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Determinants of Digital Gold Investment Intention among University Students: The Role of Financial Literacy and Financial Technology Adoption

Achmad Rizal[1]*

[1]Universitas Islam Indonesia, Indonesia

*Corresponding Author: achmadrizal@uii.ac.id

ABSTRACT

The rapid growth of financial technology has transformed traditional investment practices, including the emergence of digital gold as an accessible and flexible investment instrument. This study aims to examine the determinants of digital gold investment intention among students in Indonesia by integrating financial literacy, subjective norm, and risk perception within a behavioral framework. A quantitative approach was employed using survey data collected from 489 students, and the data were analyzed using Structural Equation Modeling (SEM). The results reveal that financial literacy and subjective norm have positive and significant effects on digital gold investment intention, with subjective norm emerging as the most dominant predictor. Interestingly, risk perception is also found to have a positive and significant effect, contrary to the initial hypothesis. This finding suggests that risk perception in digital investment contexts may function as informed awareness rather than a deterrent. The model demonstrates strong explanatory and predictive power, indicating its robustness in explaining investment behavior. This study contributes to the literature by extending investment behavior research into the context of digital gold and highlighting the critical role of social influence and risk awareness among young investors. The findings also offer practical implications for financial institutions and policymakers in promoting responsible digital investment adoption.

Keywords: financial literacy; subjective norm; risk perception; digital gold; investment intention

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INTRODUCTION

The rapid digital transformation in the financial sector has fundamentally reshaped the structure of financial intermediation and investment behavior. Financial technology (fintech) innovations have significantly improved accessibility, efficiency, and inclusiveness of financial services, particularly through mobile-based platforms that reduce transaction costs and information asymmetry (Gomber et al., 2018; Lee & Shin, 2018; Thakor, 2020). Beyond payments and lending, fintech has also transformed investment activities by enabling retail investors to participate in financial markets with lower entry barriers and enhanced convenience (Goldstein et al., 2019; Vives, 2017; Philippon, 2016). One financial instrument experiencing substantial digital transformation is gold, traditionally regarded as a safe haven asset and an effective hedge against inflation and economic uncertainty (Baur & Lucey, 2010; Reboredo,

2013; Shahzad et al., 2019). The emergence of digital gold platforms allows investors to purchase fractional gold holdings via mobile applications with integrated custodial systems, thereby democratizing access to gold investment, especially among younger and less capitalized investors (Arner et al., 2016; Frost, 2020; Haddad & Hornuf, 2019).

Students, as part of Generation Z, represent a critical segment in the adoption of fintech-based investment products due to their strong digital orientation and high exposure to technology. This generation is characterized by digital nativity, rapid information processing, and a strong inclination toward mobile-based financial services (Priporas et al., 2017; Francis & Hoefel, 2018; Djafarova & Bowes, 2021). Empirical evidence suggests that younger individuals are more likely to adopt fintech services compared to older generations, particularly in investment-related platforms (Ryu, 2018; Yang et al., 2021; Hu et al., 2019). However, increased access to digital financial services does not necessarily translate into sound financial decision-making. Several studies highlight that inadequate financial literacy among young investors may lead to behavioral biases such as overconfidence, herding behavior, and suboptimal investment choices (Lusardi & Mitchell, 2014; Stolper & Walter, 2017; Barber & Odean, 2001).

In the Indonesian context, the gap between financial inclusion and financial literacy remains a critical issue. Although access to financial services has improved significantly, financial literacy levels—particularly Islamic financial literacy—remain relatively low, creating potential vulnerabilities in financial decision-making (OJK, 2024; Grohmann, 2018; Bongini & Cucinelli, 2019). This imbalance is particularly concerning in the context of fintech-based investment products, where ease of access may encourage impulsive or poorly informed decisions (Ryu, 2018; Zhao & Zhang, 2021; Barberis & Thaler, 2003). Empirical studies consistently demonstrate that financial literacy plays a significant role in shaping investment behavior, risk assessment, and long-term financial planning (Van Rooij et al., 2011; Calcagno & Monticone, 2015; Lusardi & Mitchell, 2014).

