

The Role of Investment Interest in Mediating the Influence of Financial Literacy and Financial Technology on Investment Decisions of Generation Z and Millennials

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ABSTRACT

This study examines the mediating role of investment interest in the relationship between financial literacy, financial technology, and investment decisions among Generation Z and millennials in Jakarta, Indonesia. A quantitative approach with an explanatory research design was employed. Data were collected from employed individuals aged 22–39 years using a five-point Likert-scale questionnaire. Respondents were selected through purposive sampling, and the data were analyzed using partial least squares structural equation modeling (PLS-SEM) with SmartPLS. The results indicate that financial literacy has a positive and significant effect on investment interest ($\beta = 0.315$, $p = 0.005$) and investment decisions ($\beta = 0.254$, $p = 0.016$). Financial technology also has a positive and significant effect on investment interest ($\beta = 0.321$, $p = 0.002$) and investment decisions ($\beta = 0.228$, $p = 0.028$). Furthermore, investment interest has a positive and significant effect on investment decisions ($\beta = 0.306$, $p = 0.001$). The model explains 20.9% of the variance in investment interest and 21.0% of the variance in investment decisions. These findings highlight the importance of financial literacy and financial technology in shaping investment interest and investment decisions among younger generations. The study emphasizes the need to strengthen financial education and digital literacy to encourage informed and responsible investment decisions. However, further analysis of indirect effects is needed to establish the mediating role of investment interest.

Keywords: Financial Literacy, Financial Technology, Investment Interest, Investment Decisions, Generation Z.

I. Introduction

The rapid development of digital technology has transformed the financial services industry, changing how individuals access financial information, manage their money, and make investment decisions. Digital financial services, including mobile banking, online investment platforms, and other financial technology applications, have reduced some of the practical barriers to participating in financial markets. These developments are particularly relevant to Generation Z and millennials, who increasingly encounter financial products and investment opportunities through digital channels. However, greater access to financial services does not necessarily ensure that individuals possess the knowledge, interest, and judgment required to make sound investment decisions. Understanding how financial knowledge, technological access,

and psychological factors interact is therefore important for explaining investment behavior in an increasingly digital financial environment.

Financial literacy is a fundamental component of responsible financial decision-making. It encompasses the knowledge and skills individuals need to understand financial concepts, evaluate risks, compare financial products, and make informed choices. Lusardi and Mitchell (2014) demonstrated the economic importance of financial literacy by reviewing evidence linking financial knowledge to financial decision-making and individual welfare. In Indonesia, the National Survey of Financial Literacy and Inclusion conducted by the Financial Services Authority (Otoritas Jasa Keuangan [OJK]) and Statistics Indonesia reported a financial literacy index of 65.43% and a financial inclusion index of 75.02% in 2024 (OJK, 2024). The difference between these indicators highlights the importance of considering not only access to financial services but also individuals' capacity to understand and use them appropriately. In the context of investment, limited financial knowledge may make it more difficult to assess potential returns, recognize financial risks, and select investment instruments that correspond to personal financial objectives.

Alongside financial literacy, financial technology has become an important feature of contemporary investment activity. Digital platforms can make financial information and investment services more accessible, facilitate transactions, and simplify the process of monitoring investments. Gomber et al. (2018) discussed the development of digital finance and financial technology as significant areas of change in financial services and identified opportunities for further research in this field. Nevertheless, technological convenience should not automatically be interpreted as evidence of sound investment behavior. Access to an investment application does not necessarily mean that users understand the products available, evaluate the associated risks, or make decisions consistent with their financial circumstances. Financial technology may therefore function as an enabling resource, while its relationship with investment decisions may also depend on users' financial knowledge and willingness to participate in investment activities.

These issues are particularly important in Jakarta, Indonesia, where this study focuses on employed members of Generation Z and the millennial generation. The study considers individuals aged 22–39 years who are potentially exposed to digital financial services while managing their personal income and financial priorities. In this setting, investment decisions may involve several considerations, including financial knowledge, the accessibility and perceived reliability of financial technology, and an individual's willingness to engage in investment activities. The central problem is therefore not simply whether young working adults can access financial technology, but whether financial literacy and technological access are associated with their investment interest and, ultimately, their investment decisions. Examining these relationships within a specific population and geographical setting can provide a more focused understanding of investment-related behavior.

