Factors Influencing Investment Decisions Among University Students: The Roles of Financial Literacy, Lifestyle, Income, and Financial Planning

Original Article

Siti Halimah Rambe[1*], Noni Ardian[2], Hernawaty Hernawaty[3]

[1-3]Management Study Program, Faculty of Social Sciences, Universitas Pembangunan Panca Budi, Indonesia
Email: [1] halimahsiti3118@gmail.com, [2] noniardian@dosen.pancabudia.ac.id, [3] hernawaty@dosen.pancabudi.ac.id

Abstract

The rapid proliferation of financial technology and the effortless accessibility of digital investment platforms have significantly reshaped the investment landscape, allowing younger generations to begin investing with minimal capital while acquiring financial knowledge through diverse applications and virtual learning resources. Investment decision-making has become increasingly important among youth, who possess the temporal advantage to benefit from the compounding effect of returns, yet must simultaneously anticipate future challenges such as inflation, post-retirement uncertainty, and rising living costs. These circumstances highlight the necessity of building an investment portfolio early to achieve financial resilience and independence. This study aims to examine the influence of financial literacy, lifestyle, income level, and financial planning on students' investment decisions. The research encompassed active part-time Fintech students in the Management Study Program (Friday–Saturday class), Faculty of Social Sciences, Universitas Pembangunan Panca Budi Medan, cohorts 2022–2023. Through the Slovin formula, 71 individuals were designated as the sample. A quantitative survey design was utilized, with questionnaire data processed via SPSS. Findings indicate that financial literacy exerts a salubrious and statistically weighty partial influence on investment decisions. Lifestyle also demonstrates a positively potent and preponderant effect. In contrast, income and financial planning show no substantive partial impact. Nonetheless, when assessed simultaneously, all four variables collectively manifest significant influence, reflected in F = 43.852, p < 0.001, R^2 = 0.727.

Keywords: Financial Literacy, Financial Planning, Income, Investment Decisions, Lifestyle.

1. Introduction

Financial Technology (Fintech) denotes the confluence of financial services and digital innovation, fundamentally recalibrating the consumer business paradigm. Transactions that previously necessitated physical encounters and cash exchanges can now be executed remotely, instantaneously, and seamlessly through application-based platforms within mere seconds (Dalimunthe et al., 2023; Lestari et al., 2020). FinTech is not only changing the way people conduct financial transactions, but also opening up wider access to various investment instruments, ranging from digital mutual funds and online stocks to crypto assets. Investment is an economic activity that involves investing capital, either directly or indirectly, with the expectation of gaining a return on the capital invested (Pratiwi et al., 2023). Investment is no longer the exclusive domain of professionals or high-income individuals, but has spread to various segments of society, including students. Numerous repositories of information, particularly digital ones, are available for acquiring knowledge about diverse investment

instruments and strategic methodologies (Ardian et al., 2023). The presence of digital investment platforms that make it easy for anyone to start investing with relatively small capital.

As the young generation who will become the backbone of the future economy, students have a strategic role in developing a culture of investment in Indonesia. Aditama and Nurkhin (2020) states that if students do not make investment decisions, they have the potential to not have long-term income, not be able to contribute to inflation stability, not have a steady income, not be able to adapt to changing needs, and not have financial resources available for investment. An investment decision is a decision to place funds in various financial instruments with the hope of obtaining profitable returns. This process involves an ideal capital allocation strategy to maximise the potential for long-term investment returns (Mahardhika & Asandimitra, 2023). The ability to make the right investment decisions is a clear indicator of the application of FinTech literacy in real life. The earlier you start investing, the greater the returns will be in the future, because time is an important factor in investing (Sabrina et al., 2024).

When making investment decisions, investors are influenced by several factors. One factor that can influence individuals in making investment plans is financial literacy, as it is useful in making financial decisions (Putri & Rahyuda, 2017). Financial literacy is also related to understanding and knowledge of investment instruments in the capital market, which can enable investors to make the right investment decisions and avoid the risk of loss (Ferennita et al., 2022). According to Mansur (2023) financial literacy denotes an individual's cognizance of financial institutions, encompassing their diverse product offerings along with the attendant advantages and perils. Persons possessing elevated financial literacy are more adept at discerning investment risks and yields, appraising heterogeneous financial instruments, and formulating judicious decisions that correspond with their personal financial aspirations. Those who possess strong financial knowledge tend to be more prudent and discerning when selecting and analyzing investment options. Moreover, financially literate investors exhibit greater confidence and decisiveness in making investment choices. (Firmansah et al., 2024). For students who work, financial literacy becomes increasingly important as they have to manage multiple income streams and various financial commitments simultaneously.

According to Darussalam et al. (2025) in addition to financial literacy, another important factor influencing investment decisions is lifestyle. Lifestyle is a representation of overall consumption patterns that reflect an individual's use of time and resources. In contemporary terms, lifestyle is defined as a way of life that prioritises pleasure over necessity (Sholeh, 2017). Lifestyle refers to patterns of behaviour, consumption and time allocation that are supported by social, economic and psychological factors in pursuit of social status and social standing (Pratiwi et al., 2023). Young people are often easily influenced by social media because of the ease of obtaining information, which can hinder the achievement of financial goals. They tend to prioritise consumption over saving or investing, such as changing one's shopping behaviour, like online shopping, which greatly encourages impulsive buying (Nurhayati & Harianti, 2023).

As noted by Pratiwi et al. (2023) behaviour, consumption, and time allocation supported by social, economic, and psychological factors in pursuit of social status and standing are known as lifestyle orientation (Maldini, 2020). Income can affect a person's risk level: someone with a high income but little knowledge of investing can easily fall into foolish investments due to higher risks (Muhammad & Andika, 2022). Students who work generally have more stable incomes than students who rely solely on parental support or scholarships. However, varying income levels can influence investment preferences, risk tolerance, and

investment strategies. Millennials avoid investing due to low incomes and numerous responsibilities such as paying off loans, paying rent, checking insurance, and enjoying their lifestyle (Safitri et al., 2024).

