



Jurnal Riset Akuntansi dan Keuangan

Journal homepage: <https://ejournal.upi.edu/index.php/JRAK/>



The Influence of Financial Literacy and Gender Diversity on Digital Investment Decisions

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ABSTRACT	INFO ARTIKEL
This study examines the effects of financial literacy and gender on investment decisions among 115 Accounting students at the Indonesia University of Education (UPI) who use digital banking services. Employing a quantitative approach with multiple linear regression analysis, the findings reveal that financial literacy significantly and positively influences investment decisions ($\beta = 0.614$, $p < 0.001$), fostering more rational choices. Conversely, gender shows a weaker, statistically non-significant positive effect at the 5% level ($\beta = 0.198$, $p = 0.083$). Simultaneously, both variables account for 32% of the variance in investment decisions ($R^2 = 0.32$). These findings support Behavioral Finance Theory, proving that cognitive capability plays a far more crucial role than demographic characteristics in shaping investment behavior within a digital environment. Consequently, enhancing financial literacy among university students is vital to promoting responsible investment decision-making in the digital financial ecosystem.	Article History: <i>Submitted/Received 09 June 2026</i> <i>First Revised 18 June 2026</i> <i>Accepted 03 July 2026</i> <i>First Available online 17 July 2026</i> <i>Publication Date 25 August 2026</i> Keyword: <i>Digital Banking Services, Financial Literacy, Gender Diversity, Investment Decisions</i>
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1. INTRODUCTION

The rapid advancement of financial technology has transformed the global financial system by making investment services more accessible through digital banking and online investment platforms. Individuals can now purchase stocks, mutual funds, government bonds, and other financial instruments directly from mobile applications without visiting conventional financial institutions. The World Bank reported that digital financial services became one of the main drivers of financial inclusion following the widespread adoption of digital payments and online banking services after the COVID-19 pandemic (Demirgüç-Kunt et al., 2022). This transformation has expanded investment opportunities for younger generations, particularly university students who are highly engaged with digital technology. Digital platforms also simplify transactions by reducing costs and providing real-time access to financial information. The rapid expansion of digital investment services has increased concerns regarding whether users possess sufficient financial knowledge to make rational investment decisions.

Digital financial development has accelerated significantly in Indonesia during the past few years. The OECD reported that approximately 75 million Indonesians had adopted mobile payment services by 2021, while digital financial services continued to expand alongside improvements in financial inclusion (OECD, 2024). According to the World Bank, Indonesia remains one of the fastest-growing digital economies in Southeast Asia, supported by increasing internet penetration and smartphone ownership (Demirgüç-Kunt et al., 2022). These developments encourage more young adults to access digital banking applications for saving, investing, and managing personal finances. Despite these opportunities, the rapid growth of digital investment platforms has also exposed inexperienced investors to speculative behavior and investment fraud. This condition demonstrates that access to digital financial services alone is insufficient without adequate financial capability.

Financial literacy has become a fundamental competency for individuals participating in digital financial markets. Lusardi and Mitchell (2014) define financial literacy as the ability to understand financial concepts and apply them effectively when making financial decisions involving saving, borrowing, investing, and risk management. Individuals with stronger financial literacy are more capable of evaluating investment alternatives, understanding risk-return relationships, and selecting financial products that match their long-term objectives. Van Rooij et al. (2011) found that financially literate individuals participate more actively in financial markets and are more likely to diversify their investment portfolios. Huston (2010) also emphasized that financial literacy improves an individual's ability to process financial information before making investment decisions. These findings indicate that financial literacy remains one of the strongest predictors of rational investment behavior in the digital financial environment.

Financial literacy alone does not fully explain why individuals make different investment decisions under similar financial conditions. Behavioral finance suggests that psychological characteristics, confidence, emotions, and demographic factors also influence how investors evaluate financial information and respond to investment risk. Kahneman (2011) argued that investors frequently rely on intuitive thinking instead of analytical reasoning when facing uncertainty, causing decisions to deviate from rational economic assumptions. Thaler (2016) further explained that behavioral biases such as overconfidence, loss aversion, and mental accounting often shape investment behavior even when sufficient financial information is available. These behavioral tendencies become increasingly relevant in digital investment

environments where transactions can be completed within seconds through mobile applications. Behavioral finance provides a suitable theoretical foundation for explaining why financial literacy and demographic characteristics jointly influence digital investment decisions.