Investment interest is relevant to this issue because the availability of financial information and services does not necessarily translate into active investment participation. Individuals may understand basic financial concepts and have access to investment platforms but remain reluctant to invest because of uncertainty, perceived risk, limited confidence, or competing financial priorities. The Theory of Planned Behavior provides a useful theoretical perspective for understanding the relationship between psychological intention and behavior. Ajzen (1991) explains that behavioral intentions are influenced by attitudes, subjective norms, and perceived behavioral control, and that intentions contribute to the prediction of actual behavior. Applied to investment, this perspective suggests that investment interest may help explain how financial knowledge and access to financial technology relate to individuals' decisions to allocate funds to investment instruments. However, investment interest should not be assumed to establish a causal mechanism without empirical testing.

Although financial literacy, financial technology, and investment decisions have been examined in previous research, their relationships require further investigation when investment interest is considered as a mediating variable. In particular, the combined relationships among financial literacy, financial technology, investment interest, and investment decisions need to be assessed within the population of employed Generation Z and millennial individuals in Jakarta. The research gap addressed by this study is therefore the

need to examine both the direct relationships of financial literacy and financial technology with investment decisions and their relationships with investment decisions through investment interest. This framing positions investment interest as a potential explanatory mechanism rather than merely another independent predictor. Empirical assessment of the indirect relationships is necessary to determine whether the proposed mediating role is supported.

Accordingly, this study aims to examine the effects of financial literacy and financial technology on investment interest and investment decisions among employed Generation Z and millennials in Jakarta, Indonesia, and to investigate the relationship between investment interest and investment decisions. It also seeks to assess whether investment interest mediates the relationships between financial literacy, financial technology, and investment decisions. Using a quantitative explanatory design and partial least squares structural equation modeling (PLS-SEM), the study evaluates the proposed relationships within an integrated research model. The findings are expected to contribute to the literature on financial behavior and digital finance by clarifying the relationships among financial knowledge, technological access, investment interest, and investment decisions. Practically, the study may provide insights for financial educators, financial service providers, and policymakers seeking to strengthen financial literacy and promote more informed and responsible investment participation among younger working adults.

II. Literature Review

2.1. Financial Literacy and Investment Decisions

Financial literacy is an important determinant of financial decision-making because it enables individuals to understand financial concepts, evaluate alternatives, and make informed choices under uncertainty. Lusardi and Mitchell (2014) explain that financial literacy is economically important because financial knowledge affects individuals' ability to manage resources and make decisions over their lifetimes. Similarly, the OECD (2023) conceptualizes financial literacy through financial knowledge, behavior, and attitudes, emphasizing that these dimensions collectively contribute to financial well-being. In investment contexts, financial literacy includes understanding interest rates, inflation, risk diversification, and the characteristics of financial instruments. Empirical evidence supports the relationship between financial literacy and investment participation. Van Rooij et al. (2011) found that individuals with greater financial literacy were more likely to participate in the stock market. Their findings suggest that financial knowledge can reduce informational barriers that prevent individuals from entering investment markets. In addition, Lusardi and Mitchell (2014) reviewed evidence showing that financial knowledge is associated with important financial behaviors and decisions. These findings provide a theoretical and empirical basis for expecting financial literacy to influence investment decisions.

This relationship is particularly relevant to younger investors, who may encounter investment opportunities through digital platforms while having different levels of financial experience. Chandra et al. (2023), in their study of young adults in Surabaya, examined financial literacy and risk perception in relation to investment decisions and reported significant relationships between these factors and investment decision-making. Rahima and Anindya (2025) also investigated financial literacy and investment decisions among Generation Z vocational students in Indonesia. Their research highlights the relevance of financial knowledge in understanding investment choices among younger populations. Nevertheless, financial literacy should not be interpreted as the sole determinant of investment decisions. Individuals with adequate financial knowledge may still refrain from investing because of limited income, risk aversion, uncertainty, or insufficient interest. Consequently, the relationship between financial literacy and investment decisions may involve psychological processes that explain how financial knowledge translates into investment-related action.

