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ANALYSIS OF FACTORS AFFECTING INVESTMENT DECISIONS WITH FINANCIAL TECHNOLOGY AS AN INTERVENING VARIABLE AMONG STUDENTS OF THE INSTITUTE OF BUSINESS AND TECHNOLOGY PELITA INDONESIA

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Finacial Literacy, Self-Efficacy, Fintech, Investment Decisions

ABSTRACT
The purpose of this study is to analyze the influence of financial literacy, self-efficacy and income on investment decisions, as well as whether Financial Technology is able to mediate the influence. The research contributes to the fields of financial behavior and investment decision-making by examining how Financial Literacy, Self-Efficacy, and Income impact students' investment decisions in an academic setting, with a particular focus on the mediating role of Financial Technology (Fintech). The data analysis technique used in this study was SEMPLS with the help of the SmartPLS application. The results of the test were as follows: (1) Financial literacy has a significant positive effect on the investment decisions of Pelita Indonesia students; (2) Self-efficiency had a positive and insignificant effect; and (3) Income had an insignificant positive effect; (4) Financial Technology mediates the effect of Financial literacy on the Investment Decisions of students; and (5) Financial Technology does not mediated the impact of Income on the decision of students. The findings could inform educational institutions and policymakers on how to improve financial literacy programs and support fintech adoption to foster better financial outcomes among students, potentially leading to more financially empowered and responsible young investors.

INTRODUCTION

Along with the rapid economic development in the era of globalization, financial management activities must be carried out carefully and thoroughly. Especially since the Covid-19 pandemic hit, every activity, both educational, economic and others, has received digital transformation demands that make us have to constantly adapt to technological developments, this certainly makes it easier to carry out all activities including investing. The ease of making investments encourages an increase in the number of domestic investors, especially during the covid pandemic since March 2020, it can be seen that the number of SIDs in 2021 grew by 99.7% in 1 year and continued to increase in the following years by 36.9% and 18.5% per year, this value was recorded in KSEI in the form of capital market investors, mutual funds, SBN, Stocks and other securities with the largest increase details were in mutual funds of 115.41% in 2021 and followed by stock instruments of 103.60% in 2021.

The high growth of investors, coming from various circles with a spread of age and education, investors with the age of ≤ 30 take a considerable share, namely 58% or more than half of the total existing investors, with the age of 31 – 40 being in second place at 24% with this we are able to conclude that more than some domestic investors are Millennials and Gen Z, on the other hand, if you look at the demographic chart of education, it can be seen that the last education of most investors is high school or may be studying at higher education as a student with a percentage of 61% and followed by investors with a final education of S1 at 29%, but if we look at the demographic data of investor employment that there are 41% of investors who have jobs as ASN or private employees and teachers with 32% having the status of students, therefore when the data intersects, what can be known is that there are investors who are employees who only have a minimum of high school education. The final conclusion from the demographic data above is that Indonesian investors are dominated by employees who are ≤ 30 years old and have a minimum of high school education. The surge in the number of individual investors with the criteria mentioned above raises a question about investors' understanding of financial literacy.

Financial literacy empowers individuals to structure their finances in such a way that they are able to manage their daily expenses, maintain an emergency fund, plan children's education and prepare for their rapid post-retirement years. The effect of financial literacy encourages better financial inclusion, whose benefits extend to the real economy (Grohmann, 2017). In other words, financial literacy has a very important role to equip every individual to be ready for all financial changes in the future, it is hoped that financial education will make every individual have good financial literacy. However, data from the 2022 National Survey on Financial Literacy and Inclusion (SNLIK) organized by the Financial Services Authority (OJK) shows that the financial literacy index of the Indonesian people is 49.68%, up from 38.03% in 2019. Meanwhile, this year's financial inclusion index reached 85.10%, an increase compared to the previous SNLIK period in 2019, which was 76.19%. Despite the increase, the comparison of financial inclusion and financial literacy still has a considerable gap, which is 38.16% in 2019 and 35.42% throughout 2022, this raises a suspicion that people who carry out activities, both funding and financing, do not have a strong basis for financial literacy.

Utami & Marpaung (2022) revealed that financial literacy is closely related to financial managers, the higher the level of financial literacy, the better the financial management will be. Planning and management activities include activities to allocate income for daily life, including one of them is investment decisions. Research by Safrayani et al. (2020) and Istiqomah & Bebasari (2022) proves that financial literacy has a positive effect on investment decisions, This research is contrary to research conducted by Muhammad & Andika (2022) and Dasra Viana et al. (2021) proves that financial literacy has no effect on investment decisions.

