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Evaluating Student Investment Interest Amidst Financial Technology Ease

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ABSTRACT

The emergence of investment features within Fintech ecosystems has democratized access to capital markets for Generation Z. However, empirical evidence suggests a disconnect between accessibility and actual investment participation. This study aims to analyze the gap between investment interest (intention) and actual investment behavior (action) among university students. Employing a descriptive quantitative method with 30 respondents, the research investigates the determinants of low investment uptake despite high digital fluency. The findings reveal a significant "Intention-Behavior Gap": while 85% of respondents expressed a strong desire to invest, only 23% actively utilize investment features. The primary barriers identified are not capital constraints, but rather low "Risk Literacy" and "Herding Behavior" where students rely on influencers rather than fundamental analysis. The study concludes that technological ease without fundamental financial education triggers "Fear of Missing Out" (FOMO) rather than rational investment decision-making.

1. Introduction

The democratization of access to capital markets has undergone a radical acceleration thanks to the advancement of Financial Technology (Fintech). A decade ago, entry barriers to investing such as high minimum capital requirements and the bureaucracy of opening a securities account were thick walls for students. However, the integration of micro-investment features in Super-App applications (such as Gojek, Shopee, or robo-advisory platforms like Bibit and Ajaib) has broken down the wall (Sari & Pradana, 2022). Now, with less than Rp100,000, students can buy assets such as mutual funds, digital gold, and stocks. The "Young Rich" narrative amplified by financial influencers on social media has further fueled the euphoria of investment interest among Generation Z, creating the perception that investment is a shortcut to financial freedom (Amelia & Wulandari, 2023).

While technology accessibility has reached its peak, the phenomenon on the ground shows behavioral anomalies. The high number of investment app downloads is not necessarily directly proportional to active and sustained participation. Preliminary studies show that the majority of students install fintech applications not for the purpose of long-term wealth accumulation, but rather driven by momentary promotional incentives or simply following trends (Fear of Missing Out/FOMO) (Priadinata et al., 2025) (Budiman et al., 2024) . This phenomenon creates what is referred to as the "Accessibility Paradox", where ease of access has the potential to trigger rash financial decisions or even lull users into the illusion of investment (Firli & Fanesa, 2022).

The gap between intention and behavior is a crucial focus in modern financial literacy studies. The Theory of Planned Behavior explains that interest alone is not enough to drive behavior if it is not supported by adequate perceived behavioral control, in this case understanding risk (Bhatia et al.,

2021). Generation Z students, known as digital natives, have high digital literacy but often experience asymmetry with their financial risk literacy. They are adept at operating application interfaces, but stutter in reading the fundamentals of the assets they buy (Dewi et al., 2024).

This study aims to dissect the "black box" of student investment decisions in the midst of an easy digital ecosystem. The fundamental questions raised are: Why does high digital literacy not convert into rational investment decisions? Does the ease of technology actually exacerbate behavioral biases such as herding behavior? By evaluating this gap, this research is expected to provide new insights for the development of financial education strategies that focus not only on "how to use the app", but on "how to think as an investor".

2. Literature Review

Financial Democratization and Perceived Ease of Use The financial technology (fintech) revolution has fundamentally changed the landscape of capital market participation. Previous literature drawing on the Technology Acceptance Model (TAM) has consistently highlighted that perceived ease of use is a key predictor of technology adoption. Gomber et al. (2017) note that fintech has successfully cut transaction costs and bureaucratic barriers, enabling wider financial inclusion. For Generation Z, investment apps are not just transaction tools, but lifestyle platforms that offer seamless user experience and gamification, which, according to Chaparro et al. (2021), can significantly increase user engagement but also potentially cloud the perception of risk.