2.2. Financial Technology and Investment Decisions



Financial technology refers to the application of digital innovations to financial products, services, and processes. It encompasses digital payment systems, online investment platforms, mobile financial services, and automated financial advisory services. Arner et al. (2015) describe financial technology as part of the broader transformation of financial services through technological innovation. Gomber et al. (2018) further discuss digital finance as a developing field that changes financial service delivery and creates new opportunities for financial research. Financial technology may influence investment decisions by improving accessibility, transaction efficiency, information availability, and convenience. Digital investment platforms can enable users to compare financial products, monitor portfolio performance, and conduct transactions without relying exclusively on traditional financial intermediaries. From a technology acceptance perspective, Davis (1989) identifies perceived usefulness and perceived ease of use as important determinants of technology acceptance. These concepts help explain why individuals may adopt digital financial applications when they perceive them as useful and easy to operate.

However, the availability of financial technology does not automatically guarantee appropriate investment decisions. Digital platforms may reduce practical barriers while leaving informational and behavioral challenges unresolved. Individuals still need to assess the credibility of financial information, understand investment risks, and distinguish suitable products from unsuitable alternatives. Therefore, the relationship between financial technology and investment decisions should be examined alongside users' financial literacy and investment interest. Research in Indonesia has begun to investigate these relationships directly. Huda and Susanti (2024) examined financial literacy and financial technology in relation to investment decisions, with investment interest as a mediating variable, among millennials in Malang Regency. Their study provides a contextually relevant research framework for investigating the combined roles of financial literacy, financial technology, investment interest, and investment decisions. Nevertheless, findings from a particular population should not automatically be generalized to employed Generation Z and millennial individuals in Jakarta. Differences in employment status, financial circumstances, and investment experience may affect how individuals use financial technology when making investment decisions.

2.3. Investment Interest as a Mediating Variable

Investment interest represents an individual's inclination or willingness to engage in investment activities. It can be reflected in the desire to obtain investment information, explore investment instruments, and consider allocating funds to investment products. Investment interest is conceptually related to behavioral intention, although the two terms should not be treated as automatically identical unless their operational definitions and measurement items support that interpretation. The Theory of Planned Behavior (TPB), developed by Ajzen (1991), provides a theoretical foundation for understanding the relationship between intention and behavior. The theory proposes that behavioral intention is influenced by attitudes toward the behavior, subjective norms, and perceived behavioral control. Intention, in turn, is an important predictor of subsequent behavior. Applied to investment, this framework suggests that individuals may be more likely to make investment decisions when they develop a favorable evaluation of investing and a willingness to participate in investment activities.

Financial literacy may contribute to investment interest by improving individuals' understanding of financial products, potential returns, and investment risks. Better financial knowledge may help individuals evaluate investment opportunities more confidently and recognize the potential role of investment in long-term financial planning. Lim et al. (2018), in their study of young Malaysians, examined the relationship between financial knowledge and investment intention through risk perception and attitude. Their research demonstrates the importance of considering psychological mechanisms when explaining how financial knowledge relates to investment intention. Financial technology may also be associated with investment interest by making investment information and services more accessible. When individuals perceive digital financial platforms as useful and convenient, they may find it easier to explore investment opportunities and

become interested in participating. Nevertheless, the magnitude of this relationship may depend on whether users trust the platform, understand the products offered, and perceive investment activities as appropriate to their financial circumstances.

Investment interest may therefore provide a potential explanatory pathway connecting financial literacy and financial technology with investment decisions. Maulana et al. (2025) examined investment intention as a mediating variable in the relationships between digital financial literacy, cognitive ability, and investment decisions among Sharia investors in East Java. Their findings support the relevance of investment intention in understanding investment decision-making. Huda and Susanti (2024) likewise investigated investment interest as a mediator in the relationships between financial literacy, financial technology, and investment decisions. These studies provide a basis for examining investment interest as a mediator in the present research. However, mediation must be established empirically rather than inferred solely from significant direct relationships. The indirect effects of financial literacy and financial technology on investment decisions through investment interest should therefore be evaluated using an appropriate mediation procedure, such as bootstrapping within PLS-SEM.