In addition, self-efficacy is one of the factors that cannot be separated from decision-making. Self-efficacy according to Nyoto et al. (2021) can be understood as an individual's belief in his or her ability to organize and perform a series of actions that are considered necessary to achieve something desired, individuals who have a high level of efficacy tend to try to do an activity and cultivate a positive attitude towards it, Including decision-making driven by emotional and mental attitudes. Research by Ariska & Sugiyanto (2020) and Hidayat et al. (2023) proving that self-efficacy has a positive and significant effect on investment decisions.

Income is an aspect that greatly influences investment decisions, the amount of a person's income is directly proportional to their financial attitude, in other words, people who have a high income tend to have good financial behavior because the available funds make them more responsible in managing it (Purwidianti & Mudjiyanti, 2016). On the other hand, people who have a low income tend to have little opportunity to manage it well. This is because the income received is sometimes only sufficient for daily needs, so there is no opportunity to save or invest, Dalima Landang et al. (2021) and Visi Lestari et al. (2022) proves that there is a positive influence between income on investment decisions. On the other hand research by Rachmalita Sari (2017) and Panjaitan & Listiadi (2021) shows that income has no effect on investment decisions.

The development of digitalization makes everything transform towards technology. The same thing also happens in the world of finance. The presence of Financial Technology makes it very easy for a person to make financial transactions including accessing information, funding activities, savings and financing activities, research conducted by Shernita Nami et al. (2022) and Hijir (2022) proving that there is a positive influence of Financial Technology on investment decisions while research by Azalea Pulo Tukan & br Pinem (2020) and Geriadi & Ayu (2023) proving that there is no the influence between Financial Technology and investment decisions.

The purpose of this study is to analyze the influence of financial literacy, self-efficacy and income on investment decisions, as well as whether Financial Technology is able to mediate the influence of financial literacy, self-efficacy and income on investment decisions in IBT Pelita Indonesia students. The research contributes to the fields of financial behavior and investment decision-making by examining how financial literacy, self-efficacy, and income impact students' investment decisions, with a particular focus on the mediating role of Financial Technology (Fintech). By targeting IBT Pelita Indonesia students, this study provides valuable insights into the investment behavior of young investors in an academic setting, highlighting the importance of financial literacy and personal confidence in adopting fintech as a tool for informed decision-making. The findings could inform educational institutions and policymakers on how to improve financial literacy programs and support fintech adoption to foster better financial outcomes among students, potentially leading to more financially empowered and responsible young investors.

The hypotheses used in this study are:

1) H1: Financial Literacy has a significant positive effect on the investment decisions of Pelita Indonesia students
2) H2: Financial Literacy has a significant positive effect on the use of Financial Technology by Pelita Indonesia students
3) H3: Self-efficacy has a significant positive effect on Pelita Indonesia students' investment decisions
4) H4: Self-efficacy has a significant positive effect on the use of Financial Technology by Pelita Indonesia students
5) H5: Income has a significant positive effect on the investment decisions of Pelita Indonesia students
6) H6: Income has a significant positive effect on the use of Financial Technology by Pelita Indonesia students
7) H7: Financial Technology has a significant positive effect on the investment decisions of Pelita Indonesia students
8) H8: Fintech mediates the influence of financial literacy on investment decisions of Pelita Indonesia students
9) H9: Fintech mediates the influence of self-efficacy on the investment decisions of Pelita Indonesia students
10) H10: Fintech mediates the influence of income on investment decisions of Pelita Indonesia students

METHODS

This research was conducted on the campus of the Pelita Indonesia Institute of Business and Technology in 2024, the research time was carried out starting from July 2024 – August 2024. The population in this study is all students of the 15th – 17th batch of the Master of Management program and strata 1 students of IBT Pelita Indonesia which totals 2154 people. The determination of the number of samples in this study uses the Slovin formula with a significance level of 0.05 (5%) and the sample drawing technique uses the purposive sampling method, the sample withdrawal criteria are active students of the Faculty of Business and the Faculty of Computer Science, Pelita Institute of Business and Technology Indonesiac and S1 level students are evening class students at IBTPI, From the results of the calculation it can be seen that the number of respondents to be used in this study is a number of 285 respondents.