The Intention-Behavior Gap Despite open access, behavioral finance literature finds a disconnect between interest and action. Using Ajzen's (1991) Theory of Planned Behavior (TPB), investment decisions are influenced by attitudes, subjective norms, and behavioral control. In the context of current students, Sari and Pradana (2022) found that subjective norms - shaped by exposure to social media and influencers - have a dominant influence on the formation of "Investment Intention". However, these high intentions often do not convert into sustainable investment behavior. This phenomenon is known as the Intention-Behavior Gap, where individuals fail to translate desire into execution due to literacy barriers or psychological procrastination.

The Accessibility Paradox and Behavioral Bias The term "Accessibility Paradox" refers to the condition where easy access triggers suboptimal decisions. Barber and Odean (2001) in their classic study, which is relevant today, warned that the ease of online trading can trigger overtrading and overconfidence behavior. A recent study by Amelia and Wulandari (2023) on Generation Z reinforces this with findings on Fear of Missing Out (FOMO) and Herding Behavior. Students tend to invest based on social trends rather than fundamental analysis. Thus, the literature shows that without adequate risk literacy, the ease of fintech technology only creates an "illusion of competence", where users feel capable of investing when they are just doing blind speculation.

3. Research Methods

Research Design This study uses a quantitative approach with a descriptive-explorative design. This approach was chosen to capture the profile of students' investment behavior in depth and identify patterns of gaps between interest and action. This research not only measures the frequency of investment, but also explores the psychological motivation behind the decision, using the Behavioral Finance framework that links cognitive biases to financial decisions (Cao et al., 2021).

Participants and Procedures The study population is active undergraduate students at [Institution Name], who represent the characteristics of Generation Z (aged 18-24 years). The sample was drawn using purposive sampling technique with the following criteria: (1) having an active account in at least one fintech application that has investment features (e.g. Bibit, Ajaib, Shopee Emas, OVO Invest), and (2) having been exposed to information about investment on social media. A total of 30 respondents participated in this survey. Although the sample size is limited, the homogeneity of the respondents' economic and social backgrounds allows the data obtained to be representative enough to explain micro-behavioral phenomena in the student segment (Sugiyono, 2019).

Data Instruments and Analysis Data were collected through a structured questionnaire distributed online. The questionnaire instrument was designed to measure three main dimensions:

1. Investment Intention & Action: Measures the disparity between Investment Intention and Actual Behavior portfolio holdings.
2. Risk Literacy: Tests respondents' understanding of basic investment risk concepts, such as risk-return relationships, inflation, and diversification.
3. Psychological Determinants: Identifies decision drivers, such as influencer herding, perceived convenience, and fear of missing the trend (FOMO).

Data were analyzed using descriptive statistics (percentage and mean) to map the tendency of answers. Gap analysis was conducted by comparing the average score on the interest variable with the actual behavior variable.

4. Results and Discussions

Based on data analysis of 30 respondents, this study succeeded in uncovering the paradoxical veil of investment behavior in college students. The ease of technology proves to be a double-edged sword that facilitates access, but fails to build financial maturity.

The Intention-Behavior Gap: High Intention, Low Execution

The most striking finding in this study is the wide gap between investment intention and realization.

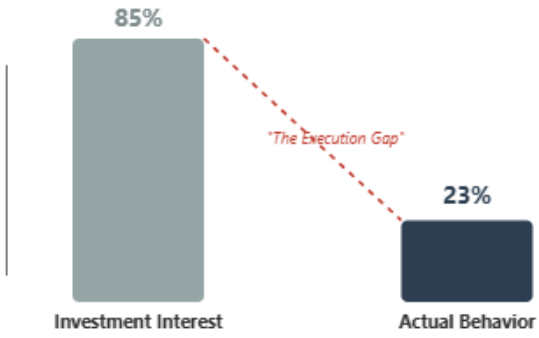

Fig.1. The Intention-Behavior Gap

Based on figure 1, 85% of respondents expressed a very high interest in starting to invest. They agree that investment is the key to their financial future. However, actual behavioral data shows a contrasting reality: only 23% of respondents actually have an active investment portfolio (topping up regularly). The remaining 62% of respondents are in the "discourse" or procrastination phase, where the app has been downloaded but the account has not been verified or the balance is still zero.