2.4. Investment Decisions among Generation Z and Millennials

Investment decisions involve selecting financial instruments and determining how financial resources should be allocated among available investment alternatives. Such decisions may reflect financial knowledge, expected returns, risk perceptions, personal financial objectives, and access to investment services. Kahneman and Tversky (1979), through prospect theory, demonstrate that decision-making under risk can depart from the assumptions of conventional rational-choice models. Their work provides a behavioral perspective for understanding why investors may respond differently to perceived gains and losses. For Generation Z and millennials, investment decisions occur within an environment characterized by extensive digital information and increasingly accessible financial services. Yet access to information does not ensure that individuals can evaluate its quality or use it effectively. Financial literacy may help individuals interpret investment information, while financial technology may facilitate access to financial products and transactions. Investment interest may connect these enabling conditions with an individual's willingness to make an investment decision. The Indonesian context is particularly relevant because financial inclusion and financial literacy represent related but distinct dimensions of financial capability. OJK and Statistics Indonesia reported a financial literacy index of 65.43% and a financial inclusion index of 75.02% in the 2024 National Survey of Financial Literacy and Inclusion (OJK, 2024). These figures indicate that access to financial services and financial understanding should be considered separately. They do not, by themselves, establish the level of investment literacy or investment participation among Generation Z and millennials in Jakarta. Nevertheless, they provide a national context for investigating how financial knowledge and digital financial services relate to investment decisions.

2.5. Research Gap and Hypothesis Development

Previous studies have established important relationships between financial literacy, financial technology, investment intention, and investment decisions. However, three issues remain relevant to the present research. First, financial literacy and financial technology are often examined as separate determinants, whereas their combined relationships with investment interest and investment decisions warrant further assessment. Second, studies investigating investment intention or interest as a mediating variable have used different populations and contexts, including university students, young adults, and Sharia investors. Their findings cannot automatically be generalized to employed Generation Z and millennial individuals in Jakarta. Third, the mediating role of investment interest requires direct testing of indirect effects rather than conclusions based only on direct path coefficients.

To address these issues, the present study examines financial literacy and financial technology as predictors of investment interest and investment decisions, while also investigating the relationship between investment interest and investment decisions. The study further evaluates whether investment interest mediates the relationships of financial literacy and financial technology with investment decisions. By examining these relationships within a single PLS-SEM framework, the research seeks to clarify the direct and indirect relationships among the four constructs in the context of employed younger adults in Jakarta.

Based on the theoretical arguments and empirical evidence discussed above, the following hypotheses are proposed:

- H1: Financial literacy has a positive effect on investment interest.
- H2: Financial technology has a positive effect on investment interest.
- H3: Financial literacy has a positive effect on investment decisions.
- H4: Financial technology has a positive effect on investment decisions.
- H5: Investment interest has a positive effect on investment decisions.
- H6: Investment interest mediates the relationship between financial literacy and investment decisions.
- H7: Investment interest mediates the relationship between financial technology and investment decisions.

III. Research Method

3.1. Research Design

This study employed a quantitative approach with an explanatory research design to examine the relationships among financial literacy, financial technology, investment interest, and investment decisions. The explanatory design was used to test the proposed hypotheses and determine the direct and indirect effects among the research variables. The study examined four variables: financial literacy as the first independent variable (X1), financial technology as the second independent variable (X2), investment interest as the mediating variable (Z), and investment decisions as the dependent variable (Y).

3.2. Population and Sampling Technique

The population consisted of employed members of Generation Z and the millennial generation residing in Jakarta, Indonesia. Respondents aged 22–39 years during the study period were selected using purposive sampling. This sampling technique was applied to recruit participants who met the study's predetermined characteristics, namely belonging to the target age group, being employed, and residing in Jakarta.

3.3. Data Collection Instrument

Primary data were collected using a structured, closed-ended questionnaire distributed online through Google Forms. The questionnaire items were developed based on the operational definitions and indicators of each research variable. Responses were measured using a five-point Likert scale, ranging from 1 to 5. Financial literacy (X1) was measured using indicators covering knowledge of interest and inflation, financial planning, debt management, and financial attitudes. Financial technology (X2) was assessed through ease of access, system security, user trust, and feature innovation. Investment interest (Z) was measured through the desire to seek investment information, the intention to try investment instruments, and commitment to allocating funds. Investment decisions (Y) were assessed based on investment objectives, selection of investment instruments, fund allocation, and risk evaluation.