Among demographic factors, gender has consistently received attention because men and women often demonstrate different patterns of financial decision-making. Barber and Odean (2001) found that male investors generally exhibit greater confidence and trade more frequently than female investors, although excessive trading does not always improve investment performance. Bannier and Neubert (2016) also reported that differences in financial risk tolerance contribute to variations in portfolio selection and investment strategies between men and women. Women generally display more conservative investment behavior and spend more time evaluating financial risks before making investment decisions. Bucher-Koenen et al. (2017) further showed that gender differences are also associated with disparities in financial literacy across many countries, particularly regarding confidence in financial knowledge. These findings indicate that gender remains an important variable when explaining investment decisions in digital financial markets.

University students represent an appropriate population for examining digital investment behavior because they belong to the generation with the highest adoption of digital financial services. Mobile banking applications, electronic wallets, and online investment platforms have become part of students' daily financial activities, allowing them to begin investing at relatively young ages. Despite their familiarity with technology, OECD (2020) reported that many young adults still demonstrate limited financial literacy and inadequate understanding of financial risk. Limited financial capability may encourage impulsive investment decisions, excessive reliance on social media information, and participation in speculative investment activities. Digital accessibility has reduced barriers to entering financial markets, yet it has not automatically improved the quality of investment decision-making. This situation highlights the importance of investigating the factors that support responsible investment behavior among university students.

Previous studies have extensively examined the relationship between financial literacy and investment behavior, while other studies have investigated gender differences in financial decision-making independently. Van Rooij et al. (2011) demonstrated that financial literacy significantly increases participation in financial markets, whereas Barber and Odean (2001) emphasized that gender influences investment confidence and trading behavior. More recent studies have continued to focus on these variables separately, leaving limited evidence regarding their combined effects within digital banking environments, particularly among university students in developing economies (Kaiser et al., 2022). Indonesia has experienced rapid digital financial transformation, yet empirical evidence explaining how financial literacy and gender simultaneously shape digital investment decisions among students remains scarce. This limitation creates a gap between the expansion of digital investment services and the understanding of factors influencing responsible investment behavior. Examining both variables within a single empirical model is expected to provide a more comprehensive explanation of students' investment decisions in the digital era.

This study adopts Behavioral Finance Theory to explain investment decision-making in digital financial environments. Traditional finance assumes that investors behave rationally by maximizing expected returns based on complete information, whereas behavioral finance argues that actual decisions are influenced by cognitive limitations and psychological biases

(Kahneman, 2011). Thaler (2016) explained that investors frequently rely on heuristics, overconfidence, and subjective risk perceptions when evaluating investment opportunities. Financial literacy represents the cognitive capability that enables individuals to process financial information accurately, while gender reflects behavioral characteristics associated with differences in confidence and risk tolerance. Combining these perspectives provides a stronger theoretical framework for understanding investment decisions among students who actively use digital banking platforms. This framework supports the proposition that investment behavior results from the interaction between financial knowledge and individual behavioral characteristics.

Based on the identified research gap and the behavioral finance perspective, this study aims to analyze the influence of financial literacy and gender on investment decisions among university students who utilize digital banking services. The study specifically examines whether financial literacy contributes to more rational investment decisions and whether gender differences remain relevant in the context of increasingly accessible digital financial services. The findings are expected to enrich the behavioral finance literature by providing empirical evidence from a developing country experiencing rapid digital financial transformation. The results may also serve as a reference for universities, financial institutions, and policymakers in designing financial education programs that strengthen students' investment capabilities. Better financial literacy is expected to encourage more informed and responsible participation in digital investment activities. Based on the theoretical framework and previous empirical findings, this study proposes three hypotheses: H1, financial literacy positively influences investment decisions; H2, gender influences investment decisions; and H3, financial literacy and gender simultaneously influence investment decisions.

2. METHODOLOGY

This study employed a quantitative research approach using a cross-sectional survey design to investigate the influence of financial literacy and gender on investment decisions among undergraduate students. A quantitative approach was considered appropriate because it enables the measurement of relationships between variables using statistical techniques, while a cross-sectional design captures respondents' behavior at a single point in time (Sekaran & Bougie, 2019). The research was conducted among active Accounting Study Programme students at the Indonesia University of Education (UPI) who actively use digital banking services. The target population consisted of students who had experience using digital investment platforms, including stocks, mutual funds, or other digital investment products. Respondents were selected using purposive sampling based on three criteria: being an active undergraduate student, using digital banking services, and having investment experience. These criteria ensured that all respondents possessed sufficient experience to evaluate investment decision-making within digital financial environments.