While prior studies on gold investment have largely focused on its financial characteristics such as hedging ability, diversification benefits, and resilience during economic crises (Baur & Lucey, 2010; Reboredo, 2013; Bredin et al., 2015), recent literature has begun to explore behavioral and social determinants influencing investment decisions. Social influence, particularly subjective norms, has been shown to significantly affect individual financial behavior, especially among younger investors who are more susceptible to peer influence and social validation (Aren & Zengin, 2016; Eastman et al., 2012; Hoffmann & Broekhuizen, 2009). Additionally, behavioral finance literature emphasizes that investment decisions are not purely rational but are shaped by cognitive biases and social interactions (Kahneman & Tversky, 1979; Shefrin, 2007; Baker & Wurgler, 2007).

In this context, Rizal et al. (2025) provide empirical evidence that financial literacy, financial socialization, and subjective norms play a crucial role in shaping gold investment intention across Muslim generational cohorts, with Generation Z investors being more strongly influenced by social expectations and financial knowledge. These findings are consistent with the broader behavioral finance literature, which highlights that investment decisions are not purely rational but are shaped by cognitive biases, social dynamics, and generational characteristics (Kahneman & Tversky, 1979; Shefrin, 2007; Baker & Wurgler, 2007). However, while Rizal et al. (2025) offer important insights into generational differences in gold investment behavior, their study does not explicitly account for the role of digital investment platforms and technology-driven mechanisms, which are increasingly relevant in shaping investment behavior among students in the fintech era.

Despite these advancements, limited research has specifically examined digital gold investment behavior among students by integrating financial literacy, subjective norms, and risk perception into a unified framework. The Technology Acceptance Model (TAM) provides a relevant theoretical foundation for understanding how individuals adopt technology-based financial services through perceived usefulness and ease of use (Davis, 1989; Venkatesh et al., 2003; Oliveira et al., 2016). However, TAM alone may not sufficiently capture behavioral and cognitive dimensions relevant to financial decision-making. Integrating financial literacy and risk perception into the model is therefore essential

to provide a more comprehensive explanation of digital gold investment intention, particularly in emerging markets (Morgan & Long, 2020; Zhao & Zhang, 2021; Ryu, 2018).

Based on the above discussion, this study proposes an integrative model incorporating financial literacy, subjective norms, and risk perception to explain digital gold investment intention among students. Financial literacy is expected to enhance individuals' ability to evaluate investment opportunities and risks, thereby increasing their intention to invest (Lusardi & Mitchell, 2014; Van Rooij et al., 2011; Grohmann, 2018). Subjective norms are expected to influence investment intention through social pressure and peer influence, particularly in digitally connected environments (Ajzen, 1991; Aren & Zengin, 2016; Eastman et al., 2012). Meanwhile, risk perception is expected to play a critical role in shaping investment decisions, as individuals tend to avoid investments perceived as highly risky (Ryu, 2018; Zhao & Zhang, 2021; Barberis & Thaler, 2003).

This study contributes to the literature in three ways. First, it extends gold investment research into the context of digital platforms. Second, it focuses on student investors as a digitally native cohort. Third, it reveals an unexpected positive relationship between risk perception and investment intention, offering new insights into risk awareness in fintech environments.

LITERATURE REVIEW

Theoretical Framework

This study is grounded in the Theory of Planned Behavior (TPB), which posits that behavioral intention is influenced by social and cognitive factors, particularly subjective norms, attitudes, and perceived behavioral control (Ajzen, 1991). In financial decision-making contexts, TPB has been widely applied to explain how social pressure and individual perceptions shape investment intentions, especially in emerging markets and fintech environments (Venkatesh et al., 2003; Oliveira et al., 2016; Ryu, 2018). Within digital investment platforms, subjective norms become increasingly important due to the role of peer influence, online communities, and social media in shaping financial decisions.

To complement TPB, this study adopts insights from behavioral finance theory, which argues that financial decisions are not purely rational but are influenced by psychological biases, heuristics, and emotions (Kahneman & Tversky, 1979; Barberis & Thaler, 2003; Baker & Wurgler, 2007). This perspective is particularly relevant in fintech-based investment environments, where ease of access and real-time information may amplify speculative behavior and herd dynamics. In addition, financial literacy theory emphasizes the role of knowledge and cognitive ability in shaping financial decision-making, suggesting that individuals with higher literacy are more capable of evaluating risks and making rational investment choices (Lusardi & Mitchell, 2014; Grohmann, 2018; Van Rooij et al., 2011). The integration of these perspectives provides a comprehensive framework for explaining digital gold investment intention.