Before making an investment decision, it is important to carry out financial planning (Hafidh & Cindiyasari, 2024). Financial planning is the process of managing finances undertaken by individuals or families to achieve effective, efficient, and beneficial objectives, ultimately leading to family prosperity. Generally, this involves managing income to meet various financial goals, such as preparing funds for marriage, childbirth, and other future needs (Yoganandham, 2025). In achieving personal financial goals, competent financial planning is required. Financial planning is a process of managing personal finances with the ultimate goal of achieving individual economic satisfaction (Mendari & Soejono, 2020). Good financial planning bridges the gap between long-term financial goals and the investment decisions made today. Everyone should know that monitoring expenses and creating a sensible budget are essential to prevent wasteful spending. Effective financial management must be supported by a good understanding of finance (Ardian et al., 2023). Students who have sound financial planning will be more systematic in choosing investment instruments, more disciplined in making regular investments, and better prepared to face market volatility.

The 2023 cohort of students in the Friday-Saturday Management Study Programme at Panca Budi University is an interesting population to study because they are a generation that grew up in the digital age and have broad access to information and online investment platforms. They are likewise situated at a crucial juncture in constructing their long-term financial groundwork; therefore, identifying the determinants that sculpt their investment decisions can facilitate the development of more incisive and efficacious financial education initiatives. In this context, the present study interrogates the influence of financial literacy, lifestyle, and financial planning on students' investment decisions.

2. Literature Review

Ajzen's (1991) psychological postulate, the Theory of Planned Behaviour (TPB), elucidates the determinants that mold an individual's intention to enact a particular behaviour. The theory posits that behaviour is governed by three cardinal constituents: attitude toward the behaviour, subjective norms, and perceived behavioural control. Attitude signifies an individual's appraisal of an action, favourable or adverse. Subjective norms denote the sociocultural pressures or expectations imposed by significant others, while perceived behavioural control encapsulates one's confidence in their capacity to execute the behaviour. Collectively, these components shape an individual's intention to act, which serves as the strongest predictor of actual behavior.

2.1. Investment Decisions

Investment is the purchase of funds or other resources to obtain future profits. The term 'investment' can be associated with many things. Investors must make the right investment decisions before investing. The goal is to reduce risk and obtain high returns in the future. Investments themselves can take many forms, ranging from real asset investments to financial asset investments. Real asset investments consist of tangible assets such as gold and property, while financial asset investments consist of bonds, mutual funds, and stocks (Gunawan, 2022).

An investment decision pertains to the allocation of present capital into short-term or long-term assets with the anticipation of accruing future gains or pecuniary yields (Juniantasari, 2021). Investment decisions are a process undertaken by investors to select or identify assets in which to invest, with the aim of generating future profits (Azizah et al., 2023).

Komarudin et al. (2023) states that investment decisions are better known as capital budgeting or decisions on capital allocation. Investment decisions include expansion, acquisition, divestment, asset recapitalisation and so on.

An investment decision is a decision to place funds in various financial instruments with the expectation of obtaining profitable returns. This process involves an ideal capital allocation strategy to maximise the potential for long-term investment returns (Mahardhika & Asandimitra, 2023). According to Ordu (2022) Planning and decision-making regarding various types of investments with a return period of more than one year are known as investment decisions.

2.2. Financial Literacy

Financial literacy signifies an individual's cognizance of financial institutions, encompassing the spectrum of products they provide along with the attendant merits and detriments of those offerings. A person is considered financially literate if they are able to effectively utilize financial products and services provided by institutions such as banks, pawnshops, pension funds, and capital markets. Everyone should have financial knowledge to avoid financial problems, as they often have to sacrifice one interest for another (Pratiwi et al., 2023).

Financial literacy embodies the knowledge, competencies, and convictions that sculpt an individual's attitudes and conduct in formulating prudent financial decisions and stewarding resources effectively, with the ultimate aim of elevating overall financial well-being. An individual endowed with robust financial acumen is capable of perceiving money from multiple vantage points and exerting control over their financial circumstances. Literacy broadly refers to social practices related to knowledge, language, and culture, and also includes interactions between people in society (Soetiono, 2018).

Financial literacy enables individuals to avoid financial difficulties, particularly those resulting from poor financial management. It involves the capacity to make informed financial decisions, communicate confidently about money-related issues, plan strategically for the future, and respond prudently to daily financial situations as well as broader economic developments that affect financial choices (Mansur, 2023).

2.3. Lifestyle

According to Sumarwan (2020), Lifestyle is the way a person chooses to live their life based on their current behaviour and the various types of management they desire, and most importantly, the way they manage their finances. Meanwhile, according to Alamanda (2018) believes that lifestyle is about consumption patterns that show how people choose things and spend their money and time.

Lifestyle is defined in modern terms as a way of life that leads to a high level of interest, activity and opinion on pleasure over necessity (Sholeh, 2017). Lifestyle patterns reflect patterns of behaviour, consumption and time allocation that are supported by social, economic and psychological factors with the aim of pursuing social status and standing (Pratiwi et al., 2023). Lifestyle denotes an individual's modus vivendi, manifested through their activities, interests, and viewpoints, and further expressed in the manner by which they expend financial resources and apportion their time (Ramadhan et al., 2021).

2.4. Income

According to Rahayu (2024) funding is money and all types of income received by a person either from work or from rent, interest, commissions, fees, and profits. Khoiroh et al. (2019) states that income is the gross earnings from salaries, wages, investments, and business

ventures within a certain period, often referred to as 'profit before tax' to determine how much gross profit a person has in generating income. Rahayu et al. (2016) states that personal income, also known as private income, includes all types of income received by residents of a country, including income earned without working. Maldini (2020) defining income as the financial or material result obtained from the free use of human goods or services.

2.5. Financial Planning

According to Kapoor et al. (2007), personal financial planning is the process of managing one's finances to achieve financial satisfaction and meet individual needs and goals. Each person or family has unique circumstances, making it important to plan finances according to specific objectives. Financial planning is the art of managing personal or family finances effectively, efficiently, and beneficially to ensure prosperity. In general, this involves managing income to achieve financial goals such as preparing funds for marriage, childbirth, and other future needs (Yoganandham, 2025).

