Men Vs Woman: Learning Channel Differences On Generation ZInvestment Intention

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Abstract. Investment growth in Indonesia's capital market is dominated by Generation Z. This technology-savvy generation uses various sources to learn about investment. Therefore, the study investigated Generation Z's investment intention as influenced by learning channels. A quantitative approach was usedby distributing questionnaires to 271 university students in Yogyakarta, Indonesia. The results of the analysis using Partial Least Square-Structural Equation Modeling (PLS-SEM) show that learning channel has a significant effect on investment intention. Furthermore, this study found differences in the effect of learning channels on investment intention between men and woman. Research and practical implications are discussed.

Keywords: learning channel, investment interest, gen z

1 Introduction

The development of the capital market in Indonesia has continued to accelerate in the last 8 years. By the third quarterof 2023, the number of investors in the capital market had reached 11.2 million registered in the Single Investor Identification (SID). The upward trend began massively in 2021 where at that time investors totaled 7,489,337. In 2022, the number of investors had reached 10,311,152[1] This means that people are starting to have an understandingof financial literacy even though it is still centered in Java. A person with financial literacy skills is able to manage finances in accordance with their financial goals, including choosing trusted financial products and services so as to achieve financial well-being [2][3]

The level of financial literacy that each generation has is different due to availability and accessibility. Generation Z is known as a generation that is close to the internet and technology so that the ease of accessing financial informationis greater than other generations.[4] It is not surprising that they have a great opportunity to invest in the capital market by utilizing the financial information obtained.[5] This can be seen from the fund-raising activities in the capital market dominated by generation z. Based on data from the Indonesia Central Securities Depository (KSEI), itis recorded that 57.26% of the total existing investors are generation z. In

addition, generation z is a new consumer who is in the process of becoming an individual consumer [5] even though they are still economically dependent on their parents [6] This makes them a potential customer with increasing purchasing power [7] so generation z is the subject of our research.

As potential customers, this study considers it important to know the sources of financial information obtained by Generation Z. Financial information obtained by generation z is able to generate a strong desire to learn everything related to investment to practice it. [8]. This desire is known as investment intention. High investment intention can help restore the economy by channeling funds to those who need them so that these parties can advance their businessand have an impact on national income. Yogyakarta as a student city has promising prospects for the capital market. Investment intention in the city is showing a positive trend. The number of investors reached 157,680 as of April 2023.When compared to April 2022, the number of investors was 126,687. This means that investor growth during the period was 24.46%. This condition has a good impact on the capital market climate in Indonesia.

Previous studies have shown that investor accessibility to financial information can change financial behavior.Thedelivery of financial information that is considered effective is the media [9][10]. Media is able to provide relevant information as needed and provide interaction between emotion and logic [11] This research uses media as learning.channels from social media, influencers, investment apps, and non-formal education. Such learning channels are usedgiven the tech-savvy generation z.Our study contributes to the development of existing knowledge. First, we will look at how learning channels impact investment intention, particularly of generation z. Second, we extend the study by discussing gender differences in investment intention.

2 Literature Review

2.1 Generational Cohort Theory

Investors as consumers in the capital market can be grouped by generation [12] Generational segmentation was bornfrom generational cohort theory. The theory was developed by Karl Mannheim in the early-mid 20th century
 [13]Generations, based on generational cohort theory, are social groups with specific birth periods [14]such as pre- boomers; baby boomers, generation X, millennials, generation z, and generation alpha. Each generation has its own identity [15] and characteristics [16]created by a series of social events and experiences that occurred during the period of their birth. As a result, individuals within the generation will have similar attitudes, ideas, values, and beliefs and are reflected in behavior [17]

Generation Z, also known as iGeneration, Plurals, and Generation Next, was born between 1997-2005 They are in the era of social media so they feel comfortable in the virtual world This

generation is the most connected compared to other generations due to the availability of the internet Not surprisingly, they are tech-savvy andinnovative .

2.2 Theory of Planned Behavior

Theory of Planned Behavior (TPB) is a development of the Theory of Reasoned Action (TRA) which was proposed in 1985 by Icek Ajzen. This theory assumes that individual behavior is driven by behavioral intentions which consistof three elements, namely attitude, subjective norm, and perceived behavioral control. Perceived behavioral control isan element that distinguishes TPB from TRA. Attitude is the result of a personal assessment of a behavior Subjective norm refers to the social pressure felt by the individual and has an impact on whether the individual will perform a behavior or not This subjective norm has been shown to be a reliable predictor of behavioral intentionsin investing.As for perceived behavioral control, it describes an individual's perception of his or her ability to perform behavior

2.3 Investment Intention

Intention is a direct antecedent of behavior. Intention can be defined as an individual's willingness to perform a certain behavior This willingness is influenced by motivating factors. If all the preconditions of intention are met, the chances of a person performing a certain behavior become greater. In making an investment, individual decisions are based on motivational factors and investor efforts to take an action. The underlying reason for investorsto invest is called investment intention.