The integration of these theoretical perspectives is essential to fully explain investment behavior in digital financial environments. While the Theory of Planned Behavior explains intention through social influence, behavioral finance provides insights into cognitive biases and decision-making heuristics, and financial literacy emphasizes the role of knowledge in shaping rational financial behavior. This study integrates these perspectives to capture the cognitive, social, and risk-related dimensions of digital investment behavior, particularly in the context of digital gold investment among students.

Digital Gold Investment

Investment refers to the allocation of resources with the expectation of generating future returns, either through financial assets or real assets (Qoyum & Rizal, 2022; Stevanus & Rahadi, 2021). Among real assets, gold has long been recognized as a safe haven and an effective hedge against inflation and economic

uncertainty (Baur & Lucey, 2010; Reboredo, 2013; Shahzad et al., 2019). Its stability, liquidity, and resilience to market volatility make it an attractive option for risk-averse investors.

Recent developments in financial technology have transformed traditional gold investment into digital formats, allowing investors to purchase fractional gold through mobile-based platforms with integrated custodial systems (Arner et al., 2016; Frost, 2020; Haddad & Hornuf, 2019). These innovations reduce entry barriers and enhance accessibility, particularly for younger generations. Digital gold platforms also provide transparency, flexibility, and convenience, which increase user engagement and participation in investment activities (Philippon, 2016; Goldstein et al., 2019; Gozman et al., 2018). Consequently, digital gold represents a convergence between traditional safe-haven assets and modern fintech-driven investment behavior.

Financial Literacy

Financial literacy refers to the ability to understand financial concepts, evaluate risks, and make informed financial decisions. It plays a critical role in influencing investment behavior, particularly in complex and technology-driven financial environments (Lusardi & Mitchell, 2014; Van Rooij et al., 2011; Grohmann, 2018).

Individuals with higher financial literacy are more likely to participate in financial markets, demonstrate better financial planning, and exhibit greater confidence in managing investments. In the context of digital gold investment, financial literacy is essential as investors must understand both the characteristics of gold and the operational mechanisms of digital platforms. Empirical studies show that financial literacy positively influences investment intention and reduces susceptibility to behavioral biases (Calcagno & Monticone, 2015; Bongini & Cucinelli, 2019; Xiao & Porto, 2017).

Subjective Norm

Subjective norm refers to perceived social pressure from important others to perform or avoid a particular behavior (Ajzen, 1991). In investment contexts, this includes the influence of family, peers, and social networks. The role of subjective norms is particularly significant in digital environments where information exchange and social validation occur rapidly.

Empirical studies indicate that subjective norm significantly affects investment intention and fintech adoption (Aren & Zengin, 2016; Hoffmann & Broekhuizen, 2009; Ryu, 2018). Furthermore, Rizal et al. (2025) find that subjective norms and financial literacy significantly influence gold investment behavior across generational cohorts, with Generation Z being more responsive to social influence. This highlights the importance of subjective norm in shaping digital gold investment intention.

Risk Perception

Risk perception refers to an individual's subjective evaluation of uncertainty and potential losses associated with an investment decision. Behavioral finance theory suggests that individuals tend to avoid investments perceived as highly risky, even when expected returns are favorable (Kahneman & Tversky, 1979; Barberis & Thaler, 2003; Shefrin, 2007).

In digital investment contexts, risk perception extends beyond market risk to include technological risks such as security concerns, fraud, and platform reliability (Ryu, 2018; Zhao & Zhang, 2021; Haddad & Hornuf, 2019). Although gold is traditionally considered a low-risk asset, digitalization introduces additional uncertainty that may influence investment intention. Empirical findings show that higher perceived risk negatively affects intention to adopt fintech-based financial services (Hu et al., 2019; Oliveira et al., 2016; Zhao & Zhang, 2021).

Hypotheses

H_1: *Financial literacy has a positive effect on digital gold investment intention.*
H_2: *Subjective norm has a positive effect on digital gold investment intention.*
H_3: *Risk perception has a negative effect on digital gold investment intention.*

METHOD

This study employs a quantitative approach using primary data collected directly from respondents. The research applies a probability sampling method based on Sekaran & Bougie (2016, p. 240) technique for determining research samples derived from a population according to probability theory. The population of this study consists of all university students in Indonesia who have the potential interest or intention to use digital gold investment services. Meanwhile, the sample includes active university students who have been exposed to or have obtained information regarding digital gold investment. Data were collected through an online survey distributed via Google Forms and shared through several social media platforms such as WhatsApp, Instagram, and Facebook, in which respondents provided answers using a five-point Likert scale ranging from 1 (Strongly Disagree), 2 (Disagree), 3 (Neutral), 4 (Agree), to 5 (Strongly Agree).