Financial planning constitutes a methodical undertaking of arranging, directing, and stewarding personal financial resources to attain predetermined short-term and long-term fiscal objectives. Erawati (2022) determined that financial planning has a positive and significant effect on individual investment decisions. Careful planning helps individuals allocate funds efficiently and reduce investment risk. Chariri and Ghozali (2007) defines financial planning as a strategy whose implementation can help you achieve your future financial goals. Meanwhile, according to Bertisch (1994) financial planning can be defined as the careful preparation and adjustment of strategies needed to anticipate and meet future financial needs and goals. Extensive inquiry has been undertaken regarding financial planning, including a study by Faramitha et al. (2021) on financial management behaviour, which demonstrated that locus of control exerts a positive and statistically salient influence on financial management behaviour.

2.6. Previous Research

A strong convergence of evidence exists regarding the influence of financial literacy on investment decisions. Studies by Kurniawan and Durya (2025) and Mulyani et al. (2025) substantiate that financial literacy imparts a beneficial and statistically consequential effect on students' investment choices, indicating that individuals with heightened financial literacy are more inclined to make astute and well-reasoned investment decisions. Parallel observations were reported by Darussalam et al. (2025) among Generation Z in Banda Aceh and by Sobari and Tresnawati (2024) among students in Bandung, indicating that a superior comprehension of financial concepts predisposes individuals toward more sagacious investment decisions.

Nevertheless, certain studies evince incongruities. Tarigan et al. (2025) observed that financial literacy had a negligible and adverse effect on the investment decisions of students, which contravenes the predominant findings of Gustika and Yaspita (2021), who reported a positive and significant effect. Concerning the lifestyle variable, Darussalam et al. (2025) and Amaliah et al. (2025) found a salient influence on investment decisions, whereas Yuniasari et al. (2024) documented contradistinctive results. The financial behaviour variable generally manifests a positive and significant effect (Sobari & Tresnawati, 2024; Damanik et al., 2023), whereas income exhibits heterogeneous outcomes, with Nurhayati and Harianti (2023) and Damanik et al. (2023) reporting an insubstantial impact on investment decisions.

3. Research Methodology

3.1. Research Methodology

This research method is associative/quantitative. According to Rusiadi et al. (2016) Associative or quantitative research seeks to identify the extent of relationships and the patterns of influence among two or more variables. This type of research is intended to develop theories that can explain, predict, and control observed phenomena.

3.2. Population and Sample

This investigation encompassed the entire population of active students in the Fintech Concentration of the Management Study Program, Friday-Saturday Class, Faculty of Social Sciences, Panca Budi University, comprising 247 individuals from the 2022–2023 part-time cohort. To ascertain the sample size, simple random sampling with a 10% margin of error was applied, producing the computation n = 247 / (1 + 247 × 0.01^2) = 247 / 3.47 = 71.

3.3. Analysis Techniques

Data analysis was conducted using descriptive statistical methods to characterize the research variables and the demographic profile of respondents. Multiple linear regression analysis was subsequently performed utilizing SPSS version 29.

$$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + e \tag{1}$$

Description:

Y	= Investment Decision
a	= Constant
b_1	= Regression Coefficient X_1
b_2	= Regression Coefficient X_2
b_3	= Regression Coefficient X_3
b_4	= Regression Coefficient X_4
X_1	= Financial Literacy
X_2	= Lifestyle
X_3	= Income
X_4	= Financial Planning
E	= Standard Error

4. Results and Discussion

4.1. Research Results

4.1.1. Descriptive Statistical Analysis

Descriptive statistical analysis, utilized to illustrate or condense data through tables, graphs, or numerical indices such as the mean, median, and standard deviation, serves to furnish a holistic portrayal of the intrinsic characteristics of the dataset under examination. As shown in Table 1, the descriptive statistics present an overview of the data distribution through key numerical indicators such as the mean and standard deviation.

Table 1. Descriptive Statistical Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Financial Literacy	71	14	25	20.31	2.284
Lifestyle	71	16	25	20.63	2.380
Income	71	12	25	21.06	2.683
Financial Planning	71	12	25	21.14	2.560
Investment Decisions	71	16	25	21.13	2.151
Valid N (listwise)	71				

Source: SPSS Data Analysis, 2025

All variables were identified using data elicited from 71 respondents, with the outcomes of the descriptive statistical analysis delineated in Table 1. The Financial Planning construct registered a mean of 21.14 with a standard deviation of 2.560, whereas Financial Literacy reflected a mean of 20.31 accompanied by a standard deviation of 2.284. Lifestyle produced a mean of 20.63 and a standard deviation of 2.380, while Income yielded the highest mean at 21.06 with a standard deviation of 2.683. The criterion variable, Investment Decision, attained a mean of 21.13 with a standard deviation of 2.151. Each variable has quite different minimum and maximum values, indicating that students differ in their financial knowledge and behaviour.

4.1.2. Classical Assumption Test

To ensure that the data meets statistical requirements such as normality, heteroscedasticity, autocorrelation, and the absence of multicollinearity, classical assumption tests are an important step in linear regression analysis. The analyses encompass tests for normality, assessments of multicollinearity (using VIF and tolerance values), evaluations of heteroscedasticity (such as the Glejser test), and examinations of autocorrelation employing the Durbin-Watson test.

a. Normality Test

The normality test evaluates whether the residuals produced from the regression model adhere to a normal distribution. The outcomes of this assessment are illustrated in Table 2 below.

Table 2. Results of the Kolmogorov-Smirnov Normality Test
One-Sample Kolmogorov-Smirnov Test

			Unstandardized Residual
N			71
Normal Parameters[a,b]	Mean		.0000000
	Std. Deviation		1.12467132
Most Extreme Differences	Absolute		.092
	Positive		.079
	Negative		-.092
Test Statistic			.092
Asymp. Sig. (2-tailed)[c]			.200[d]
Monte Carlo Sig. (2-tailed)[e]	Sig.		.137
	99% Confidence Interval	Lower Bound	.128
		Upper Bound	.146

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.
e. Lilliefors' method based on 10000 Monte Carlo samples with starting seed 2000000.
Source: SPSS Data Analysis, 2025

The Kolmogorov–Smirnov One-Sample Test applied to the unstandardised residuals produced an Asymp. Sig. (2-tailed) value of 0.200, signifying that the residuals conform to a normal distribution. Since this value exceeds the 0.05 threshold, the normality assumption of the regression analysis is satisfied, affirming that the regression model is appropriate for subsequent inferential testing.

b. Multicollinearity Test

The multicollinearity test is performed to determine whether high correlations exist among the independent variables within a regression model, as such correlations may cause

instability in coefficient estimation. The findings of this analysis are displayed in Table 3 below.