This phenomenon confirms the "Intention-Behavior Gap". The main barrier is no longer capital (as 90% of respondents know investments can start from Rp10,000), but psychological barriers. Students feel intimidated by the complicated financial terms in the app. The seamless onboarding succeeded in drawing them in, but the complexity of the investment products made them stop at the front page. This shows that fintech has only succeeded in democratizing "access", but has not succeeded in democratizing "competence" (Putri, 2024).

Herding Behavior and the Role of Influencers

For the 23% of respondents who have invested, the motivation behind their decision is a critical concern. Do they invest based on rational analysis?

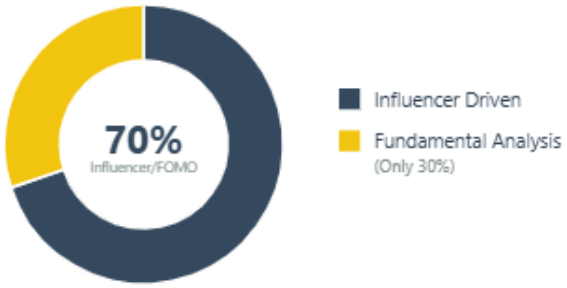

Fig.2. Investment Decision Source

The data in figure 2 shows the dominance of herding behavior. As much as 70% of investment asset purchase decisions are based on recommendations from influencers or friends ("They say this stock will go up", "Influencer X said to buy this coin"). Only 30% conduct independent research or read the product prospectus. This finding indicates a strong Fear of Missing Out (FOMO) factor. In the social media ecosystem, students are exposed to "profit-showing" (flexing) content that triggers social anxiety if they do not invest. Fintech facilitates this impulsive behavior with copy-trading features or instant recommendations. As a result, the quality of students' portfolios becomes fragile; they tend to panic sell when the market corrects slightly because they do not have a strong fundamental foundation (Rizki, 2025).

Literacy Asymmetry: Digital Smart, Risk Blind

The accessibility paradox becomes even more apparent when comparing technical proficiency with risk understanding.

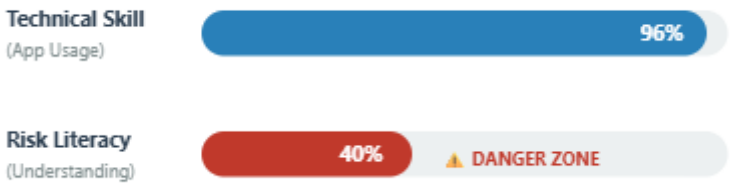

Fig.3. The Literacy Asymmetry

Figure 3 shows the extreme disparity. The Tech Skill score reaches 96%, meaning that respondents are very fluent in using the app's features. However, the Risk Literacy score only stands at 40%. Many respondents do not understand basic concepts such as "High Risk High Return" or the difference between money market instruments and stocks. This creates a dangerous investor profile: Overconfidence. Students feel that they can "invest" just because they can "click the buy button". The ease of the app's UI/UX often disguises the risk, making the stock-buying process feel as easy as buying food online. The absence of cognitive friction during transactions makes students ignorant of potential capital losses, which in turn can trigger investing trauma in the future when they experience real losses (Amelia & Wulandari, 2023).

5. Conclusion

There are three key conclusions from this research a) Students are trapped in an overconfidence bias due to high technical proficiency in operating the app (tech-savvy). The ease of the app interface ("one-click buy") disguises the complexity of investment risk, making users feel capable of investing when they can only "buy". B) Students' investment decisions are highly susceptible to being dictated by social media information flows (influencers), which triggers Fear of Missing Out (FOMO) behavior. The absence of independent fundamental analysis makes students' investment portfolios

fragile and unsustainable. C) The low conversion from intention to action is not caused by the absence of capital, but by low risk literacy. Students delay investment (procrastination) because of the shadowy fear of losses that they do not understand the mitigation.

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