2021), which concluded that financial literacy has a significant influence on investment decisions.

4.7 The Influence of Financial Behavior on Digital Investment Decision

The finding has shown financial behavior has a significant influence on digital investment decisions. Financial behavior plays a crucial role in enabling individuals to make informed investment decisions. Individuals with sound financial habits are better equipped to manage their finances effectively, control spending, track expenses, and make informed investment decisions [25]. This underscores the fact that investors with better financial habits are more likely to consider appropriate outcomes and make investment decisions which align with their financial plans. An individual's financial behavior directly influences their ability to identify appropriate investments that match their risk tolerance and financial goals.

4.2 The Influence of Financial Experience on Digital Investment Decision

The results indicate that financial experience has a significant effect on digital investment decisions. Financial experience is an important factor that enables individuals to make more informed and rational investment choices. According to Pertiwi et al. (2020), greater financial experience enhances individuals' abilities in financial management, financial

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

planning, and investment decision-making. Investors who possess broader financial experience—such as experience in saving activities, credit management, and market analysis—tend to be better prepared to make investment decisions aligned with their risk preferences and financial objectives. These investors are more likely to evaluate both expected returns and potential risks, resulting in more informed and potentially profitable investment outcomes. This finding supports prior research by Ramadani et al. (2022), Kalsum et al. (2018), and Hani et al. (2020), which suggests that investors with extensive financial and investment experience are more capable of making effective decisions in speculative or risk-related transactions compared to less experienced investors. This advantage arises from their accumulated knowledge and ability to respond to various market conditions..

4.3 The Influence of Risk Tolerance on Digital Investment Decision

The result showed that risk tolerance has no significant influence on digital investment decisions. This result is consistent with the previous study by [37] that individual risk tolerance does not significantly influence individual psychology in investment decision making. The respondents in this study prioritized security over profit. Additionally, most of them were new investors who often made short-term decisions based on immediate profits. These findings are consistent with those of [38] which suggested that risk tolerance did not significantly influence investment decisions because the respondents had unbalanced emotional stability and prioritized safety over profit. As many were new investors, their decisions often focused on short-term gains with the goal of immediate returns.

4.4 Moderating Effet of Financial Technology on the Relationship between Financial Literacy and Digital Investment Decision

As shown in Table 2, the relationship between financial literacy and digital investment decision was weakened by financial technology. This result is consistent with the previous study by Restianti et al. (2022) that financial technology was able to reduce the effectiveness of financial literacy in influencing investment decisions. Despite the increasing accessibility and convenience provided by financial technology, it does not eliminate the necessity of financial literacy in informed investment decision-making. A solid understanding of fundamental financial concepts and long-term financial planning remains essential and cannot be fully substituted by technological tools.

4.5 Moderating Effect of Financial Technology on the Relationship Between Financial Behavior and Digital Investment Decision

As shown, the relationship between financial behavior and digital investment decision was weakened by financial technology. This result is consistent with the previous study by Restianti et al. (2022) that financial technology was able to reduce the effectiveness of financial behavior in influencing investment decisions. However, financial technology cannot directly change deeply ingrained financial behaviors or override individual decision-making processes. If an individual is prone to impulsive spending or emotional investing, financial technology tools alone are unlikely to alter these patterns.

4.6 Moderating Effect of Financial Technology on the Relationship Between Financial Experience and Digital Investment Decision

As the result, the relationship between financial experience and digital investment decision was weakened by financial technology. Financial technology can provide tools and resources to help individuals make more informed investment decisions, nevertheless it cannot replace the knowledge and expertise gained through experience.

4.7 Moderating Effect of Financial Technology on the Relationship Between Risk Tolerance and Digital Investment Decision

As it is shown, the relationship between risk tolerance and digital investment decision was weakened by financial technology. Fintech allows investors to invest easily and quickly, without going through the careful processes of traditional banks or brokers. This may lead

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

investors to make impulsive decisions without considering their risk tolerance. This result is in line with Sulistyowati et al. (2022), confirming financial technology cannot strengthen the influence of risk tolerance on investment decision because most people will choose traditional investment such as gold because of its low risk.