Table 3. Multicollinearity Test Results
Coefficients^a

Model		Collinearity Statistics	
		Tolerance	VIF
1	Financial Literacy	.318	3.147
	Lifestyle	.292	3.423
	Income	.249	4.009
	Financial Planning	.275	3.634

a. Dependent Variable: Investment Decision
Source: SPSS Data Analysis, 2025

The multicollinearity assessment revealed that all independent variables possessed Tolerance values exceeding 0.1 and Variance Inflation Factor (VIF) values below 10. Accordingly, it can be inferred that the model exhibits no multicollinearity symptoms, thereby confirming that the independent variables are fit for incorporation into the regression analysis.

c.   Heteroscedasticity Test

A heteroscedasticity test is conducted to determine whether the residual variance, or homoscedasticity, is constant in the regression model. To test this, you can use the Glejser method, Park's test, or look at the pattern on the scatterplot between the residual values and predictions. There is no heteroscedasticity if the pattern is randomly scattered. The results indicate that heteroscedasticity occurs if the significance value is greater than 0.05 and less than 0.05.
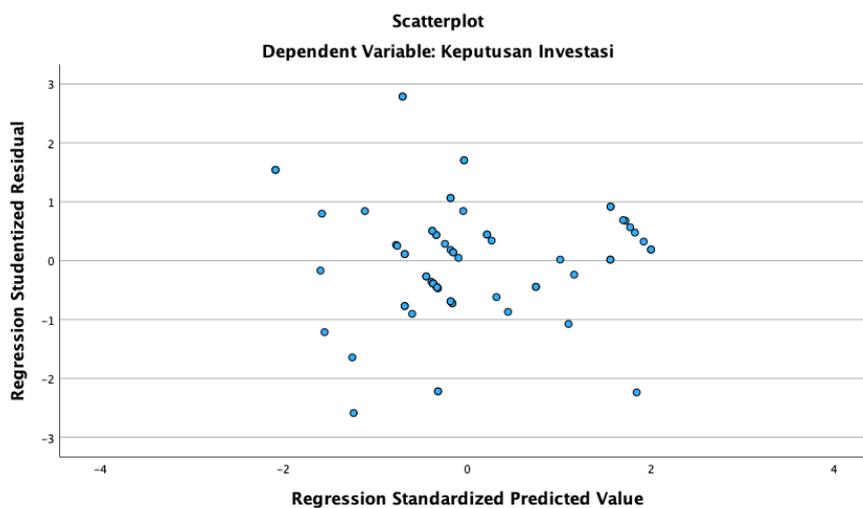

Figure 1. Heteroscedasticity Test - Scatterplot
Source: SPSS Data Analysis, 2025

According to the results of the heteroscedasticity test in Figure 1 conducted using the scatterplot method, the random distribution pattern between the residuals and predicted values does not show any particular pattern. These results further indicate that the regression model satisfies the homoscedasticity assumption.

4.1.3. Multiple Linear Regression Analysis

Multiple linear regression constitutes a statistical procedure used to ascertain the influence of two or more independent variables on a single dependent variable (Table 4). This technique seeks to evaluate both the magnitude and the statistical significance of each independent variable's contribution to the dependent variable.

Table 4. Multiple Linear Regression Analysis

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	6.663	2.055		3.243	.002
Financial Literacy	.252	.108	.268	2.345	.022
Lifestyle	.551	.108	.610	5.119	<.001
Income	-.017	.103	-.021	-.165	.869
Financial Planning	-.079	.103	-.094	-.763	.448

a. Dependent Variable: Investment Decision

Source: SPSS Data Analysis, 2025

Based on the results of multiple linear regression analysis, the following regression equation was obtained:

$$Y = 6.663 + 0.252X_1 + 0.551X_2 - 0.017X_3 - 0.079X_4. \tag{2}$$

The regression equation demonstrates that, ceteris paribus, a one-unit augmentation in Financial Literacy corresponds to a 0.252-point elevation in Investment Decisions, whereas a one-unit increment in Lifestyle yields a 0.551-point enhancement in Investment Decisions. Conversely, the Income and Financial Planning variables have negative coefficients, -0.017 and -0.079 respectively, which means that an increase in these two variables actually reduces investment decisions, although the effect is not statistically significant.

4.1.4. Hypothesis Testing

Hypothesis testing is employed to evaluate assumptions or conjectures regarding population parameters using sample data. The t-test is generally applied to assess the influence of individual variables, whereas the F-test is utilised to examine the collective effect of all independent variables on the dependent variable concurrently.

a. Partial Test (t)

The influence of each independent variable on the dependent variable in the regression model is assessed using a partial test (t-test). Conclusions are drawn based on the significance value (Sig.): if Sig. < 0.05, the independent variable is considered significant, whereas if Sig. > 0.05, the variable is deemed insignificant. As shown in Table 5, the t-test results were used to assess the significance of each independent variable's effect on the dependent variable.

Table 5. Partial Test Results (t)

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	6.663	2.055		3.243	.002
Financial Literacy	.252	.108	.268	2.345	.022
Lifestyle	.551	.108	.610	5.119	<.001
Income	-.017	.103	-.021	-.165	.869
Financial Planning	-.079	.103	-.094	-.763	.448

a. Dependent Variable: Investment Decisions

Source: SPSS Data Analysis, 2025

Based on the partial (t) test, only two of the four independent variables exerted a significant influence on students' investment decisions. Financial literacy exhibited a positive and significant effect, evidenced by a t-value of 2.345 and a significance level of 0.022 (< 0.05), thereby affirming H_1. Similarly, lifestyle demonstrated a positive and significant impact, with a t-value of 5.119 and a significance level of < 0.001, likewise substantiating H_1.