3.4. Data Analysis Technique

The data were analyzed using partial least squares structural equation modeling (PLS-SEM) with SmartPLS software. This technique was used to examine the relationships among the constructs and assess the proposed mediating role of investment interest. The analysis involved evaluating the measurement model and the structural model. The measurement model assessment examined the validity and reliability of the indicators and constructs. The structural model assessment was used to evaluate the explanatory power of the model and the hypothesized relationships among financial literacy, financial technology, investment interest, and investment decisions. The mediation analysis examined whether investment interest transmitted the effects of financial literacy and financial technology to investment decisions. Through this analytical approach, the study sought to determine both the direct effects of financial literacy and financial technology on investment decisions and their indirect effects through investment interest.

IV. Result and Discussion

4.1. Results

This study examined the relationships between financial literacy, financial technology, investment interest, and investment decisions among employed members of Generation Z and the millennial generation in Jakarta, Indonesia. The data were analyzed using partial least squares structural equation modeling (PLS-SEM) with SmartPLS. The analysis consisted of two main stages: measurement model assessment and structural model evaluation.

a. Measurement Model Assessment

Convergent validity was assessed by examining the outer loadings of the measurement indicators. All reported outer loading values exceeded 0.70, indicating that the indicators met the commonly used threshold for indicator reliability and adequately represented their respective constructs. Discriminant validity was evaluated using the heterotrait-monotrait ratio (HTMT). All HTMT values were below 0.90, suggesting that financial literacy, financial technology, investment interest, and investment decisions were empirically distinguishable. In addition, all variance inflation factor (VIF) values were below 5, indicating that multicollinearity was not a major concern under the threshold applied in this study. Overall, the reported results support the adequacy of the measurement indicators and the distinction between the constructs. However, construct reliability should also be reported using Cronbach's alpha and composite reliability, together with the average variance extracted (AVE), to provide a more comprehensive assessment of measurement quality.

b. Structural Model Assessment

The explanatory power of the structural model was assessed using the coefficient of determination (R^2). The R^2 value for investment interest was 0.209, indicating that financial literacy and financial technology jointly explained 20.9% of the variance in investment interest. The remaining 79.1% was associated with factors outside the model and unexplained variation. For investment decisions, the R^2 value was 0.210. This indicates that financial literacy, financial technology, and investment interest jointly explained 21.0% of the variance in investment decisions, while 79.0% remained unexplained by the predictors included in the model. These findings suggest that the model has limited explanatory power and that additional financial, social, and psychological factors may contribute to investment interest and investment decisions.

Table 1 presents the estimated path coefficients and their statistical significance.

Table 1. Structural Model Path Coefficients

Relationships between Variables	Path Coefficient (β)	t-value	p-value	Result
Financial literacy $\rightarrow$ Investment interest	0.315	2.834	0.005	Significant

Financial technology → Investment interest	0.321	3.102	0.002	Significant
Financial literacy → Investment decisions	0.254	2.410	0.016	Significant
Financial technology → Investment decisions	0.228	2.201	0.028	Significant
Investment interest → Investment decisions	0.306	3.452	0.001	Significant

The results indicate that all five direct relationships were positive and statistically significant at the 5% significance level. Financial literacy had a positive relationship with investment interest ($\beta = 0.315$, $t = 2.834$, $p = 0.005$), while financial technology also had a positive relationship with investment interest ($\beta = 0.321$, $t = 3.102$, $p = 0.002$). The path coefficient for financial technology was slightly higher than that for financial literacy. Financial literacy was positively associated with investment decisions ($\beta = 0.254$, $t = 2.410$, $p = 0.016$), as was financial technology ($\beta = 0.228$, $t = 2.201$, $p = 0.028$). Investment interest also showed a positive and statistically significant relationship with investment decisions ($\beta = 0.306$, $t = 3.452$, $p = 0.001$). Among the three predictors of investment decisions reported in Table 1, investment interest had the largest path coefficient. These findings support the proposed positive direct relationships among the research constructs. Nevertheless, the magnitude and practical importance of each relationship should be interpreted alongside the effect sizes and the explanatory power of the model.