This approach has also been adopted by several previous studies, such as Luthra et al. (2026), Chen et al. (2026), and Tyrell et al. (2026). Moreover, the targeted sample size in this study follows the guideline proposed by Hair et al. (2017), which suggests that the minimum sample size should be ten times the number of exogenous constructs leading to the endogenous variable. Since this research involves three exogenous constructs financial literacy, subjective norm, and risk perception and an endogenous construct digital gold investment intention. Thus, the minimum target sample size is 30 respondents. In this context, obtaining a larger number of respondents is expected to improve the robustness and accuracy of the research model.

To test the proposed digital gold investment intention model, this study utilizes the PLS-SEM (Partial Least Squares Structural Equation Modeling) approach, employing WarpPLS 8 software to support comprehensive analysis through both the measurement model (outer model) and the structural model (inner model). SEM is employed as it allows simultaneous estimation of multiple relationships and is suitable for theory testing in behavioral research. To ensure that the measurement indicators are reliable and valid, the measurement model is evaluated through convergent and discriminant validity tests.

Convergent validity is assessed using factor loadings (must be > 0.70) and Average Variance Extracted (AVE) (must be > 0.50). Reliability is examined using Cronbach's Alpha (must be > 0.70) and Composite Reliability (must be > 0.70). Additionally, multicollinearity is evaluated through Full Collinearity VIF for each construct, which should be below 5. Furthermore, the structural model is assessed through model fit indices, predictive relevance (Q-square), hypothesis testing (p-value < 0.05), and effect size evaluation. Effect size values are interpreted as small (< 0.02), medium (0.15–0.35), and large (> 0.35) (Hair et al., 2017).

RESULTS

Demography of Respondents

The findings of the study show that a total of 489 respondents in Indonesia participated in the survey. Based on gender composition, the majority of participants are female, comprising 65.85% of the sample, while the remaining 34.15% are male. In terms of academic standing, second-year students make up the largest group at 33.54%, followed by first-year students at 29.45%, third-year students at 19.84%, fourth-year students at 8.18%, master's students at 5.73%, and fifth-year students at 3.27%. Notably, the results

indicate that a significant proportion of respondents (69.53%) do not currently possess digital gold savings or participate in installment-based investment plans, whereas 30.47% have already engaged in such investments.

Among those who invest in digital gold, most rely on financial institutions (67.89%) as their primary platform, followed by pawnshops (14.32%), Islamic banking institutions (13.29%), and Islamic pawnshops (4.50%). Moreover, 60.12% of all respondents indicate an intention or willingness to participate in digital gold savings or installment-based investment schemes in the future. This highlights a substantial potential among students in Indonesia to adopt digital gold as an investment option. On the other hand, 29.45% of respondents are still undecided, while 10.43% express no intention to engage in such investments. A detailed summary of these findings is presented in Table 1.

Table 1. Demography of Respondents

Constructs	Categories	Percentages	Total Amount
Gender	Male	34.15%	167
	Female	65.85%	322
Educational Background	1st Year Student	29.45%	144
	2nd Year Student	33.54%	164
	3rd Year Student	19.84%	97
	4th Year Student	8.18%	40
	5th Year Student	3.27%	16
	Master's Student	5.73%	28
Ownership of digital gold savings or instalment plans	Yes, I have digital gold savings or instalment plans	30.47%	149
	No, I do not have digital gold savings or instalment plans	69.53%	340
The institution through which digital gold is saved or invested	Financial institutions	67.89%	332
	Pawnshops	14.32%	70
	Islamic Pawnshops	4.50%	22
	Islamic Banking	13.29%	65
Interest in engaging in digital gold savings or instalment-based investment plans	Yes	60.12%	294
	Maybe	29.45%	144
	No	10.43%	51

Measurement Model Result

The results of the measurement model (outer model) are presented in Tables 2, 3, and 4. These tests are conducted to ensure that the research instruments meet the required standards of validity and reliability, allowing the constructs to be measured accurately and consistently. The tables include the results of convergent and discriminant validity, reliability testing, and the Full Collinearity VIF test to identify any potential multicollinearity issues within the model. Table 2 presents the results of convergent and discriminant validity. These are reflected in the loading factors, where values are expected to exceed 0.70, and in the Average Variance Extracted (AVE), which should be above 0.50.