Conversely, the income variable (t = -0.165; sig. = 0.869 > 0.05) displayed a negative and insignificant association, and the financial planning variable (t = -0.763; sig. = 0.448 > 0.05) also showed an insignificant effect. Hence, H_0 is upheld for both variables, indicating that income and financial planning do not significantly influence students' investment decisions.

b. Simultaneous Test (F)

The simultaneous (F) test determines whether, collectively, the independent variables exert a statistically significant influence on the dependent variable within the regression model. As shown in Table 6, the F-test results indicate the significance of the simultaneous effect of independent variables on the dependent variable.

Table 6. Simultaneous Test Results (F)

ANOVA[a]

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	235.317	4	58.829	43.852	<.001b
	Residual	88.542	66	1.342		
	Total	323.859	70			

a. Dependent Variable: Investment Decision
b. Predictors: (Constant), Financial Planning, Lifestyle, Financial Literacy, Income

Source: SPSS Data Processing, 2025

The simultaneous (F) test produced a significance value of 0.001, far below the 0.05 criterion. This denotes that the four independent variables (Financial Literacy, Lifestyle, Income, and Financial Planning) collectively exert a statistically significant influence on the dependent variable, Investment Decisions.

4.1.5. Coefficient of Determination (R^2)

The coefficient of determination (R^2) is a statistical index that gauges the proportion of variance in the dependent variable that can be elucidated by the independent variables within the regression model. As shown in Table 7, the coefficient of determination (R^2) value indicates the ability of the regression model to explain the variation in the dependent variable.

Table 7. Coefficient of Determination (R^2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.852a	.727	.710	1.158

a. Predictors: (Constant), Financial Planning, Lifestyle, Financial Literacy, Income
b. Dependent Variable: Investment Decision

Source: SPSS Data Analysis, 2025

The coefficient of determination analysis yielded an R^2 value of 0.727, indicating that the independent variables, Financial Literacy, Lifestyle, Income, and Financial Planning, collectively elucidate 72.7% of the variance in students' investment decisions. The remaining 27.3% is attributable to extraneous determinants not encompassed within this study.

4.2. Discussion

4.2.1. The Effect of Financial Literacy on Student Investment Decisions

The study's results demonstrate that financial literacy exerts a positive and statistically consequential effect on the investment decisions of students in the Financial Technology concentration of the Management Study Programme, Friday–Saturday class, 2022–2023 cohort at Panca Budi University. This association is substantiated by a regression coefficient of 0.252 and a significance value of 0.022 (< 0.05), signifying that a one-unit augmentation in financial literacy yields a 0.252-unit elevation in investment decision outcomes. Students with strong financial knowledge, including familiarity with investment products, understanding of risk and return, and financial management skills, tend to make investment decisions with greater confidence. These findings are consistent with the theory that individuals with high financial literacy possess a superior ability to comprehend various investment instruments and evaluate the associated risks (Arora & Chakraborty, 2023). Financial Technology students who have gained knowledge about digital financial technology, blockchain, cryptocurrency, and fintech innovations have a better understanding of the modern investment landscape.

4.2.2. The Influence of Lifestyle on Student Investment Decisions

The findings indicate that lifestyle exerts a positive and statistically significant influence on the investment decision-making of students in the Management Study Programme, Financial Technology concentration, Friday-Saturday class, 2022-2023 cohort at Universitas Pembangunan Panca Budi. This is corroborated by a regression coefficient of 0.551 and a significance level of < 0.001, signifying that a one-unit escalation in lifestyle corresponds to a 0.551-unit enhancement in investment decisions. With a standardised beta coefficient value of 0.610, lifestyle is the variable that most influences investment decisions, indicating that students' lifestyles are the main factor driving investment decisions. Students who have an active and modern lifestyle are more open to financial information and more responsive to investment opportunities, especially through digital platforms that are now increasingly accessible.

Lifestyle not only influences consumptive behaviour, but can also trigger productive behaviour such as investing, especially when balanced with adequate financial knowledge and understanding. This pronounced influence of lifestyle further signifies that investment decisions are shaped not solely by rational considerations, but also by sociocultural determinants, wherein investing becomes an element of identity construction and self-image among tech-savvy and financially cognizant millennial students.

4.2.3. The Influence of Income on Student Investment Decisions

The findings demonstrate that income does not exert a significant influence on the investment decisions of students in the Financial Technology concentration of the Management Study Programme, Friday-Saturday class, 2022–2023 cohort at Panca Budi University. This conclusion is supported by a regression coefficient of −0.017 and a significance value of 0.869 (> 0.05), thereby validating H₀, which posits that income does not affect students' investment decisions. The magnitude of student income is thus not a decisive determinant in investment decision-making. Given that students typically possess limited financial resources and continue to rely on parental support or scholarships, their investment behaviour is shaped more substantially by factors such as knowledge, motivation, and lifestyle rather than financial capacity per se.

The results of this study show that Financial Technology students perceive investment differently, as they do not consider income to be a major obstacle to starting investing. This is

in line with the findings by Theodorus et al. (2023). This phenomenon is possible due to the development of financial technology that allows investment with small capital through mobile applications such as online mutual funds, micro-investing, or cryptocurrency with affordable nominal values. As digital natives, students are more familiar with the concepts of gradual investment and dollar cost averaging, enabling them to start investing even with limited income. Furthermore, their concentration in financial technology provides them with access to information and tools that allow them to optimise their investments without having to rely on their income level, but rather on the right strategy and timing in allocating their available funds for investment.

4.2.4. The Effect of Financial Planning on Student Investment Decisions

The results indicate that students in the Financial Technology Management Study Programme, Friday-Saturday class, 2022–2023 cohort at Panca Budi University, did not make investment decisions significantly influenced by financial planning. Ho is accepted, showing that financial planning does not affect students' investment decisions, as evidenced by a regression coefficient of -0.079 and a significance level of 0.448 (> 0.05). As emerging adults in the exploration stage, students tend to be more impulsive in financial decision-making and often seize investment opportunities spontaneously, particularly in the digital era, where investment information and access are readily available in real-time through mobile applications and fintech platforms. In addition, millennials and Gen-Z have a more flexible and adaptive approach to finance, where they believe more in the ability to dynamically adjust strategies rather than following rigid planning like in the research by Pandya (2023). Although students have knowledge about the importance of financial planning from an academic perspective, in the practice of investment decision-making, they are more influenced by immediate behavioural and situational factors rather than long-term planning.