The research variable is an object that is a point of concern in the research, while the operational variables in this study can be known from the table.

Table 1. Variable Operations

Variable	Indicator	Statement	Source	Measurement Scale
Financial Literacy (X1)	General Personal Finance	I have an understanding of the basic concepts of money, including its function and value in everyday life	Remund (2010)	Interval
		I record expenses and income every month		
		I compare the price of the product before buying it		

	Saving and Borrowing	I know the types of savings available and their benefits and risks	Remund (2010)	Interval
		I choose a loan (credit) product based on interest rates and their impact on my finances		
		I apply for credit if I need it for a productive purpose		
	Insurance	I can explain the types of insurance in general		
		I know the benefits of insurance in protecting my finances from unexpected risks		
		I buy insurance based on my needs and plan		
	Investment	I know the types of investment products		
		I plan a regular investment every month		
		I am able to determine the investment portfolio according to the level of risk I can bear		
Self Efficacy (x2)	Confidence	I can always solve a difficult problem if I try hard	Lown (2011)	Interval
	Self-Resilience	It is difficult to stick to a financial plan when unexpected risks arise		
	Goal Achievement	I was challenged to make progress towards my financial goals		
	Self-Confidence	I feel confident in my ability to manage my own finances	Serido et al. (2013)	
		I was able to find a way to get what I wanted	Schwarzer et al. (1995)	
-an opinion (x3)	Source of Income	I have income from various sources such as salary, bonuses, own business and investments	Satiti (2014)	Interval
	Revenue Stability	My monthly income has been relatively consistent over the past year		
	Revenue Growth	My income has increased compared to the previous year		
	Proportion of Expenses	I am able to manage my expenses well compared to the income I receive		
	Predictability	My income is enough to meet the basic needs of me and my family		
	Financial Independence	I don't depend on financial help from others to make ends meet.		
Fintech (Y1)	Perceived Ease of Use	Fintech (Mbanking/Dana/Bibit/OVO/etc) is easy to use and understand without the need for special training	Venkatesh et al. (2012)	Interval
	Perceived Usefulness	Fintech improves my efficiency and productivity in managing my finances		
	Attitude	I feel safe and believe in using Fintech for financial transactions		

	Behavioral Intention to Use	I will continue to use Fintech for various financial transactions		
	User Experiance	I can easily access information and make investments anywhere and anytime		
		The features offered by Fintech make the financial management process efficient and attractive		
Investment Decision (Y2)	Rate of Return	The rate of return affects my investment choices	Venkatesh et al. (2012)	Interval
		I choose investments with returns that match my financial goals		
	Risk Level	I tend to choose investments with risks that I can tolerate		
	Time Factor	I consider the time frame factor in investing	Tandelin (2017)	Interval
		I consider the time factor in evaluating my potential return and investment risk		

The type of data used in this study is primary data. In this study, the researcher obtained data sourced from the results of a questionnaire that had been distributed to students of the Pelita Indonesia Institute of Business and Technology through paper and online forms.

RESULTS

Respondent Profile

The respondents in this study are IBT Pelita Indonesia students who were selected according to the criteria of 289 people with the profile of the respondents in this study can be seen from Table 2.

Table 2. Respondent Profile

Profile	Category	Total	Amount %
Gender	Man	144	49,8%
	Woman	145	50,2%
	Total	289	100%
Age	≤ ≤ 20	234	81%
	21 - 30	29	10%
	31 - 40	6	2,1%
	41 - 50	19	6,6%
	≥ 51	1	0,3%
	Total	289	100%
Monthly Income	≤ Rp3.500.000	231	80%
	IDR 3,500,000 – IDR 7,000,000	42	14,5%
	≥ Rp7.000.000	16	5,5%
	Total	289	100%
Education taken	S1 Accounting	66	22,8%
	S1 Management	129	44,6%
	S1 Informatics Engineering	40	13,8%
	S1 Information Systems	22	7,6%
	Master of Management	32	11,1%
	Total	289	100%

The majority of respondents are women and ≤ 20 years old, this shows that most respondents come from generation Z who are still of productive age, with a young age they tend to have an easier time mastering technology and making investments. In terms of income, the majority of respondents have an income of ≤ Rp3,500,000 if matched with age, it can be concluded that the respondents are new employees in companies with income levels that tend to be small and at the level of MSEs in the city of Pekanbaru, when viewed from the education side, it can be seen that more than 50% of respondents are undergraduate students from the Faculty of Business, this indicates that respondents come from the Faculty of Business more literate towards investment activities.