4.8 The Influence of Financial Literacy, Financial Behavior, Financial Tolerance and Risk Tolerance on Digital Investment Decision

As shown above, financial literacy (FL), financial behavior (FB), financial experience (FE) and risk tolerance (RT) simultaneously influenced digital investment decision (Y). Financial literacy is crucial for making sound investment decisions. Strong financial literacy enables investors to develop effective financial plans, including savings and budgeting strategies. These plans, in turn, provide opportunities to gain practical experience in investing. As investors gain experience, their knowledge and skills naturally expand, enabling them to stay abreast of current investment trends and make informed decisions while recognizing and managing potential risks.

V. CONCLUSIONS AND SUGGESTIONS

Financial literacy, financial behavior, and financial experience are found to significantly affect digital investment decisions, whereas risk tolerance does not show a significant effect. Furthermore, financial technology acts as a moderating variable that weakens the relationship between financial literacy, financial behavior, financial experience, and risk tolerance with digital investment decisions. Overall, the independent variables explain 69.4% of the variance in digital investment decisions.

The findings of this study contribute to the evolving concept of financial intelligence and technology, as proposed by previous experts, and provide valuable insights for empirical studies and further research exploring digital investment decisions among millennials and Generation Z. For millennial investors, this study is a comprehensive assessment of their knowledge and financial information. Future research can utilize more diverse populations, including respondents from different cities and educational backgrounds, to gain a more comprehensive understanding. Furthermore, examining other demographic groups and comparing results across different cultural and economic contexts may provide even more valuable insights.

Data collection may include interviews, which can provide qualitative perspectives and enhance the comprehensiveness of research findings. Investors should strive to make sound and rational investment decisions. To minimize fraud, losses, and poor choices, they need to be financially literate. Risk-averse investors can consider government bonds such as Indonesian Retail Bonds (ORI), Retail Savings Bond (SBR), and Indonesian Retail *Sukuk* (SR). These investment products provide security with a government guarantee. Investment companies should connect clients with financial advisors for personalized advice beyond basic tools and resources. Additionally, automated alerts can help investors manage their risk tolerance. These alerts can notify them of potential risks associated with their investments or changes in their risk profile.

VI. REFERENCES

[1] Ademola, S. A., Musa, A. S., & Innocent, I. O. (2019). Moderating Effectof Risk Perception on Financial Knowledge, Literacy and Investment Decision. American International Journal of Economics and Finance Research, 1(1), 34-44. doi:10.46545/aijefr.v1i1.158

[2] Adielyani, D., & Mawardi, W. (2020). The Influence of Overconfidence, Herding Behavior, and Risk Tolerance on Stock Investment Decisions: The Empirical Study of Millennial Investors in Semarang City. *Jurnal Maksipreneur: Manajemen, Koperasi, dan Entrepreneurship, 10*(1), 89-101. doi:10.30588/jmp.v10i1.691

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

[3] Asosiasi Penyelenggara Jasa Internet Indonesia (APJII). (2024, Februari 07). *APJII Jumlah Pengguna Internet Indonesia Tembus 221 Juta Orang*. Retrieved from Asosiasi Penyelenggara Jasa Internet Indonesia (APJII): https://apjii.or.id/berita/d/apjii-jumlah-pengguna-internet-indonesia-tembus-221-juta-orang

[4] Dihni, V. A. (2022, June 3). *Databoks*. Retrieved from Katadata Insights Center (KIC): https://databoks.katadata.co.id/datapublish/2022/06/03/riset-milenial-paling-gemar-belanja-online-saat-pandemi

[5] Gomber, P., Koch, J.-A., & Siering, M. (2017). Digital Finance and FinTech: current research and future research directions. *Journal of Business Economics, 87*, 537-580. doi:10.1007/s11573-017-0852

[6] Hani, S., Heru, S. S., & Isworo, E. S. (2020, March). The Effect of Investment Education and Investment Experience on Investment Decision with Financial Knowledge as Intervening Variable. Russian Journal of Agricultural and Socio-Economic Sciences, 3(99), 143-150. doi:10.18551/rjoas.2020-03.16

[7] Hendarto, K., Anastasia , N., & Basana, S. R. (2021). The Effect of Financial Literacy, Financial Risk Tolerance, and Financial Socialization Agents on Stock Investment Decision in the Millennial Generation. *Petra International Journal of Business Studies, 4*(1), 11-22. doi:10.9744/ijbs.4.1.11–22

[8] Indonesia Central Securities Depository (KSEI). (2024). *Statistik Pasar Modal Indonesia*. Jakarta.