4.2.5. The Influence of Financial Literacy, Lifestyle, Income, and Financial Planning on Student Investment Decisions

The findings of this study indicate that students in the Financial Technology Management Study Programme, Friday-Saturday class, 2022-2023 cohort at Panca Budi University, are significantly influenced by four factors: financial literacy, lifestyle, income, and financial planning. The calculated F-value of 43.852 with a significance level of 0.001 (< 0.05) confirms that these four independent variables simultaneously affect students' investment decisions. Furthermore, the coefficient of determination (R^2) value of 0.727 shows that these variables collectively explain 72.7% of the variation in students' investment decisions, while the remaining 27.3% is attributed to other factors not examined in this study.

These findings indicate that students' investment decisions in Financial Technology are the result of complex interactions between various interrelated factors that cannot be viewed separately. The combination of financial literacy that provides knowledge and understanding, lifestyle that reflects orientation and preferences, income as a financial enabler, and financial planning as a framework for thinking collectively forms a comprehensive investment decision-making pattern (ArockiaDass & Nithya, 2025). This shows that to improve student investment decisions, a holistic approach is needed that does not only focus on one aspect but considers all dimensions that influence student financial behaviour. This research model, with a predictive ability of 72.7%, is quite robust and can be used as a reference for developing more effective education and intervention programmes to improve investment literacy and encourage optimal investment behaviour among Financial Technology students.

5. Conclusion

Based on the analytical outcomes, it can be inferred that the constructs of Financial Literacy, Lifestyle, Income, and Financial Planning collectively exert a salient and statistically consequential influence on students' investment decisions, as corroborated by the F-test with a significance value of < 0.001. Individually, however, only Financial Literacy and Lifestyle manifested a positive and materially significant effect on investment decision-making. Financial Literacy strengthens students' comprehension of investment risks, opportunities, and strategic approaches, while Lifestyle fosters engagement in investment activities, especially those that reflect modern and digital financial practices. Conversely, Income and Financial Planning were not found to significantly impact students' investment decisions. This suggests that income level is not a determining factor for students in making investment choices, as many do not yet have stable or consistent earnings. Similarly, financial planning may not be a key focus in their current stage of financial development. The coefficient of determination (R^2) of 72.7% indicates that the regression model accounts for a substantial portion of the variation in investment decisions through the four variables analysed, while the remaining 27.3% is attributed to other factors not examined in this study.

Based on these findings, it is suggested that educational institutions and policymakers strengthen financial education programs to enhance students' financial literacy from an early stage. Additionally, initiatives that promote positive and responsible financial lifestyles, especially in the context of digital finance, should be encouraged. Future research could explore other factors influencing students' investment decisions, such as risk perception, financial technology adoption, and social influence, to obtain a more comprehensive understanding of the determinants shaping young investors' behaviour.

6. References

Aditama, R. R., & Nurkhin, A. (2020). Pengaruh Pelatihan Pasar Modal Terhadap Minat Investasi Mahasiswa Di Pasar Modal Dengan Pengetahuan Investasi Dan Manfaat Investasi Sebagai Variabel Intervening. *Business and Accounting Education Journal*, *1*(1). https://doi.org/10.15294/baej.v1i1.38922

Ajzen, I. (1991). *The theory of planned behavior. Organizational Behavior and Human Decision Processes 50*.

Alamanda, Y. (2018). Pengaruh Harga Diri dan Gaya Hidup Terhadap Perilaku Konsumtif. *Psikoborneo: Jurnal Ilmiah Psikologi*, *6*(2), 273–279. https://doi.org/10.30872/psikoborneo.v6i2.4570

Amaliah, I., Anjani, S. P., Aspiranti, T., & Nurhayati, N. (2025). Exploring Lifestyle and Literacy Effects on Millennials' Saving in Islamic Banks. *Journal of Social Science and Business Studies*, *3*(3), 539–549. https://doi.org/10.61487/jssbs.v3i3.178

Ardian, N., Dwilitia, H., Darmilisani, & Selviani, P. (2023). Investment Interest in Kota Pari Village Communities: A Study of the Influence of Investment Motivation and Knowledge. *Journal of Community Research & Service (JCRS)*, *7*(2), 273–281. https://doi.org/10.24114/jcrs.v7i2.46145

Ardian, N., Rizky, C., & Capah, A. (2023). Pengenalan Investasi dan Perencanaan Keuangan Jangka Panjang Bagi Masyarakat Desa Kwala Serapuh Kabupaten Langkat. *Journal of Social Responsibility Projects by Higher Education Forum2*, *4*(2), 117–122. https://doi.org/10.47065/jrespro.v4i2.4532

ArockiaDass, R. C., & Nithya, A. R. (2025). Financial literacy: The evolution, current proposition, and its way forward—A systematic literature review. *Multidisciplinary Reviews*, *8*(12), 2025394. https://doi.org/10.31893/multirev.2025394

Arora, J., & Chakraborty, M. (2023). Role of financial literacy in investment choices of financial consumers: an insight from India. *International Journal of Social Economics*, *50*(3), 377–397. https://doi.org/10.1108/IJSE-12-2021-0764

Azizah, W. N., Wahono, B., & Bastomi, M. (2023). Pengaruh Perilaku Keuangan, Pengetahuan Investasi Dan Toleransi Risiko Terhadap Keputusan Investasi Di Pasar Modal (Studi Kasus Pada Mahasiswa Fakultas Ekonomi dan Bisnis Universitas Islam Malang). *E-JRM : Elektronik Jurnal Riset Manajemen*, *13*(1), 1058–1168.

Bertisch, A. M. (1994). *Personal finance*. Dryden Press.

Chariri, A., & Ghozali, I. (2007). Teori akuntansi. *Semarang: Badan Penerbit Universitas Diponegoro*, *409*.