A total of 115 valid questionnaires were collected and analyzed in this study. The sample size satisfies the minimum requirement for multiple linear regression analysis because it exceeds the recommended number of observations relative to the number of independent variables (Hair et al., 2022). Data were collected through an online questionnaire using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Financial literacy was operationalized through respondents' understanding of financial concepts, financial products, digital banking utilization, financial planning, and confidence in interpreting financial information, following the framework developed by Lusardi and Mitchell (2014).

Gender was included as an independent variable to examine behavioral differences in investment decision-making between male and female students. Investment decisions were measured through indicators reflecting investment activity, financial information analysis, risk-return evaluation, confidence in digital investment platforms, and future investment intentions.

Before hypothesis testing, the research instrument was evaluated through validity and reliability testing. Construct validity was assessed using item-total correlation analysis, while internal consistency was examined using Cronbach's Alpha, where coefficients greater than 0.70 indicate acceptable reliability (Hair et al., 2022). Descriptive statistics were first conducted to summarize respondents' characteristics and variable distributions. The proposed hypotheses were then tested using multiple linear regression because the study involved two independent variables influencing one dependent variable. The regression model is expressed as follows:

$$Investment\ Decision = \beta_0 + \beta_1(Financial\ Literacy) + \beta_2(Gender) + \varepsilon$$

Prior to estimating the regression model, classical assumption tests consisting of normality, multicollinearity, and heteroscedasticity tests were performed to ensure that the regression estimates were unbiased and efficient (Gujarati & Porter, 2009). Individual hypotheses were evaluated using the t-test, while the overall significance of the regression model was examined using the F-test with a significance level of 5%. The coefficient of determination (R^2) was also calculated to determine the proportion of variance in investment decisions explained by financial literacy and gender. Statistical analyses were performed using IBM SPSS Statistics. Participation in this study was voluntary, informed consent was obtained from all respondents before data collection, and all questionnaire responses were anonymized to maintain confidentiality and comply with ethical standards in social science research (Sekaran & Bougie, 2019).

Variable	Description	Indicator	Scale
X1: Financial Literacy	Measures understanding of financial concepts and their application to investment decisions	1. Digital bank usage 2. Basic financial concepts understanding 3. Familiarity with financial products 4. Confidence in interpreting financial information 5. Financial goal planning 6. Usage of digital banking for money management	Likert scale (1-5)
X2: Gender Diversity	Represents behavioral differences in financial decision-making between genders	1. Gender's influence on financial decisions 2. Comfort in financial decisions regardless of gender 3. Equal access to financial opportunities	Likert scale (1-5)

		4. Gender equality in understanding financial risks 5. Gender impact on confidence in investment decisions	
Y: Investment Decisions	Reflects the degree of informed, rational, and confident investment behavior	1. Digital investment activity 2. Analysis of financial information for investment decisions 3. Risk-return consideration in digital investments 4. Confidence in digital banking platforms 5. Future investment intentions	Likert scale (1-5)

3. RESULT AND DISCUSSION

This study looks at how financial literacy (X1) and gender diversity (X2) affect investment decisions (Y) among Accounting students at Indonesia University of Education (UPI) who use digital banking. The research uses a quantitative, cross-sectional survey and selects students who actively use digital banking and have experience with investment products. Financial literacy and gender differences are measured with a Likert scale, while investment decisions are assessed using behavioural indicators. This method allows for a thorough analysis of how these factors influence the investment choices of young people involved in digital finance.

The results of this study provide important insights into how financial literacy and gender diversity affect investment behaviour. Financial literacy (X1), which includes understanding concepts like risk, return, and diversification, is expected to have a direct and positive impact on how rational and confident students are when making investment decisions (Y). Gender diversity (X2) is measured as a binary variable (0 = female, 1 = male) to capture possible differences in decision-making styles and risk preferences. Previous studies show that men often have higher risk tolerance and more confidence in investing, while women are usually more cautious and risk-averse (Bannier & Neubert, 2016). By looking at both factors together, this study aims to show how financial literacy and gender influence students' investment decisions in digital banking. The hypothesis is that financial literacy improves investment decisions, and gender affects the decision-making process, which may lead to different investment behaviours between male and female students. Studying these links helps us better understand the roles of financial knowledge and gender in shaping investment choices today.

Descriptive statistics show how the data for each variable financial literacy (X1), gender diversity (X2), and investment decisions (Y) are distributed. Table 1 shows that the average financial literacy score (X1) is 19.7478, which means most students have a fairly high level of financial knowledge. The standard deviation is 2.75886, indicating moderate differences in financial literacy, with scores ranging from 11 to 25. This means that while many students are strong in financial literacy, there are still noticeable differences among them.