[9] Indraswari, D. L. (2022, March 29). *Geliat Kaum Muda Berinvestasi*. Retrieved from Kompas: https://www.kompas.id/baca/telaah/2022/03/28/geliat-kaum-muda-berinvestasi

[10] Junianto, Y., Kohardinata, C., & Silaswara, D. (2020). Financial Literacy Effect and Fintech in Investment Decision Making. *Jurnal Ekonomi dan Bisnis, 18*(3), 150-168. doi:https://doi.org/10.31253/pe.v18i3.472

[11] Kalsum, U., Sarita, B., Cahyono, E., & Wawo, A. B. (2018, February). Effects of Financial Literacy and Investment Experience on Access to Finance and Investment Decisions in Small Enterprises in Southeast Sulawesi. *International Journal of Scientific & Engineering Research, 9*(2), 849-857.

[12] Karmila, N., Pahlevi, C., & Kadir, N. (2022, January). The Effect of Financial Behavior and Literacy on Investment Decisions in the Millennial Generation of Makassar City. *International Journal of Innovative Science and Research Technology, 7*(1).

[13] Karta, N. L., Bendesa, I. W., Waworuntu, S. R., & Susila, I. N. (2024). Financial Technology, Regulation, and Inclusion Effects on Business Outcomes in Major World Economies. *Journal of System and Management Sciences, 14*(4), 279-299. doi:10.33168/JSMS.2024.0418

[14] Kurniadi, A. C., Sutrisno, T. F., & Kenang, I. H. (2022). The Influence of Financial Literacy and Financial Behavior on Investment Decision for Young Investor in Badung District, Bali. Matrik: Jurnal Manajemen, Strategi Bisnis dan Kewirausahaan, 16(2). doi:https://doi.org/10.24843/MATRIK:JMBK.2022.v16.i02.p11

[15] Listiani, E., & Soleha, E. (2023). Literasi Keuangan, Risk Tolerance Dan Overconfidence Terhadap Keputusan Investasi Pada Pekerja. *Journal of Management and Bussines, 5*(2), 983-993. doi:10.31539/jomb.v5i2.6271

[16] Lubis, Y. S., Lubis, Z. A., Khoiriah, Z., & Harahap, M. I. (2023). Pengaruh Literasi Keuangan Terhadap Keputusan Investasi Pasar Modal Pada Mahasiswa Universitas Islam Negeri Sumatera Utara. *Jurnal*

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

Riset Ekonomi dan Akuntansi, 1(3), 01-10. doi:10.54066/jrea-itb.v1i2.587

[17] Manish, M. (2010). Study of Differences in Behavioral Biases in Investment Decision-Making between The Salaried and Business Class Investors. *IUP Journal of Behavioral Finance, 7*(4), 20.

[18] Nosita, F., & Lestari, T. (2019). Toleransi Risiko Pada Wanita di Indonesia. *Kajian Ekonomi & Keuangan, 3*(2). doi:https://doi.org/10.31685/kek.v3i1.450

[19] Otoritas Jasa Keungan. (2021). *2021-2025 National Strategy on Indonesia Financial Literacy.*

[20] Pajar, R. C. (2017). *Pengaruh Motivasi Investasi dan Pengetahuan Investasi terhadap Minat Investasi di Pasar Modal pada Mahasiswa FE UNY. Jurnal Profita, 1*.

[21] Pertiwi, T. K., Wardani, N. I., & Septentia, I. (2020). Knowledge, Experience, Financial Satisfaction, and Investment Decision: Gender as a Moderating Variable. *Jurnal Manajemen dan Kewirausahaan, 22*(1), 57-64. doi: 10.9744/jmk.22.1.57–64

[22] Potrich, A. G., Vieira, K. M., & Silva, W. M.-D. (2016). Development Of A Financial Literacy Model For University Students. *Management Research Review,, 39*(3), 356-376. doi:10.1108/MMR-06-2014-0143

[23] Purnamasari, V., Merlinda, S., Narmaditya, B. S., & Irwansyah, M. R. (2021). The Millennial's Investment Decisions: Implications of Financial Literacy, Motivation, and Digitalization. *Ekuitas: Jurnal Pendidikan Ekonomi, 9*(2), 314-320.