Dalimunthe, W. M., Rahma, T. I. F., & Syarvina, W. (2023). Efektivitas Fintech Melalui Digital Payment terhadap Perkembangan UMKM di Indonesia. *Reslaj : Religion Education Social Laa Roiba Journal*, *5*(6), 3296–3306. https://doi.org/10.47467/reslaj.v5i6.1059

Damanik, D., Erfiyana, N., Simanjuntak, R., Simanjuntak, M., Tarigan, H. E., Evi, P. A. M., & Marbun, R. (2023). Sosialisasi Literasi Keuangan Dan CBP Rupiah Bagi Siswa Sekolah Dasar Di Kabupaten Simalungun. *Jurnal Pengabdian Masyarakat Sapangambei Manoktok Hitei*, *3*(1), 49–54.

Darussalam, R. K., Syamsidar, & Mimiasri. (2025). Pengaruh Literasi Keuangan dan Gaya Hidup Terhadap Keputusan Investasi Pada Generasi Z di Kota Banda Aceh. *YUME : Journal of Management2*, *8*(1), 1222–1231. https://doi.org/10.37531/yum.v8i1.8268

Erawati, E. (2022). *Pengaruh Perencanaan Keuangan Dan Gaya Hidup Terhadap Keputusan Investasi Investor Individu*. Universitas Terbuka.

Faramitha, A., Wahyudi, & Desmintari. (2021). Analisis Perilaku Manajemen Keuangan Pada Generasi Milenial. *INOVASI*, *17*(1), 19–29.

Ferennita, C., Hasan, H., & Astuti, E. B. (2022). Pengaruh Literasi Keuangan, Advocate Recommendation dan Overconfidence terhadap Pengambilan Keputusan Investasi Saham Oleh Investor Muda di Kota Semarang (Studi Pada Investor Muda yang Terdaftar di Phintraco Sekuritas Cabang Semarang). *Journal of Accounting and Finance(JAFIN)*, *1*(1), 50–66. https://doi.org/https://doi.org/10.31942/jafin.v1i1.7009

Firmansah, R., Irawan, M. A., & Cahya, B. T. (2024). Faktor-Faktor Yang Mempengaruhi Keputusan Investasi Pada Instrumen Saham. *Islamic Accounting Journa*, *4*(2), 71–93.

Gunawan, T. (2022). *Pengaruh Literasi Keuangan dan Tingkat Pendapatan Terhadap Keputusan Investasi Pada Mahasiswa Akuntansi Kota Batam*. Universitas Putera Batam.

Gustika, G. S., & Yaspita, H. (2021). Pengaruh Literasi Keuangan Terhadap Keputusan Investasi Mahasiswa STIE Indragiri Rengat. *J-MAS (Jurnal Manajemen Dan Sains)*, *6*(1), 261–269. https://doi.org/10.33087/jmas.v6i1.252

Hafidh, M., & Cindiyasari, S. A. (2024). Analisis Pengaruh Perencanaan Keuangan, Pengalaman Investasi dan Risk Tolerance Terhadap Keputusan Investasi Mahasiswa di Bandar Lampung. *JAFM (Journal of Accounting and Finance Management)*, *5*(5), 992–1004. https://doi.org/10.38035/jafm.v5i5.1040

Juniantasari, F. (2021). *Pengaruh Risk Tolerance, Overconfidence Dan Motivasi Terhadap Keputusan Investasi Dalam Perspektif Ekonomi Islam (Studi pada Mahasiswa yang tergabung dalam Galeri Investasi Syariah UIN Raden Intan Lampung)*. Universitas Islam Negeri Raden Intan Lampung.

Kapoor, A., W., & Picard, R. (2007). Automatic Prediction of Frustration. *Nternational Journal of Human Computer Studies*, *65*(8), 724–736. https://doi.org/10.1016/j.ijhcs.2007.02.003

Khoiroh, S. M., Mundari, S., Sofianto, R., & Septiana, A. (2019). Pengaruh Digital Marketing, Profitability, Literasi Keuangan, dan Pendapatan terhadap Keputusan Investasi Lat (Lobster Air Tawar) di Indonesia. *Teknika: Engineering and Sains Journal*, *3*(2), 71–76.

https://doi.org/10.51804/tesj.v3i2.473.71-76

Komarudin, M. N., Lestari, E. A., Djuniardi, D., & Maulana, Y. (2023). Analisis Faktor-faktor yang Mempengaruhi Keputusan Investasi Saham di Kalangan Mahasiswa. *Prosiding FRIMA (Festival Riset Ilmiah Manajemen Dan Akuntansi)*, 603–619.

Kurniawan, Y. I., & Durya, N. P. M. A. (2025). Analisis Pengaruh Literasi Keuangan, Perilaku Keuangan dan Pendapatan terhadap Keputusan Investasi: Studi Kasus pada Mahasiswa Program Studi Akuntansi Fakultas Ekonomi dan Bisnis Universitas Dian Nuswantoro Semarang. *Jurnal Bisnis Mahasiswa*, *5*(1), 129–145. https://doi.org/10.60036/jbm.v5i1.314

Lestari, D. A., Purnamasari, E. D., & Setiawan, B. (2020). Pengaruh Payment Gateway terhadap Kinerja Keuangan UMKM. *Jurnal Bisnis, Manajemen, Dan Ekonomi*, *1*(1), 1–10. https://doi.org/10.47747/jbme.v1i1.20

Mahardhika, M. D., & Asandimitra, N. (2023). Pengaruh Overconfidence, Risk Tolerance, Return, Financial Literacy, Financial Technology Terhadap Keputusan Investasi. *Jurnal Ilmu Manajemen*, *11*(3), 602–613. https://doi.org/10.26740/jim.vn.p602-613

Maldini, R. (2020). *Pengaruh Literasi Keuangan dan Pendapatan Terhadap Keputusan Investasi (Studi Kasus Karyawan PT Pertamina (Persero) MOR I Medan*. Universitas Muhammadiyah Sumatera Utara.

Mansur, R. (2023). *Pengaruh Literasi Keuangan, Perilaku Keuangan, Risk Tolerance, Dan Pendapatan Terhadap Keputusan Investasi Di Pasar Modal (Studi Kasus Pada Masyarakat Kabupaten Pangkajene dan Kepulauan)*. Universitas Hasanuddin Makassar.