Data Analysis Techniques

The data analysis technique used in this study is SEMPLS with the help of the SmartPLS application. Before testing the hypothesis, the feasibility test of the questionnaire is first carried out by testing the validity and reliability, the results of the validity test by looking at the values of Average Variance Extracted (AVE) and Loading Factor, if the value of the Loading Factor > 0.7 then it is said to be valid, but for the initial stage of development the loading value of >0.5-0.6 can still be said to be valid, while the reliability test with the value of Cronbach's Alpha must be greater than >0.700. After the questionnaire test is carried out, the next is to conduct a multicollinearity test, to measure multicollinearity can be seen from the value of the Variance Inflation Factor (VIF), if the VIF is >10, it is said that there is multicollinearity and the determination coefficient test (R2) the greater the R2 means the greater the endogenous variable that can be explained by the exogenous variable. The R2 value used in this statistical calculation is the Adjusted R2 value. If the model is declared feasible, then it can be continued by testing the hypothesis.

Path Coefficient Analysis

The path coefficient is a measure used to indicate the strength and direction of the relationship between variables in a structural model. The path coefficient is also considered a regression coefficient that shows how much the influence of exogenous variables on endogenous variables. If the coefficient is positive, it is said that there is a positive relationship where if a variable increases, the affected variable will also increase, and vice versa, where in this study Investment Decision and Financial Technology as an endogenous variable will be influenced by exogenous variables consisting of Financial Literacy, Self-Efficacy and Income.

Hypothesis Test (T Test)

The Hypothesis Test aims to find out whether exogenous variables, namely Financial Literacy, Self-Efficacy and Income, have a partial effect on the dependent variables, namely Investment Decisions and Fintech. The analysis of the t-test was carried out by comparing the tcount and the ttable and supported by the significance value (P-Value) generated from the calculation. If the tcount>ttable or significance< is 0.05, then the exogenous variable partially has an influence on the endogenous variable. On the other hand, if the tcount<ttable or significance > 0.05, then the exogenous variable has no influence on the variable on the endogenous variable.

Descriptive Analysis

Variable Descriptive Analysis

This study consists of 3 exogenous variables, namely Financial Literacy Variable (X1), Self-Efficacy Variable (X2), and Income Variable (X3) as well as 2 endogenous variables, namely Fintech Variable (Y1) and Investment Decision Variable (Y2).

In table 3, it can be seen that the financial literacy variable has 4 indicators with a fairly good average variable, so it can be said that the respondents have a sufficient level of literacy even though it cannot be categorized as adequate, but in terms of personal financial management the respondents have quite good results, this means that the respondents can manage their personal finances / financial habits well.

The respondents' perception of self-efficacy on average showed good results, from the four indicators they showed good results, considering that the respondents were students who were still in the young age category so they still had high confidence, self-confidence and enthusiasm for achieving goals, even though the level of self-endurance when encountering challenges and obstacles was still low but relatively good.

The income variable showed a fairly good average value, considering that the respondents were students of new working age, so the income growth rate still did not look good, but even so, the respondents were still able to manage the proportion of expenses well from the income obtained so that they also created financial independence quite well.

The respondents' perception of Fintech showed good results, from the six indicators equally showed good results, the respondents were Gen Z students who were generally easy to adopt the latest technology, we can see this from the very high Perceived Usefulness and the respondents' perception of the ease of using Fintech is very good so that Fintech It is very easy to use without the need for special guidance.