[24] Rahman, M., Isa, C. R., Masud, M. M., Sarker, M., & Chowdhury, N. (2021). The role of financial behaviour, financial literacy, and financial stress in explaining the financial well-being of B40 group in Malaysia. *Future Business Journal, 7*(1). doi:https://doi.org/10.1186/s43093-021-00099-0

[25] Ramadani, A. G., Tubastuvi, N., Fitriati, A., & Widhiandono, H. (2022, December). Millennial's Investment Decision in Capital Market Investment with Financial Behavior as an Intervening Variable. *Riset Akuntansi dan Keuangan Indonesia, 7*(3), 355-375. doi:https://doi.org/10.23917/reaksi.v7i3.21650

[26] Ramadani, A. G., Tubastuvi, N., Rachmawati, E., & Rahmawati, I. Y. (2022). Pengaruh Financial Literacy, Financial Behavior dan Financial Experience Terhadap Keputusan Investasi Generasi Milenial di Batam. *Jurnal Manajemen Dan Bisnis Indonesia*, 57-64.

[27] Restianti, R., Sakti, D. B., & Suryani, E. (2022). Pengaruh Financial Behavior, Financial Literacy, Financial Technology Terhadap Keputusan Berinvestasi Gen Z. *Jurnal Sosial Ekonomi dan Humaniora, 8*(3), 384-390.

[28] Solanki, S., Wadhwa, S., & Gupta, S. (2019, November). Digital Technology: An Influential Factor in Investment Decision Making. *International Journal of Engineering and Advanced Technology (IJEAT), 8*(6S4), 27-31. doi:10.35940/ijeat.F1007.1186S419

[29] Sorongan, F. A. (2022). The Influence o f Behavior Financial a nd Financial Attitude o n Investment Decisions With Financial Literature a s Moderating Variable. *European Journal of Business and Management Research, 7*(1), 265-268. doi:10.24018/ejbmr.2022.7.1.1291

[30] Stephanie. (2017, December 8). *Cronbach's Alpha: Definition, Interpretation, SPSS.* Retrieved from Statistic How To: http://www.statisticshowto.com/cronbachs-alpha-spss/

[31] Sulistyowati, A., Rianto, M. R., Handayani, M., & Bukhari, E. (2022). Pengaruh Financial Literacy, Return dan Resiko terhadap Keputusan Investasi Generasi Milenial Islam di Kota Bekasi. *Jurnal*

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163

Ilmiah Ekonomi Islam, 8(2), 2253-2260. doi:10.29040/jiei.v8i2.5956

[32] Tamara, D., Arianto, A. Y., Marzuki, E., & Zulhamdani. (2022). The Effect of Financial Literacy, Herding Behavior and Risk Tolerance on Investment Decisions. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal), 5*(4), 30259-30271. doi:https://doi.org/10.33258/birci.v5i4.7184

[33] Utami, N., & Sitanggang, M. L. (2021). The Analysis of Financial Literacy and Its Impact on Investment Decisions: A Study on Generation Z in Jakarta. *Jurnal Inovasi Bisnis, 9*, 33-40.

[34] Utami, N., & Sitanggang, M. L. (2023). Peran Literasi Keuangan Dan Perkembangan Teknologi Finansial Terhadap Minat Berinvestasi Pada Masa Pandemi Covid19. *Jurnal Serina Ekonomi dan Bisnis, 1*(1), 12-21.

[35] Wardani, A. K., & Lutfi. (2016). Pengaruh literasi keuangan, experienced regret, risk tolerance, dan motivasi pada keputusan investasi keluarga dalam perspektif masyarakat Bali. *Journal of Business and Banking, 6*(2), 195-214. doi:10.14414/jbb.v6i2.996

[36] Widoatmodjo, S., & Onasie, V. (2020). Gender and Millennials in Indonesian Capital Market. *Advances in Economics, Business and Management Research, 174*.

[37] N. A. Hamdani, G. Abdul, F. Maulani, and M. G. Profile, “Entrepreneurial Self-Efficacy , Passion , and Opportunity Recognition in Garut ’ s Millennial Coffee Entrepreneurs,” vol. 7, no. 2, 2025.

e- ISSN: 2684-8945
DOI: https://doi.org/10.35899/biej.v8i 1.1163