c. Model Fit

Model fit was assessed using the standardized root mean square residual (SRMR), chi-square, and normed fit index (NFI). The reported SRMR value was 0.064, which is below the commonly used reference value of 0.08 and indicates an acceptable level of approximate model fit. The NFI value was 0.827. Although this value provides information about the model's fit relative to a baseline model, it is below the commonly used reference value of 0.90. Therefore, the NFI result should be interpreted cautiously rather than described as evidence of strong model fit. The chi-square value and its relevant assessment information should also be reported to enable a more complete evaluation. Taken together, the SRMR result is favorable, whereas the NFI indicates that model fit may be improved. The overall assessment should therefore consider multiple fit indicators rather than relying on a single statistic.

4.2. Discussion

a. The Relationship between Financial Literacy and Investment Interest

The results indicate that financial literacy has a positive and statistically significant relationship with investment interest ($\beta = 0.315$, $t = 2.834$, $p = 0.005$). This finding suggests that respondents with greater financial knowledge and understanding tend to report stronger interest in investment activities. One possible explanation is that financial literacy helps individuals understand financial concepts, evaluate investment alternatives, and recognize the potential benefits and risks associated with different investment instruments. Knowledge of interest rates, inflation, financial planning, and debt management may help individuals assess investment opportunities and determine their relevance to personal financial goals. Lusardi and Mitchell (2014) emphasize the economic importance of financial literacy in financial decision-making and long-term financial planning. Similarly, van Rooij et al. (2011) demonstrate the relevance of financial literacy to participation in stock markets.

The present finding is consistent with this perspective because financial knowledge may help individuals feel better informed when considering investment opportunities. For employed members of Generation Z and the millennial generation, this knowledge may contribute to a greater willingness to seek investment information and explore available instruments. However, this relationship does not establish that financial literacy alone guarantees investment participation. Investment interest may also depend on income, financial obligations, risk tolerance, and individual attitudes toward investing. The R^2 value of 0.209 for investment interest indicates that financial literacy and financial technology jointly explain only part of the variation in this construct. Other factors may therefore contribute to the development of investment interest.

b. The Relationship between Financial Technology and Investment Interest

Financial technology has a positive and statistically significant relationship with investment interest ($\beta = 0.321$, $t = 3.102$, $p = 0.002$). Among the two predictors of investment interest, financial technology has the

slightly larger path coefficient. This result suggests that the accessibility and perceived usability of technology-based financial services are relevant to respondents' interest in investment activities. Digital financial services can make financial information and investment platforms more accessible. Features such as ease of access, system security, user trust, and innovative functions may reduce practical barriers to exploring investment opportunities. Arner et al. (2015) discuss the development of financial technology as an important transformation in the delivery of financial services, while Gomber et al. (2018) describe digital finance and financial technology as significant areas of financial innovation.

The findings can also be interpreted through the Technology Acceptance Model developed by Davis (1989), which identifies perceived usefulness and perceived ease of use as important determinants of technology acceptance. In the context of this study, accessible and user-friendly financial technology may encourage individuals to explore digital investment services and develop greater interest in investing. Nevertheless, the path coefficient does not establish that financial technology is more important than financial literacy in every context. The difference between the two coefficients is relatively small, and no statistical comparison between them has been reported. Furthermore, the relationship between financial technology and investment interest may depend on whether users trust the platform, understand its functions, and can evaluate the financial products offered. Digital accessibility should therefore be accompanied by adequate financial knowledge and awareness of investment risks.

c. The Relationship between Financial Literacy and Investment Decisions

Financial literacy has a positive and statistically significant relationship with investment decisions ($\beta = 0.254$, $t = 2.410$, $p = 0.016$). This result indicates that higher financial literacy is associated with investment decision-making among the respondents, as represented by the indicators used in this study. Financial literacy can help individuals understand the relationship between risk and return, compare financial products, evaluate investment objectives, and consider the implications of allocating funds to different instruments. Lusardi and Mitchell (2014) explain that financial knowledge is important for making informed financial choices, while van Rooij et al. (2011) provide evidence of a relationship between financial literacy and stock market participation. The positive coefficient in this study supports the view that financial knowledge is relevant to investment decisions among employed members of Generation Z and the millennial generation in Jakarta. Individuals who understand basic financial concepts may be better equipped to evaluate investment alternatives rather than relying exclusively on recommendations, trends, or information encountered through digital platforms. However, this relationship should not be interpreted as proof that respondents with higher financial literacy always make optimal or profitable investments. The quality of an investment decision also depends on the reliability of available information, individual financial circumstances, risk preferences, and market conditions. Financial literacy is therefore an important factor, but it is not the sole determinant of investment decision-making.