For gender diversity (X2), the mean value is 18.9391, indicating a relatively balanced perspective on the influence of gender in investment decisions among participants. The

standard deviation of 2.90881 suggests that responses regarding financial decision-making behaviour based on gender are moderately dispersed. Minimum and maximum values of 10 and 25, respectively, demonstrate that gender diversity in decision-making and confidence spans a broad range.

For investment decisions (Y), the average score is 18.2261, which means students generally show moderate, informed, and rational investment behaviour. The standard deviation is 3.62269, showing a wider spread in responses and differences in confidence and rationality. Scores range from 9 to 25, so while some students make very informed decisions, others are less confident or less rational in their investing.

Table 1. Descriptive Statistics of Variables

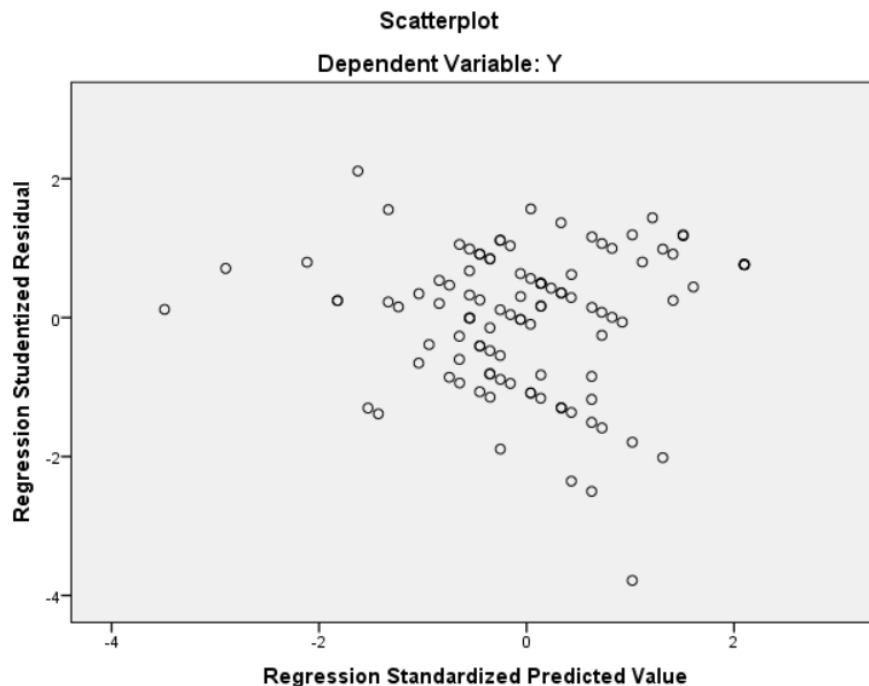
Variable	Mean	Standard Deviation	Minimum	Maximum	Count
X1: Financial Literacy	19.7478	2.75886	11	25	115
X2: Gender Diversity	18.9391	2.90881	10	25	115
Y: Investment Decisions	18.2261	3.62269	9	25	115

The results show that most respondents have moderate to high financial literacy and feel confident making investment decisions. However, there is still a lot of variation in both financial literacy and investment behaviour. Factors like gender and experience with digital banking and investment platforms may help explain these differences.

Figure 1 presents a scatter plot of the residuals from the regression analysis, which is essential for evaluating model adequacy and verifying the assumptions of linear regression. In this plot, standardised regression prediction values are displayed on the x-axis, while studentised regression residuals are shown on the y-axis. This diagnostic tool is used to identify patterns that could indicate issues with the model, such as non-linearity, heteroscedasticity, or outliers.

The scatter plot shows that the residuals are spread randomly around the zero line, with no clear pattern. This supports the assumption of linearity. There is no funnel shape or clustering, which means the spread of the residuals does not change with the predicted values. Also, there are no outliers or extreme values, which adds to the model's reliability.

These results suggest that the regression model fits the data well, as the residuals do not break any key assumptions. This means the regression analysis in this study gives valid and reliable results. The scatter plot also supports the statistical tests, showing that both financial literacy and gender diversity are important predictors of investment decisions among respondents.

Picture 1. Scatter Plot of Regression Standardized Predicted Values and Studentized Residuals

Sumber: Data Pengolahan Penelitian, 2026

Regression analysis helps us better understand how financial literacy and gender diversity relate to investment decisions. The model's R-squared value is 0.32, which means these factors explain about 32% of the differences in investment decisions. The F-statistic of 26.58 and a very low significance level (3.57E-10) show that the model is statistically significant. This means financial literacy and gender diversity both play important roles in explaining investment decisions.