Table 3. Descriptive Data (Respondent's Answer)

Variable	Indicator			Variable Average
	Indicator	**Average**	**Result**	
Financial Literacy (X1)	General Personal Finance	3,912	Good	3,379 Pretty Good
	Saving and Borrowing	3,194	Pretty Good	
	Insurance	3,234	Pretty Good	
	Investment	3,175	Pretty Good	
Self Efficacy (x2)	Confidence	3,979	Good	3,827 Good
	Self-Resilience	3,435	Good	
	Goal Achievement	3,948	Good	
	Self-Confidence	3,945	Good	
Revenue (x3)	Source of Income	3,336	Pretty Good	3,360 Good Enough
	Revenue Stability	3,260	Pretty Good	
	Revenue Growth	3,163	Pretty Good	
	Proportion of Expenses	3,623	Good	
	Affordability	3,353	Pretty Good	
	Financial Independence	3,430	Pretty Good	
Fintech (Y1)	Perceived Easy of Use	4,118	Good	3,821 Good
	Perceived Usefulness	3,890	Good	
	Attitude	3,713	Good	
	Behavorial Intention to Use	3,623	Good	
	User Experience	3,763	Good	
Investment Decision(Y2)	Rate of Return	3,446	Good	3,531 Good
	Risk Level	3,522	Good	
	Time Factor	3,625	Good	

Source: Processed Data (2024)

Respondents' perception of Investment Decisions is good on average, of the three indicators, the time factor is one of the respondents that is very concerned in terms of investing, respondents invest by paying attention to the long period of investing and the level of risk which is the second factor that respondents pay close attention to.

Preliminary Test

Table 4. Evaluating Measurement Model (Outer Model) and Structural Model (Inner Model)

Constructs	Indicators		Loading Factor	Cronbach's Alpha (>0,6)	Rho a (>0,7)	CR (>0,7)	AVE (>0,5)	Outer VIF	Inner VIF	R-Square	Adjusted R-Square
Financial Literacy (X1)	X11	X111	0,7038	0,7753	0,7878	0,8559	0,5988	1,3097	1,597(Y1)	-	-
		X112									
		X113									
	X12	X121	0,7344					1,4608			
		X122									
		X123									
	X13	X131	0,8078					1,8902	1,691(Y2)		
		X132									
		X133									
	X14	X141	0,8414					1,8363			
		X142									
		X143									
	X21	X21	0,7497	0,7665	0,7874	0,8506	0,5894	1,5680		-	-

Self-Efficacy(x2)	X22	X22	0,6571					1,3281	1,383(Y1)		
	X23	X23	0,8147					1,7083			
	X24	X241 X242	0,8367					1,8762	1,517(Y2)		
Revenue(x3)	X31	X31	0,7708	0,8531	0,8557	0,8911	0,5777	1,9616	1,632(Y1)	-	-
	X32	X32	0,8252					2,3098			
	X33	X33	0,7314					1,7017			
	X34	X34	0,6924					1,5591	1,647(Y2)		
	X35	X35	0,7803					2,0144			
	X36	X36	0,7535					1,6166			
Financial Technology(Y1)	Y11	Y11	0,7060	0,9026	0,9131	0,9286	0,7238	1,5574	-	0,300	0,293
	Y12	Y12	0,8864					2,9239			
	Y13	Y13	0,8823					3,0043			
	Y14	Y14	0,8711					3,0302			
	Y15	Y151 Y152	0,8929					3,1115			
Investment Decision(Y2)	Y21	Y212	0,8944	0,8840	0,8950	0,9278	0,8109	2,1829	-	0,436	0,428
	Y22	Y22	0,8845					2,6525			
	Y23	Y231	0,9222					3,1453			

Source: Data Processed

The results of testing the data of this study obtained Composite Reliability and Cronbach's Alpha values of more than 0.700 so that it can be concluded that each variable in this study is reliable. On the other hand, the results of testing the data of this study, it was obtained that the Loading Factor value of each indicator was more than 0.70 even though there were 2 indicators, namely X22 and X34 with a Loading Factor value below 0.70 but it was not a problem and could be declared valid, on the other hand the AVE value of each variable was greater than 0.5 so that a conclusion could be drawn that all indicators of this study were declared valid.

Meanwhile, the Inner VIF determines whether there is multicollinearity between variables, while the Outer VIF determines whether there is an indicator with its construct. The test results showed that the absence of multicollinearity occurred with Outer VIF and Inner VIF values smaller than 10.

The results of the tests conducted showed that the Adjusted R2 value for the Y1 variable (Fintech) was 0.293 or 29.3%, in other words Fintech could be explained by 29.3% by the exogenous variable and there were still 70.7% of the influence on Fintech from other factors that were not explained in this study. On the other hand, the Adjusted R2 value for the Y2 variable (Investment Decision) is 0.428 or 42.8%, in other words, the investment decision can be explained by 42.8% by the exogenous variable and there is still another 57.2% of the influence on investment decisions from other factors that are not explained in this study.