d. The Relationship between Financial Technology and Investment Decisions

The results show that financial technology has a positive and statistically significant relationship with investment decisions ($\beta = 0.228$, $t = 2.201$, $p = 0.028$). This finding suggests that more favorable access to or perceptions of financial technology are associated with investment decision-making among the respondents. Financial technology may support investment decisions by simplifying access to investment information, facilitating transactions, and enabling users to compare available financial products. Gomber et al. (2018) highlight the importance of digital finance and financial technology in the transformation of financial services. In addition, the Technology Acceptance Model proposed by Davis (1989) suggests that perceived usefulness and ease of use help explain why individuals accept and use technology. In the context of this study, digital investment services may make it easier for younger working adults to explore investment instruments and allocate funds. Nevertheless, convenient access does not automatically produce sound financial decisions. Users may still encounter misleading information, misunderstand product characteristics, underestimate investment risks, or make decisions based on short-term market trends. The findings consequently highlight the importance of combining access to financial technology with financial education and responsible investment practices. Technology can facilitate the decision-making process, but its benefits depend partly on users' ability to understand the information and evaluate the risks associated with their choices.

e. The Relationship between Investment Interest and Investment Decisions

Investment interest has a positive and statistically significant relationship with investment decisions ($\beta = 0.306$, $t = 3.452$, $p = 0.001$). Of the three predictors of investment decisions presented in Table 1, investment interest has the largest path coefficient. This suggests that respondents who demonstrate stronger interest in investing also tend to report stronger investment decision-making. Interest may encourage individuals to seek information, compare investment alternatives, learn about financial products, and consider allocating funds to investment activities. These behaviors provide a plausible explanation for the positive relationship between investment interest and investment decisions observed in this study.

This finding can be interpreted through the Theory of Planned Behavior (TPB), which identifies behavioral intention as an important predictor of behavior (Ajzen, 1991). Within this theoretical perspective, an individual's intention to perform an action is influenced by attitudes, subjective norms, and perceived behavioral control. In the investment context, interest may reflect an individual's willingness to engage with investment opportunities, although investment interest and behavioral intention are not necessarily identical constructs. The results are consistent with the broader proposition that psychological readiness matters in financial decision-making. However, the relationship between interest and actual investment behavior may also depend on whether individuals have sufficient income, access to suitable financial products, and the confidence to act on their intentions. Because this study uses questionnaire-based measures, the results should be interpreted as relationships among the measured constructs rather than definitive evidence of subsequent real-world investment behavior.

f. The Mediating Role of Investment Interest

The proposed research model positions investment interest as a mediator linking financial literacy and financial technology to investment decisions. The results show that financial literacy and financial technology are significantly related to investment interest, and investment interest is significantly related to investment decisions. Both financial literacy and financial technology also have significant direct relationships with investment decisions. This pattern is consistent with the possibility that investment interest provides an explanatory pathway connecting financial knowledge and technology-related factors with investment decision-making. Financial literacy may help individuals recognize and evaluate investment opportunities, while financial technology may make those opportunities easier to access. These factors may be associated with stronger investment interest, which in turn is related to investment decisions.

The interpretation is theoretically compatible with the Theory of Planned Behavior, which emphasizes the role of intention in explaining behavior (Ajzen, 1991). It is also consistent with research emphasizing the relevance of financial knowledge to financial participation and decision-making (Lusardi & Mitchell, 2014; van Rooij et al., 2011). However, these theoretical and empirical perspectives provide context for interpreting the proposed mediation mechanism; they do not independently establish that mediation occurred in the present sample. The mediation hypotheses must be evaluated using the estimated indirect effects. Specifically, the indirect effect of financial literacy on investment decisions through investment interest and the indirect effect of financial technology on investment decisions through investment interest should be assessed using bootstrapped confidence intervals and p-values. Because the available results report only direct path coefficients, t-values, and p-values, the statistical significance of the two indirect effects cannot be independently verified from Table 1. If the bootstrapped indirect effects are statistically significant, the results would support the mediating role of investment interest. Since the direct relationships between financial literacy and investment decisions and between financial technology and investment decisions are also significant, a significant indirect effect in the same direction would be consistent with complementary partial mediation. This classification should only be made after the indirect-effect results have been examined.