The coefficient for financial literacy (X_1) is 0.61, with a very significant p-value of 1.24E-06. This shows a strong positive link between financial literacy and investment decisions. If financial literacy increases by one unit, the investment decision score goes up by 0.61, even when gender diversity is taken into account. The t-statistic of 5.13 also supports the importance of this relationship. These results agree with earlier research (Lusardi & Mitchell, 2017), which highlights how important financial literacy is for making good investment choices.

The coefficient for gender diversity (X_2) is 0.20, with a p-value of 0.08, which is higher than the usual cutoff of 0.05 for significance. This means gender diversity has a positive but weaker and less certain effect on investment decisions compared to financial literacy. The t-statistic of 1.75 shows it is only marginally significant at the 10% level. So, gender diversity may influence investment decisions, but not as strongly as financial literacy does. Earlier studies (Bannier & Neubert, 2016) also found mixed results about gender's impact on investment behavior, noting that male investors often take more risks and feel more confident in their decisions.

Table 2. Regression Results of Financial Literacy (X1) and Gender Diversity (X2) on Investment Decisions (Y)

Variable	Coefficient s	Standard Error	t- Statisti c	P-value	Lower 95%	Upper 95%
Intercep t	2.33936	2.23426	1.0470 4	0.29733501 7	- 2.0875373 6	6.76626054 2
Total x1	0.61403	0.11967172 5	5.1271 1	1.242E-06	0.3767389 2	0.85132392 9
Total x2	0.19858	0.11357853 5	1.7482 5	0.08316021 9	-0.0264794	0.42364011 7

The ANOVA results in this study evaluate how well the model explains whether financial literacy (X1) and gender diversity (X2) affect investment decisions (Y). Table 3 shows the key statistics used to test the significance of the regression model.

The sum of squares for regression is 481.57, and for residuals it is 1014.55, making the total 1496.12. The mean square for regression is 240.78, and for residuals it is 9.06. The F-statistic is 26.58, with a significance value of 3.57E-10. This very low significance level shows that the regression model is statistically significant, meaning financial literacy and gender diversity together explain much of the variation in investment decisions.

The F-statistic tests whether all model coefficients are zero. Because the F significance value is much lower than the usual 0.05 threshold, we can reject the null hypothesis. This means that financial literacy and gender diversity are both important in explaining differences in student investment decisions.

Table 3. ANOVA for Regression Model

Source	df	SS	MS	F	Significance F
Regression	2	481.5680234	240.784	26.58096	3.57482E-10
Residual	112	1014.553716	9.05852		
Total	114	1496.121739			

The very low p-value (3.57482E-10) and significant F-statistic show that financial literacy and gender diversity together strongly influence investment decisions. This supports using the regression model and confirms that both factors are important predictors of investment behaviour in digital banking. The results support the idea that financial literacy and gender diversity together affect investment decisions, which strengthens the model's validity. These findings are consistent with earlier research showing that both knowledge and demographic factors shape financial decision-making (Lusardi & Mitchell, 2017; Bannier & Neubert, 2016).

Regression analysis and ANOVA show that both financial literacy (X1) and gender diversity (X2) have a significant impact on investment decisions (Y) among undergraduate students. The model is statistically significant, with an F-statistic of 26.58095761 and a significance F of 3.57482E-10, meaning these variables explain a meaningful part of the variation in investment behaviour. Financial literacy (X1) has a coefficient of 0.61403 and a p-value of 1.242E-06, showing a strong positive effect on investment decisions. This means that students with higher financial literacy tend to make more informed and rational investment choices, which matches earlier research (Lusardi & Mitchell, 2017). Gender diversity (X2) has a coefficient of

0.19858 and a p-value of 0.08316, indicating a positive but weaker effect that is statistically significant at the 10% level. While gender diversity does influence investment decisions, its effect is smaller than that of financial literacy. These results show that financial literacy plays the main role in shaping investment decisions, but gender is still a relevant factor in digital banking. The strong link between financial literacy (X1) and investment decisions (Y) fits with the theoretical framework from the Introduction and Research Methodology chapters. Research by Lusardi & Mitchell (2017) also found that higher financial literacy leads to more active participation in financial markets and better decision-making. This study supports that view, showing that financial literacy helps reduce financial mistakes and helps people handle modern financial products. The positive impact of financial literacy also matches behavioural finance theory, which says that financial knowledge directly affects how people process financial information and make investment decisions.