Mendari, A. S., & Soejono, F. (2020). The Relationship between Basic and Advanced Financial Literacy Index and Lecturer Financial Planning. *Jurnal Dinamika Manajemen*, *11*(2), 207–215.

Muhammad, B., & Andika, M. (2022). Pengaruh Literasi Keuangan, Pengetahuan Investasi dan Pendapatan Terhadap Perilaku Keputusan Investasi Di Pasar Modal Pada Mahasiswa Di Jabodetabek. *Prosiding SNAM PNJ*, 1–10.

Mulyani, R., Oktaviani, R. F., & Fauziyah, N. K. (2025). The Effect of Key Financial Indicators on Bank Profitability. *Shafin: Sharia Finance and Accounting Journal*, *5*(1), 96–110.

Nurhayati, A., & Harianti, A. (2023). *Pengaruh Literasi Keuangan, Pendapatan, dan Gaya Terhadap Keputusan BerInvestasi Generasi Z DKI Jakarta*. *4*(2), 10–22. https://doi.org/https://doi.org/10.56486/remittance.vol4no2.388

Ordu, M. (2022). A simulation-based decision-making approach to evaluate the returns on investments. *International Journal of Simulation Modelling*, *21*(3), 441–452.

Pandya, M. J. D. (2023). A Study on Financial Literacy among Millennials & Gen Z. *DJournal. Https://Ij. Darshan. Ac. in/DIJCM/Past-Issues*.

Pratiwi, S., Seswandi, A., & Amdanata, D. D. (2023). Pengaruh Literasi Keuangan Terhadap Keputusan Investasi Dengan Life Style Sebagai Variabel Moderasi di Kota Pekanbaru. *Jurnal Komunitas Sains Manajemen*, *2*(2), 189–198. https://doi.org/10.55356/jksm.v2i2.94

Putri, N., & Rahyuda, H. (2017). Pengaruh tingkat financial literacy dan faktor sosiodemografi terhadap perilaku keputusan investasi individu. *E-Jurnal Ekonomi Dan Bisnis Universitas Udayana*, *6*(9), 3407–3434.

Rahayu, Febriaty, H., Rozaini, N., & Mardalena, M. (2016). *Pengantar Ekonomi Makro*. Perdana Publishing.

Rahayu, Y. S. (2024). *Pengaruh Pendapatan, Return, Risiko, Dan Literasi Keuangan Terhadap Keputusan Investasi Pada Mahasiswa (Studi Pada Mahasiswa Yang Berinvestasi Di Galeri investasi UIN Suska Riau, Galeri Investasi UNRI, Dan Galeri Investasi UMRI)*. Universitas Islam Negeri Sultan Syarif Kasim Riau.

Ramadhan, F., Ali, F., & Sanjaya, V. F. (2021). Peran Kecerdasan Spiritual dan Gaya Hidup

Hedonisme Dalam Manajemen Keuangan Pribadi Mahasiswa di Kota Bandar Lampung. *Upajiwa Dewantara*, *5*(2), 76–85.

Rusiadi, Subiantoro, N., & Hidayat, R. (2016). *Metode Penelitian : Manajemen, Akuntansi dan Ekonomi Pembangunan. Konsep, Kasus dan Aplikasi SPSS, Eviews, Amos, Lisrel*. USU Press.

Sabrina, P., Panorama, M., & Lemiyana. (2024). Pengaruh Gaya Hidup Dan Personality Traits Terhadap Keputusan Berinvestasi Di Pasar Modal Pada Generasi Z Kota Palembang. *Jurnal Akuntansi Keuangan Dan Bisnis*, *2*(2), 501–510.

Safitri, D., Rahmawati, T., & Maftukhin, M. (2024). Pengaruh Literasi Keuangan, Perilaku Keuangan Dan Pendapatan Terhadap Minat Generasi Milenial Di Brebes Dalam Berinvestasi. *Jurnal Rimba : Riset Ilmu Manajemen Bisnis Dan Akuntansi*, *2*(2), 127–138. https://doi.org/https://doi.org/10.61132/rimba.v2i2.699

Sholeh, A. (2017). The Relationship Among Hedonistic Lifestyle, Life Satisfaction, and Happines on College Students. *International Journal of Social Science and Humanity*, *7*(9), 604–607. https://doi.org/https://doi.org/10.18178/ijssh.2017.7.9.892

Sobari, R., & Tresnawati, A. (2024). Pengaruh Literasi Keuangan dan Perilaku Keuangan terhadap Keputusan Investasi Mahasiswa Kota Bandung. *EKONOMIKA45: Jurnal Ilmiah Manajemen, Ekonomi Bisnis, Kewirausahaan*, *12*(1), 479–494. https://doi.org/10.30640/ekonomika45.v12i1.3593

Soetiono, K. S. (2018). *Literasi Keuangan Dan Inklusi Keuangan Indonesia*. Raja Grafindo Persada.

Sumarwan, U. (2020). *Perilaku Konsumen: Teori dan Penerapannya dalam Pemasaran (Ed. 2, Cet. 3)*. Ghalia Indonesia.

Tarigan, R. A., Suparno, S., & Wibowo, A. (2025). The Influence Of Financial Literacy, Digital Literacy, And Business Knowledge On Umkm Development Mediated By Innovation. *PERCIPIENCE International Journal of Social, Administration, & Entrepreneurship*, *5*(1), 17–34.

Theodorus, F., Patricia, V. I., & Meiryani, M. (2023). The Influence of Financial Technology, Minimum Capital, and Financial Literacy on Student Investment Interest. *E3S Web of Conferences*, *426*, 1109. https://doi.org/10.1051/e3sconf/202342601109

Yoganandham, G. (2025). Mastering Economic And Financial Sources With Reference To Budgeting, Savings, Early Investing, Debt Management And The Power Of Financial Planning-A Comprehensive Analysis. *Degres Journal*, *10*(1), 19–33.

Yuniasari, T., Mranani, M., & Prasetya, W. A. (2024). Pengaruh Literasi Keuangan, Perilaku Keuangan dan Gaya Hidup terhadap Minat Investasi. *7th Prosiding Business and Economics Conference In Utilizing of Modern Technology 2024*, 127–137. https://doi.org/10.31603/conference.11977