The findings indicate that all indicators across the constructs achieve loading factor values greater than 0.70. In addition, the AVE values for all variables are above the recommended threshold of 0.50, suggesting satisfactory convergent validity. Furthermore, the constructs are considered reliable as both Composite Reliability (CR) and Cronbach's Alpha (CA) values exceed 0.70 (see Table 3). The Full Collinearity VIF test also demonstrates acceptable results, with all constructs showing VIF values below

3.3 (see Table 4), indicating no multicollinearity issues. These findings confirm that all constructs in the model meet the required criteria for validity and reliability (Kock, 2025).

Table 2. Convergent and Discriminant Validity Results

Constructs	Item	Loading Factor	AVE
Financial Literacy (FL)	FL1	0.838	0.780
	FL2	0.795	
	FL3	0.740	
	FL4	0.797	
	FL5	0.724	
Subjective Norm (SN)	SN1	0.795	0.826
	SN2	0.868	
	SN3	0.814	
Risk Perception (RP)	RP1	0.813	0.785
	RP2	0.827	
	RP3	0.709	
Digital Gold Investment Intention (DGII)	DGII1	0.851	0.866
	DGII2	0.880	
	DGII3	0.849	
	DGII4	0.886	

Table 3. Reliability Test Results

Constructs	Composite Reliability	Cronbach's Alpha
Financial Literacy (FL)	0.886	0.838
Subjective Norm (SN)	0.866	0.767
Risk Perception (RP)	0.827	0.686
Digital Gold Investment Intention (DGII)	0.923	0.889

Table 4. Full Collinearity VIF Test Results

Constructs	Full Collin. VIF
Financial Literacy (FL)	1.296
Subjective Norm (SN)	1.701
Risk Perception (RP)	1.122
Digital Gold Investment Intention (DGII)	1.830

Structural Model Result

Structural model or inner model is commonly used to evaluate the relationships among constructs within the research model. This model is then represented through several key outputs, including model fit indices, Q-squared values, hypothesis testing, and effect size. To assess the suitability of the proposed research model, the study conducts a series of evaluations and tests aimed at examining the strength of structural relationships and detecting potential collinearity issues, as presented in Table 5. The results show that the values of APC, ARS, and AARS are statistically significant ($p < 0.05$), indicating that the research model demonstrates a good fit and is acceptable. Furthermore, the table also reveals that the Average Block Variance Inflation Factor (AVIF) is 1.106, which is below the recommended threshold of 3.3. This suggests that there are no serious collinearity issues among the constructs in the model (Kock, 2025).

In addition, the predictive capability of the model is evaluated using the Q-squared value for the endogenous variable "Intention to Participate," which is 0.462 (see Table 6). This value is greater than zero, indicating that the model has predictive relevance, where higher values reflect stronger predictive power. Through the assessment of Q-squared, this study confirms that the proposed model not only achieves an adequate level of structural fit but also possesses strong predictive capability in explaining individuals' intention to participate in digital gold investment.

Model Assessment

Table 5. Model Fit Test

Index Name	Value	Notes
Average Path Coefficient (APC)	0.286***	Accepted
Average R-Squared (ARS)	0.461***	Accepted
Average Adjusted R-Squared (AARS)	0.457***	Accepted
Average block VIF (AVIF)	1.106	Accepted
Average full collinearity VIF (AFVIF)	1.487	Accepted

*Notes: ***significant at p≤0.01*

Q square

Table 6. Q Square Result

Q-Squared	Digital Gold Investment Intention (DGII)
	0.462

Hypothesis Testing

Following the assessment of both the outer and inner models, the results of hypothesis testing provide deeper insight into the relationships among the variables in the proposed framework. The analysis demonstrates that financial literacy has a positive and statistically significant effect on Digital Gold Investment Intention, with a path coefficient of 0.204 and significance at the 1% level ($p < 0.01$). This indicates that individuals with higher levels of financial knowledge and understanding are more likely to show interest in participating in digital gold investment. Furthermore, the study also confirms the strong influence of subjective norm on Digital Gold Investment Intention. The relationship is positive and highly significant, as reflected by a coefficient value of 0.564 ($p < 0.01$). This suggests that social pressures, recommendations, or influences from important others such as family, friends, or peers play a crucial role in shaping an individual's intention to engage in digital gold investment. In fact, among the examined variables, subjective norm appears to exert the strongest effect.