The effect of gender diversity (X2) on investment decisions in this study is similar to findings in behavioural finance, especially those by Bannier & Neubert (2016), who found that men and women often invest differently due to differences in risk tolerance and decision-making styles. The positive connection between gender diversity and investment decisions supports the idea that gender influences financial behaviour. Men tend to take more risks and show more confidence, while women are usually more cautious and risk-averse. However, the weaker and less significant effect of gender diversity in this study suggests that gender may be less important in digital banking. This might be because digital financial platforms are more accessible and user-friendly, which can help reduce traditional gender barriers in financial decision-making.

This result matches the theoretical framework from the Introduction, which suggests that digital financial platforms can help reduce some of the inequalities seen in traditional financial markets. The study used a cross-sectional survey and multiple regression analysis, following standard methods for examining the links between financial literacy, gender, and investment behaviour in behavioural finance. These results support existing theories and also provide new insights by showing how financial literacy and gender influence investment decisions in digital banking. This is important because it helps us better understand how these factors interact in today's technology-driven financial world.

Effect of Financial Literacy on Investment Decisions (H1)

The first hypothesis (H1) proposes that financial literacy positively influences investment decisions among university students using digital banking services. The regression analysis confirms this hypothesis, as financial literacy produced a regression coefficient of 0.61403 with a t-statistic of 5.12711 and a significance value of 1.242E-06. Since the significance value is substantially lower than the 5% significance level, H1 is accepted, indicating that financial literacy has a positive and statistically significant effect on investment decisions. These findings demonstrate that students with greater financial knowledge tend to make more rational and informed investment decisions than students with lower financial literacy. The positive coefficient further indicates that every increase in financial literacy contributes to an improvement in investment decision quality while controlling for the influence of gender. This result suggests that financial knowledge remains an essential determinant of investment behavior among university students who actively utilize digital banking platforms.

The significant influence of financial literacy can be explained through the ability of financially literate individuals to understand and evaluate financial information before making

investment decisions. Students who understand concepts such as inflation, interest rates, diversification, investment risk, and expected returns are generally better prepared to compare available investment alternatives and estimate potential risks. Financial literacy also enables investors to distinguish credible financial information from speculative recommendations commonly circulated through digital media and social networking platforms. Lusardi and Mitchell (2014) argued that financially literate individuals are more likely to participate in financial markets because they possess sufficient knowledge to evaluate investment opportunities objectively. Similarly, van Rooij et al. (2011) found that individuals with higher financial literacy tend to diversify their portfolios and participate more actively in investment markets due to better financial understanding. Allgood and Walstad (2016) further demonstrated that both actual and perceived financial literacy significantly influence financial behavior because financially knowledgeable individuals exhibit greater confidence when making financial decisions while maintaining better financial judgment.

These findings strongly support Behavioral Finance Theory, which explains that investment decisions are influenced not only by market information but also by an individual's cognitive capability to process financial information effectively. Kahneman (2011) suggested that investors frequently rely on intuitive judgments when confronted with uncertainty, potentially leading to irrational investment behavior. Financial literacy reduces this tendency because investors possessing stronger financial knowledge are more capable of evaluating objective financial information before making investment decisions. Thaler (2016) also emphasized that behavioral biases such as overconfidence, mental accounting, and loss aversion frequently distort investment decisions, yet adequate financial literacy can mitigate the influence of these biases by encouraging more analytical evaluation of financial opportunities. In the context of digital banking, where financial transactions can be executed rapidly through mobile applications, financial literacy becomes increasingly important because investors continuously encounter abundant financial information requiring careful evaluation. The findings of this study indicate that improving financial literacy remains one of the most effective strategies for encouraging responsible investment behavior among university students while reducing irrational investment decisions within digital financial environments.

Effect of Gender on Investment Decisions (H2)

The second hypothesis (H2) proposes that gender influences investment decisions among university students using digital banking services. The regression analysis indicates that gender has a positive regression coefficient of 0.19858 with a t-statistic of 1.74825 and a significance value of 0.08316. Although the regression coefficient is positive, the significance value exceeds the conventional 5% significance level, indicating that gender does not have a statistically significant effect on investment decisions at the 95% confidence level. However, the result remains significant at the 10% significance level, suggesting that gender still contributes to investment decision-making, albeit with a relatively weaker influence than financial literacy. These findings imply that differences in investment behavior between male and female students continue to exist, but they are not sufficiently strong to become the primary determinant of investment decisions within the observed sample. Consequently, H2 receives only partial empirical support because gender contributes to investment decisions but its influence is considerably weaker than that of financial literacy.