g. Explanatory Power and Practical Implications

The coefficient of determination values indicate that financial literacy and financial technology explain 20.9% of the variance in investment interest, while financial literacy, financial technology, and investment interest explain 21.0% of the variance in investment decisions. These values suggest that the model captures some relevant relationships but leaves a substantial proportion of the variation unexplained. The findings should therefore be interpreted as evidence of statistically significant relationships within the proposed model rather than evidence that the included variables comprehensively explain investment

decision-making. Additional factors, such as income, financial obligations, risk tolerance, investment experience, social influence, and access to financial services, may help explain the remaining variation. These factors represent possible directions for future research and should not be treated as variables empirically confirmed by the present analysis. From a practical perspective, the findings suggest that financial education and access to reliable digital financial services should be considered complementary priorities. Financial institutions, regulators, and educational organizations could develop programs that strengthen understanding of financial planning, inflation, risk and return, diversification, and investment product characteristics. Digital education could also help users assess platform security, identify misleading information, and understand the risks associated with investment products.

Such initiatives should not focus solely on increasing investment interest or participation. They should also encourage informed, risk-aware, and financially appropriate decisions. For younger working adults, the objective should be to support investment decisions that are consistent with their financial circumstances and long-term goals. Overall, this study identifies positive and statistically significant relationships between financial literacy, financial technology, investment interest, and investment decisions. The results highlight the relevance of both financial knowledge and digital financial access, while also indicating that investment decision-making is influenced by factors beyond those included in the model. Further research using a broader set of explanatory variables and a clearly reported mediation analysis would help clarify the mechanisms underlying investment decisions among Generation Z and millennials.

V. Conclusion

This study examined the relationships between financial literacy, financial technology, investment interest, and investment decisions among employed members of Generation Z and the millennial generation in Jakarta. The findings indicate that financial literacy and financial technology have positive and statistically significant relationships with investment interest, with path coefficients of 0.315 and 0.321, respectively. Both variables also have positive and significant relationships with investment decisions, with coefficients of 0.254 for financial literacy and 0.228 for financial technology. Furthermore, investment interest has a positive and significant relationship with investment decisions ($\beta = 0.306$, $p = 0.001$). These findings highlight the relevance of financial knowledge, digital financial services, and investment interest in understanding investment decision-making among younger working adults. However, the proposed mediating role of investment interest requires confirmation through the statistical results of the indirect-effect analysis.

The findings have practical implications for financial institutions, regulators, and educational organizations. Financial literacy programs should strengthen individuals' understanding of financial planning, inflation, risk and return, diversification, and investment products. At the same time, financial technology providers should improve the accessibility, security, transparency, and usability of their platforms to support informed investment decisions. Financial education and digital financial literacy should be integrated to help Generation Z and millennials evaluate investment opportunities critically rather than relying solely on convenience or information available online. These initiatives should prioritize responsible investment behavior and decisions that align with individuals' financial circumstances, risk tolerance, and long-term goals.

This study has several limitations. First, the research focused on employed members of Generation Z and the millennial generation in Jakarta, which may limit the generalizability of the findings to other age groups, regions, and employment categories. Second, the model explained 20.9% of the variance in investment interest and 21.0% of the variance in investment decisions, indicating that other relevant factors were not included. Third, the questionnaire-based approach relied on respondents' reported information and examined relationships within the proposed model. Future research should involve respondents from different regions and socioeconomic backgrounds, incorporate additional variables such as income, risk tolerance, investment experience, financial attitudes, and social influence, and compare the behavior of different generational groups. Researchers should also report bootstrapped indirect effects and confidence intervals to establish whether investment interest significantly mediates the relationships between financial

literacy, financial technology, and investment decisions. Longitudinal research could further examine whether investment interest translates into actual investment behavior over time.

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