However, a different pattern is observed for risk perception. The results reveal that risk perception has a positive and statistically significant effect on Digital Gold Investment Intention, with a coefficient of 0.089 at the 5% significance level ($p < 0.05$). This finding contradicts the proposed hypothesis, which expected a negative relationship between risk perception and investment intention. Therefore, the hypothesis related to risk perception is not supported (rejected). This unexpected result suggests that higher risk perception does not necessarily discourage individuals from investing in digital gold. Instead, it may indicate that respondents who are more aware of potential risks are also more informed and prepared, which can increase their confidence and willingness to invest. In other words, risk awareness in this context may function as a form of informed decision-making rather than a deterrent.

Thus, these findings highlight the important roles of financial literacy, social influence, and risk perception in explaining individuals' behavioral intentions toward digital gold investment. The detailed results of these hypothesis tests are comprehensively presented in table 7.

Table 7. Hypothesis Testing Result

Exogenous Variables (Independent)	Endogenous Variable (Dependent): Digital Gold Investment Intention (DGII)	Result
Financial Literacy (FL)	0.204***	Accepted
Subjective Norm (SN)	0.564***	Accepted
Risk Perception (RP)	0.089**	Rejected

*Notes: ***significant at p≤0.01, ** significant at p≤0.05*

Effect Size (f-square)

The study has successfully tested and confirmed all proposed hypotheses. However, these findings become more insightful when further examined based on the magnitude of each variable's influence in shaping Digital Gold Investment Intention. Table 8 presents the effect size results of the relationships between the exogenous and endogenous variables. The results indicate that financial literacy has an effect size of 0.204, which falls into the medium category.

This suggests that financial literacy makes a meaningful contribution to explaining variations in digital gold investment intention, although it is not the most dominant factor in the model. Furthermore, subjective norm exhibits the strongest influence, with an effect size of 0.564, categorized as large. This finding highlights that subjective norm is the most powerful determinant in the model, implying that social influences such as family, friends, and the surrounding environment play a crucial role in encouraging individuals to invest in digital gold.

Meanwhile, risk perception shows an effect size of 0.089, which is classified as small. Although the relationship is statistically significant, its practical contribution to explaining investment intention is relatively limited compared to the other variables. This indicates that while risk perception does have an effect, it is not the primary driver in shaping digital gold investment intention. Thus, subjective norm emerges as the most dominant factor, followed by financial literacy with a moderate influence, and risk perception with a relatively smaller effect in explaining Digital Gold Investment Intention.

Table 8. Effect Size Results

Direct Effect	Effect Size
Financial Literacy (FL) → Digital Gold Investment Intention (DGII)	0.204*
Subjective Norm (SN) → Digital Gold Investment Intention (DGII)	0.564*
Risk Perception (RP) → Digital Gold Investment Intention (DGII)	0.089**

*Notes: *small (<0.02); **medium (0.15 – 0.35); ***large (>0.35)*

Discussion

The findings of this study provide several important insights into the determinants of digital gold investment intention among students in Indonesia. First, financial literacy is found to have a positive and significant effect on digital gold investment intention. This result is consistent with prior studies indicating that individuals with higher financial knowledge are more capable of evaluating investment opportunities and risks, thereby increasing their willingness to invest (Lusardi & Mitchell, 2014; Van Rooij et al., 2011; Grohmann, 2018). In the context of digital gold, financial literacy not only helps individuals understand the characteristics of gold as a safe-haven asset but also enables them to navigate digital investment platforms effectively. However, the effect size indicates a moderate influence, suggesting that while financial literacy is important, it is not the primary driver of investment intention

among students. This may reflect the nature of younger investors, who often rely not only on knowledge but also on social cues in decision-making.

Second, subjective norm emerges as the most dominant factor influencing digital gold investment intention. The strong and significant effect of subjective norm confirms the central proposition of the Theory of Planned Behavior that social influence plays a crucial role in shaping behavioral intention. This finding aligns with previous studies showing that peer influence, family recommendations, and social environments significantly affect investment decisions, particularly among younger generations (Aren & Zengin, 2016; Hoffmann & Broekhuizen, 2009; Ryu, 2018).