The relatively weak influence of gender may reflect the changing characteristics of investment behavior in the digital financial environment. Digital banking platforms provide

standardized financial information, automated investment features, educational content, and equal access to investment products regardless of gender. Such conditions reduce information asymmetry that traditionally differentiated male and female investors in conventional financial markets. Students from both genders are exposed to similar financial information through mobile applications, online investment platforms, webinars, and digital financial education programs, enabling them to make investment decisions using comparable information resources. As digital financial services become increasingly accessible, investment decisions are likely to depend more heavily on financial knowledge and analytical capability than on demographic characteristics alone. This finding suggests that technological development has gradually narrowed behavioral differences traditionally associated with gender in financial decision-making.

The results of this study partially support previous findings in behavioral finance literature while also indicating changing investment patterns among young investors. Barber and Odean (2001) reported that male investors generally exhibit greater confidence and trade more frequently than female investors, often resulting in higher portfolio turnover driven by overconfidence rather than superior investment performance. Bannier and Neubert (2016) similarly found that men tend to demonstrate greater willingness to accept investment risk, whereas women generally display more conservative financial behavior and stronger risk aversion. Bucher-Koenen et al. (2017) further explained that gender differences in investment behavior are frequently associated with disparities in financial literacy and confidence rather than biological differences themselves. The present findings indicate that these traditional gender differences become less pronounced among university students who utilize digital banking because both male and female students have relatively similar opportunities to access financial information and investment services. This evidence suggests that improving financial literacy and expanding access to digital financial education may contribute more substantially to improving investment decisions than focusing solely on demographic characteristics such as gender.

Simultaneous Effect of Financial Literacy and Gender on Investment Decisions (H3)

The third hypothesis (H3) proposes that financial literacy and gender simultaneously influence investment decisions among university students using digital banking services. The regression results support this hypothesis, as the ANOVA test produced an F-statistic of 26.58096 with a significance value of 3.57482×10^{-10} , which is substantially lower than the 0.05 significance level. These findings indicate that the regression model is statistically significant, meaning that financial literacy and gender jointly explain variations in investment decisions among the respondents. Furthermore, the coefficient of determination (R^2) of 0.32 indicates that approximately 32% of the variation in investment decisions can be explained by the two independent variables included in this study. Although this explanatory power can be categorized as moderate, it demonstrates that financial literacy and gender collectively contribute to shaping investment behavior among university students using digital banking services. The remaining 68% of the variation is likely influenced by other factors that were not incorporated into the present regression model, indicating that investment decision-making is a multidimensional process influenced by various cognitive, behavioral, and socioeconomic factors.

The simultaneous influence identified in this study reflects the complexity of investment decision-making within digital financial environments. Financial literacy provides individuals with the cognitive ability to understand investment products, evaluate financial risks, and

interpret available financial information objectively, while gender contributes through behavioral characteristics associated with confidence, risk perception, and investment preferences. When these variables are examined together, financial literacy emerges as the dominant determinant of investment decisions, whereas gender provides a complementary contribution with a relatively smaller effect. This finding suggests that adequate financial knowledge can reduce behavioral differences traditionally associated with gender because informed investors tend to rely more on objective financial analysis than on subjective judgment. Digital banking platforms further strengthen this condition by providing equal access to financial information, investment tools, market data, and educational resources for both male and female users. As access to digital financial services becomes increasingly inclusive, investment decisions appear to depend primarily on financial capability rather than demographic characteristics alone.

These findings are consistent with Behavioral Finance Theory, which argues that investment behavior is influenced by the interaction between cognitive capability and behavioral characteristics rather than by economic information alone (Kahneman, 2011). Financial literacy enhances investors' ability to evaluate financial information rationally, while behavioral factors, including confidence and risk tolerance, continue to influence how investment opportunities are perceived and selected (Thaler, 2016). The present findings are also consistent with Lusardi and Mitchell (2014), who concluded that financial literacy improves investment participation and financial decision quality by strengthening individuals' understanding of financial concepts. Similarly, Kaiser et al. (2022) demonstrated that financial education positively affects financial knowledge and subsequently improves financial behavior, while Allgood and Walstad (2016) emphasized that financial literacy contributes directly to better financial decision-making through improved confidence and analytical capability. Collectively, these findings indicate that strengthening financial literacy should become a primary strategy for universities, financial institutions, and policymakers seeking to improve the quality of investment decisions among young investors. Expanding financial education alongside broader access to reliable digital financial information is expected to encourage more rational investment behavior, reduce susceptibility to speculative investment practices, and promote sustainable participation in digital financial markets.