Path Coefficient Analysis

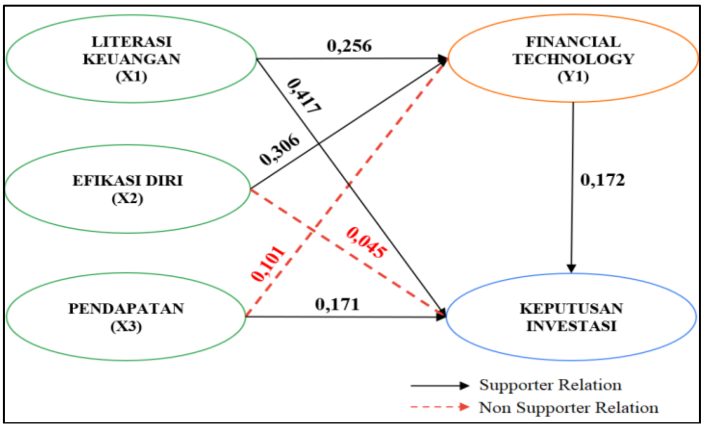
Table 5 shows the results of the path coefficient test in this study, this model is used to determine the influence between the variables of Financial Literacy, Self-Efficacy, and Income on Financial Technology and Investment Decisions, as well as to see the results of the hypothesis test proposed. The results of the path coefficient analysis can be explained as follows: (1) The value of the Financial Literacy path coefficient (X_1) is 0.147, meaning that if Financial Literacy Increases, Investment Decisions will also increase. (2) The value of the coefficient of the Financial Literacy pathway (X1) is 0.256, meaning that if Income Increases, Investment Decisions will also increase, (3) The value of the coefficient of the Self-Efficacy pathway (X2) is 0.045, meaning that if Self-Efficacy Increases, Investment Decisions will also increase, (4) The value of the Self-Efficacy pathway coefficient (X2) is 0.306, meaning that if Self-Efficacy Increases, Fintech will also increase, (5) The value of the coefficient of the Revenue path (X3) is 0.171, which means that if the Revenue increases, the Fintech will also increase, (6) The value of the coefficient of the Revenue path (X3) is 0.101, which means that if the Revenue increases, the Fintech will also increase. (8) The value of the Financial Technology (Y1) path coefficient is 0.172, meaning that if Fintech increases, Investment Decisions will also increase.

Table 5. T Test Results

Hypothesis	Exogenus Variable	Endogenus Variable	Original Sample	Critical Ratio	Hypothesis	P-Value	Conclusion
H1	Financial Literacy	Investment Decision	0,417	7,578	+	0,000	Significant
H2	Financial Literacy	Financial Technology	0,256	3,670	+	0,000	Significant
H3	Self-Efficacy	Investment Decision	0,045	0,654	+	0,513	Insignificant
H4	Self-Efficacy	Financial Technology	0,306	4,289	+	0,000	Significant

H5	Income	Investment Decision	0,171	2,928	+	0,003	Significant
H6	Income	Financial Technology	0,101	1,399	+	0,162	Insignificant
H7	Financial Technology	Investment Decision	0,172	2,510	+	0,012	Significant
Hypo-thesis	**Exogenus Variable**	**Endogenus Variable**	**Mediator Variable**	**Critical Ratio**	**Hypo-thesis**	**P-Value**	**Conclusion**
			Indirect Effect				
H8	Financial Literacy	Investment Decision	Financial Technology	1,968		0,027	Significant
H9	Self-Efficacy	Investment Decision	Financial Technology	2,217		0,049	Significant
H10	Income	Investment Decision	Financial Technology	1,073		0,238	Insignificant

Source: Data Processed



Hypothesis Test

In the Partial Test (t-Test), the possibility of a partial influence of exogenous variables, namely Financial Literacy, Self-Efficacy and Income, on endogenous variables, namely Financial Technology and investment decisions, will be tested.