Moreover, the result is consistent with Rizal et al. (2025), who highlight that Generation Z investors are highly responsive to social expectations and financial socialization processes. In the context of digital investment, this effect may be amplified by social media and online communities, where investment information and trends spread rapidly. Therefore, investment decisions among students are not purely individual but are strongly embedded in social interactions and collective behavior. This strong influence may also reflect the collectivist cultural characteristics of Indonesia, where individual decisions are often shaped by family expectations, peer influence, and social environments. In such contexts, financial behavior is not purely individualistic but is embedded within social norms and shared values. This tendency is further amplified among younger generations, who are highly engaged in digital social networks, where investment-related information and peer validation play a significant role in shaping decision-making.

Third, the findings reveal that risk perception has a positive and significant effect on digital gold investment intention, which contradicts the initial hypothesis. From a behavioral finance perspective, higher perceived risk is generally associated with lower investment intention due to loss aversion and uncertainty avoidance (Kahneman & Tversky, 1979; Barberis & Thaler, 2003). This finding challenges the conventional assumption that risk perception acts solely as a deterrent to investment behavior. Instead, it suggests that in the context of digital financial services, risk perception may function as a form of informed awareness rather than risk avoidance. Individuals who are more aware of potential risks may also possess higher levels of financial knowledge and preparedness, which enhances their confidence in making investment decisions. This phenomenon is particularly relevant in fintech environments, where access to information and transparency can transform perceived risk into a driver of rational and informed investment behavior (Ryu, 2018; Zhao & Zhang, 2021).

Furthermore, the relatively small effect size of risk perception suggests that although it is statistically significant, it does not play a dominant role in shaping investment intention. This implies that students may prioritize accessibility, social influence, and perceived opportunity over risk considerations when deciding to invest in digital gold. Taken together, these findings highlight that digital gold investment behavior among students is driven by a combination of cognitive (financial literacy), social (subjective norm), and perceptual (risk perception) factors, with social influence emerging as the most critical determinant.

CONCLUSION

This study aims to examine the determinants of digital gold investment intention among students by integrating financial literacy, subjective norm, and risk perception within a behavioral framework. The results confirm that financial literacy and subjective norm have positive and significant effects on investment intention, while risk perception also shows a positive relationship, contrary to the initial hypothesis.

Among the examined variables, subjective norm is identified as the most influential factor, indicating that social influence plays a dominant role in shaping students' investment behavior. Financial literacy contributes moderately, suggesting that knowledge and understanding remain important but are not sufficient on their own to drive investment decisions. Meanwhile, risk perception,

although significant, has a relatively small effect, implying that risk awareness does not necessarily deter investment but may instead reflect informed decision-making.

Overall, the study demonstrates that digital gold investment intention is not solely driven by rational evaluation but is also strongly influenced by social and behavioral factors. This finding reinforces the importance of integrating behavioral finance and social influence perspectives in understanding investment behavior in the digital era.

Recommendations

1. Practical Implications

First, financial institutions and fintech providers should focus on enhancing financial literacy among young investors through targeted educational programs, digital campaigns, and user-friendly investment platforms. Improving financial literacy can help individuals make more informed decisions and increase confidence in using digital investment products. Second, given the strong influence of subjective norms, investment providers should leverage social influence strategies such as peer-based marketing, influencer engagement, and community-driven platforms. Social proof and testimonials can be effective in encouraging adoption of digital gold investment among students. Third, policymakers and regulators should strengthen consumer protection and risk communication in digital investment platforms. Since risk perception does not necessarily discourage investment, it is important to ensure that investors are adequately informed about potential risks and safeguards to prevent fraud and misinformation.

2. Theoretical Implications

This study contributes to the literature by extending the application of TPB and behavioral finance in the context of digital gold investment. It highlights the importance of integrating cognitive, social, and perceptual factors in explaining investment behavior. The unexpected positive effect of risk perception also provides new insights into the role of risk awareness in digital financial decision-making, suggesting the need for further theoretical refinement.

3. Limitations and Future Research

This study has several limitations that open avenues for future research. First, the sample is limited to students in Indonesia, which may restrict the generalizability of the findings to other demographic groups or countries. Future studies could include broader populations and cross-country comparisons. Second, this study focuses on three main variables, while other factors such as perceived usefulness, trust, financial technology adoption, and religiosity may also influence digital gold investment intention. Future research is encouraged to incorporate these variables to develop a more comprehensive model. Third, the cross-sectional design of this study limits the ability to capture changes in investment behavior over time. Longitudinal studies are recommended to better understand how financial literacy, social influence, and risk perception evolve in shaping investment decisions.

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