Theoretical and Practical Implications

The findings of this study contribute to the development of Behavioral Finance Theory by providing empirical evidence that investment decisions among university students are influenced by both cognitive and behavioral factors. Financial literacy emerged as the strongest predictor of investment decisions, indicating that knowledge and financial capability play a greater role than demographic characteristics in explaining investment behavior within digital banking environments. Although gender demonstrated a positive relationship with investment decisions, its relatively weak statistical effect suggests that differences traditionally observed between male and female investors may become less pronounced as access to financial information becomes increasingly equal through digital financial platforms. This finding supports the argument that technological advancement can reduce information asymmetry and enable investment decisions to be based more on knowledge than on demographic characteristics. Behavioral Finance Theory explains that investors do not always behave rationally because they are influenced by heuristics, emotions, confidence, and risk perception (Kahneman, 2011; Thaler, 2016). The present study extends this theoretical perspective by demonstrating that financial literacy can strengthen

investors' cognitive capability and partially reduce the influence of behavioral biases when making investment decisions in digital financial markets.

The empirical findings also provide practical implications for universities, financial institutions, and policymakers responsible for improving financial capability among young adults. Universities should strengthen financial education by integrating investment literacy, digital finance, portfolio management, and risk analysis into undergraduate curricula so that students are better prepared to participate in increasingly complex financial markets. Financial institutions and digital banking providers should complement technological innovation with educational initiatives, including investment simulations, financial planning modules, and decision-support tools that improve users' financial capability rather than merely facilitating transactions. Regulatory institutions such as the Financial Services Authority (OJK) may also expand financial literacy campaigns focusing on digital investment, fraud prevention, and responsible financial behavior among young investors. Such initiatives are expected to improve the quality of investment decisions while reducing speculative behavior resulting from limited financial knowledge. Strengthening collaboration among educational institutions, regulators, and financial service providers may create a more financially literate generation capable of utilizing digital financial services responsibly and sustainably. These efforts are expected to enhance financial inclusion while simultaneously improving the quality of investment participation within Indonesia's rapidly growing digital financial ecosystem.

4. CONCLUSION

This study examined the influence of financial literacy and gender on investment decisions among Accounting Study Programme students at the Indonesia University of Education (UPI) who actively use digital banking services. The findings indicate that financial literacy has a positive and statistically significant effect on investment decisions, demonstrating that students with higher levels of financial knowledge are more capable of evaluating investment opportunities, understanding financial risks, and making rational investment decisions. These findings support Behavioral Finance Theory, which suggests that cognitive capability plays an important role in reducing irrational financial behavior and improving the quality of investment decision-making. In contrast, gender exhibits a positive but relatively weak influence on investment decisions. Although gender shows a marginal relationship with investment behavior, its effect is substantially smaller than that of financial literacy, suggesting that the increasing accessibility of digital financial services may reduce traditional gender differences in investment activities.

The simultaneous regression analysis further demonstrates that financial literacy and gender collectively influence investment decisions among university students. The significant F-test confirms that the proposed regression model is statistically valid, while the coefficient of determination indicates that both variables explain 32% of the variation in investment decisions. This finding implies that investment behavior is influenced not only by financial literacy and gender but also by other factors that were not included in the present study. Variables such as financial self-efficacy, investment experience, income level, risk perception, financial attitude, and technological readiness may provide additional explanatory power and should be considered in future research. These results reinforce the importance of integrating cognitive and behavioral perspectives when explaining investment behavior in digital financial environments.

The findings provide several practical implications for educational institutions, financial service providers, and policymakers. Universities are encouraged to strengthen financial education by integrating investment literacy, digital finance, portfolio management, and risk assessment into academic curricula to improve students' financial capability. Financial institutions and digital banking providers should complement technological innovation with educational features that help users understand financial products and investment risks before making investment decisions. Policymakers, particularly the Financial Services Authority (OJK), may also expand digital financial literacy programs that emphasize responsible investing and fraud prevention among young investors. Future studies are recommended to include respondents from multiple universities and broader demographic groups to improve the generalizability of the findings. Further research should also incorporate additional behavioral and socioeconomic variables and employ longitudinal research designs to provide a more comprehensive understanding of investment decision-making in the rapidly evolving digital financial ecosystem.

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