From table 5, the partial test results can be explained as follows: (1) The partial test results are greater than the ttable (7.578 > 1.645) and supported by a significance value of 0.000 smaller than the value of α = 0.05 so that the test result is H1 accepted. The conclusion of the test results stated that Financial Literacy had a significant positive effect on the Investment Decision of Pelita Indonesia students. (2) The test results were partially obtained with a calculated t-value greater than the ttable (3.670 > 1.645) and supported by a significance value of 0.000 smaller than the value of α = 0.05 so that the test result was H2 accepted. The conclusion of the test results stated that Financial Literacy had a significant positive effect on the use of Fintech by Pelita Indonesia students. (3) The test results were partially obtained with a tcal value smaller than the ttable (0.654 < 1.645) and supported by a significance value of 0.513 greater than the value of α = 0.05 so that the test result was H3 rejected. The conclusion of the test results stated that Self-Efficacy had a positive and insignificant effect on the Investment Decision of Pelita Indonesia students. (4) The test results were partially obtained with a tcal value greater than the ttable (4.289 > 1.645) and supported by a significance value of 0.000 smaller than the value of α = 0.05 so that the test result was H4 accepted. The conclusion of the test results stated that Self-Efficacy had a significant positive effect on the use of Fintech by Pelita Indonesia students. (5) The test results were partially obtained with a tcal value greater than the ttable (2.928 > 1.645) and supported by a significance value of 0.003 smaller than the value of α = 0.05 so that the test result was H5 accepted. The conclusion of the test results stated that Income had a significant positive effect on the Investment Decision of Pelita Indonesia students. (6) The test results were partially obtained with a tcal value smaller than the ttable (1.399 < 1.645) and supported by a significance value of 0.162 greater than the value of α = 0.05 so that the test result was H6 rejected. The conclusion of the test results stated that income had a positive effect on the use of Fintech by Pelita Indonesia students. (7) The test result is partially greater than the ttable (2.510 > 1.645) and supported by a significance value of 0.012 smaller than the value of α = 0.05 so that the test result is H7 accepted. The conclusion of the test results stated that Fintech had a significant positive effect on the Investment Decision of Pelita Indonesia students. (8) The test results were partially obtained with a tcal value greater than the ttable (1.968 > 1.645) and supported by a significance value of 0.027 smaller than the value of α = 0.05 so that the test result was H8 accepted. The conclusion of the test results stated that Fintech mediated the influence of Financial Literacy on the investment decisions of Pelita Indonesia students. (9) The test results were partially obtained with a tcal value greater than the ttable (2.217 > 1.645) and supported by a significance value of 0.049 smaller than the value of α = 0.05 so that the test result was H9 accepted. The conclusion of the test results stated that Fintech mediates the effect of Self-Efficacy on the Investment Decision of Pelita Indonesia students. (10) The test results were partially obtained with a tcal value smaller than the ttable (1.073 < 1.645) and supported by a significance value of 0.238 greater than the value of α = 0.05 so that the test result was H10 rejected. The conclusion of the test results stated that Fintech does not mediate the influence of Income on the investment decisions of Pelita Indonesia students.

Discussion

The Influence of Financial Literacy on Investment Decisions

Financial literacy not only teaches and influences how individuals manage finances to meet their daily needs, but financial literacy is also the basis of knowledge that affects individual financial behavior in preparing financial planning for the future, in this study it was found that Financial Literacy has a significant positive effect on Investment Decisions.

The results of this study are contrary to the theory of behavorial decision-making which says that investors tend to be irrational in decision-making due to psychological and emotional biases that affect. This difference is because financial literacy can reduce this bias by increasing bias awareness such as recognizing overconvidence bias or herd behavior so as to facilitate more rational decision-making.

This research is in line with the research of Safrayani et al. (2020) and Istiqomah & Bebasari (2022) proving that financial literacy has a positive effect on investment decisions. However, contrary to research conducted by Muhammad & Andika (2022) and Dasra Viana et al. (2021) proving that financial literacy has no effect on investment decisions, the difference in the results of this study is indicated due to differences in research years and objects researched by each researcher.

The Effect of Financial Literacy on Financial Technology

Having good financial literacy helps individuals utilize this financial technology effectively, without enough understanding, one may not be able to use fintech effectively. Having good enough financial literacy also makes individuals accept and adapt well, they are able to evaluate as well as can better manage risks. On the other hand, fintech will also encourage the improvement of financial literacy through the provision of access to financial information to various sources of financial knowledge. The results of this study are contrary to the theory of behavorial decision-making, where fintech as a financial service provider platform will increase access to information that is adequate enough to increase financial literacy so that it is able to reduce psychological factors that will cause irrationality in making financial decisions.

This research is in line with the results of research conducted by Ihja Mahendra (2023) and Shernita Nami et al. (2022) who state that there is a significant positive influence of financial literacy on fintech.

The Effect of Self-Efficacy on Investment Decisions

Self-efficacy can be interpreted as an individual's confidence in his or her ability to complete a task or face a challenge and new thing, but this form of belief does not always have a significant effect on the decisions taken, this is due to several factors such as a lack of supportive knowledge and the influence of cognitive biases that often make individuals overconfident in their decisions.

The results of this study are in line with research by Ariska & Sugiyanto (2020) and Hidayat et al. (2023) prove that self-efficacy has a positive effect on investment decisions.

The Effect of Self-Efficacy on Financial Technology

A person's confidence in their ability to solve challenges or achieve certain goals will make it easier for individuals to accept and use new technologies to help them in the process of solving problems or achieving goals. Thus, this self-confidence in the context of fintech shows that people who have high efficacy tend to feel more confident in using new technologies, they are more likely to try and adopt fintech applications than those who are less confident in their own ability to adopt technology.

The results of this study are in line with the research conducted by Damayanti & Budiwitjaksono (2024) showing that self-financial efficacy has a positive effect on the application of financial technology.

The Effect of Income on Investment Decisions

People who have high incomes tend to have good financial behavior because the funds available make them more responsible in managing them, in addition to high incomes affecting an investor's risk tolerance (Purwidianti & Mudjiyanti, 2016). Individuals with higher incomes may have a greater risk tolerance because they feel more financially secure and have larger reserves of funds to bear potential losses. In addition, the cognitive bias (Overconvidence) of high-income individuals will make individuals feel more confident in making good investment decisions.

This study is in line with the research by Dalima Landang et al. (2021) and Visi Lestari et al. (2022) proves that there is a positive influence between income on investment decisions, but it is different from the research by Rachmalita Sari (2017) and Panjaitan & Listiadi (2021) shows that income has no effect on investment decisions. The difference in the results of this study is indicated because of the difference in the research year and the object studied by each researcher.

The Effect of Income on Financial Technology

The amount of income earned by a person is directly related to the level of use of financial apps, this is because individuals with higher incomes feel more comfortable with financial technology because they have access to resources and technical support. However, this is not always true due to the status quo bias that says high-income users tend to maintain existing habits and are comfortable with their traditional financial management methods so as not to adopt the latest financial technology.

The results of this study show that income has a non-significant positive effect on the use of fintech, this is because there are many other factors that have a more significant effect on fintech such as financial literacy.

The Influence of Financial Technology on Investment Decisions

The presence of *Fintech* makes it easier for a person to access various financial services and products, which can facilitate various financial transactions such as payments, savings and investments. In addition to this, *fintech* can also affect the level of investor confidence by providing analysis tools and in-depth information regarding investment instruments.

The results of this study are in line with the research conducted by Shernita Nami et al. (2022) and Hijir (2022) prove that there is a positive influence of Financial Technology on investment decisions. While the research by Azalea Pulo Tukan & br Pinem (2020) and Geriadi & Ayu (2023) prove that there is no influence between Financial Technology and investment decisions.

The Influence of Financial Technology as a Mediator

The general impact of *Financial Technology* is that it is easier for a person to access various financial services and products. So that the level of financial inclusion also increases and will affect financial literacy which will then strengthen a person's confidence in carrying out various financial activities, including investing.

The results of this study are in line with research by Azami Abdullah (2022) which proves that there is an influence of financial inclusion and financial literacy by Fintech. This is supported by the results of the research by Hijir (2022) showing that Fintech has a positive and significant effect on financial behavior.

CONCLUSION

Financial literacy is crucial for individuals to manage their finances effectively and prepare for future financial planning. Fintech can help improve financial literacy by providing access to financial information and various sources of financial knowledge. However, belief in one's ability to solve challenges and achieve goals can influence decisions, as cognitive biases can make individuals overconfident. High self-confidence in fintech can make individuals more confident in using new technologies. Income plays a significant role in investment decisions, with higher incomes affecting risk tolerance. However, income has a non-significant positive effect on financial technology due to the status quo bias. Fintech makes it easier to access financial services and products, facilitating transactions like payments, savings, and investments. However, income size remains the main factor affecting investment choices. Prospective investors should improve their financial literacy to make rational and targeted investment decisions. Future research should add variables and increase the research sample to obtain better results.

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