2.4 Learning Channel

Knowledge will impact future behavior Knowledge is gained from the learning process and then forms attitudes,values, preferences, and behaviors. Individuals understand investing by learning financial management. Such learning is obtained from various channels, such as family; formal education, social media; influencers; and investmentapps Exposure to this information provides a learning experience that influences the products they will consume For example, a financial influencer who provides education related to profitable investment instruments, then individuals who see it arise the desire to invest in an instrument. As previous studies have suggested that high financialknowledge is related to better financial decisions so that one can navigate complex financial markets Therefore,we propose a hypothesis:

H1 : Learning channel has a significant effect on investment intention.

Gender or sex is often used interchangeably. It refers to a person's biological identity, men or woman. This identity associates the roles expected of men and woman. For example, men are masculine while women are feminine. Thus,a person's behavior can be predicted based on gender. Some studies show that the financial behavior of men and woman is different. Men tend to have riskier investment intentions than woman Based on this, we propose ahypothesis:

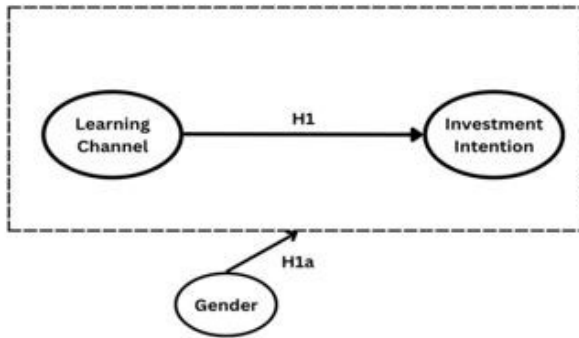H1a : There is a difference in the effect of learning channel on investment intention between men and woman

Figure 1. Conceptual Framework

3 Research Method

This study aims to find the influence between learning channels and investment intention, thus adopting a quantitativeapproach. We applied a survey using questionnaires as primary data in this study. The questions in the questionnaire consisted of 4 question items related to learning channel and 5 question items related to investment intention. Answers are indicated on a 5-point Likert Scale ranging from strongly disagree to strongly agree

We sent a Google Form questionnaire through various social media to Generation Z students in Yogyakarta. Of the 274 responses returned, 271 respondents met the criteria. Table 1 illustrates that there are more female respondents than male respondents. They have a variety of disciplines that not all of them get investment knowledge in the formaleducation that is being pursued. However, there were 124 respondents who had invested in the capital market. Most of them chose stocks as an investment instrument.

Table 1. Demographics of Respondents

Characteristics	Criteria	Frequency
Gender	Male	114
	Female	157
Faculty	Social and Political Sciences	132
	Economics and Business	46
	Engineering	63
	Agriculture	14
	Mathematics and Natural Sciences	8
	Humanities	3
	Medicine, Public Health	3
	Psychology	1
	Law	1
Income	<1.000.000	118
	1.000.000 – 2.500.000	126
	2.500.000 – 4.000.000	22
	>4.000.000	5
Invest	Yes	124
	No	147

Source: own compilation, 2023

Next, we analyzed the data using Partial Least Square-Structural Equation Modelling (PLS-SEM). PLS-SEM was used to provide a causal explanation for the research model designed in this study. Furthermore, this study develops causality between learning channel and investment intention with gender as a control variable.

4   Results and Discussions

The results of data analysis using SmartPLS 3 in this section will be presented in 2 discussions, namely measurementmodel evaluation, structural model evaluation.

4.1 Evaluation of Measurement Models

The variables used in this study, learning channel and investment intention, are measured reflectively. Evaluation of the reflective measurement model is seen from several aspects, including loading factor ≥ 0,70; composite reliability
≥ 0,70; cronbach's alpha; average variance extracted (AVE ≥ 0,50); and evaluation of discriminant validity consistingof Fornell & Lacker and HTMT criteria with values below 0,9

Table 2. Measurement Model Results

Variable	Measurement Items	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
Learning Channel	LC2	0,735			
	LC4	0,794	0,784	0,860	0,613
	LC5	0,825			
	LC6	0,758			
Investment Intention	II2	0,814			
	II3	0,762			
	II6	0,743	0,841	0,888	0,607
	II7	0,847			
	II8	0,742			

Source: own compilation, 2023

Based on Table 2, it can be seen that all variables meet the measurement model evaluation criteria. Learning channel is measured by 4 valid question items with outer loading values between 0.735-0.825. This means that the question items are strongly correlated in explaining the learning channel. The reliability level of the learning channel variable is acceptable with a composite reliability value of 0.860 and Cronbach's Alpha of 0.784, and an AVE value of 0.613. Of the four questions asked, it is known that the indicators that are strong in reflecting the learning channel are LC4, namely investment applications and LC5, namely influencers.

The question items to measure investment intention also meet the criteria of validity and reliability. Among the five question items, it can be seen that II7 and II2 are stronger indicators to explain investment intention. II7 relates to respondents' efforts to find out the procedures for investing through securities while II2 relates to the use of media in making decisions to invest.

Furthermore, we ensure that the variables in this study are empirically tested using the Fornell & Lcker and HTMT (Heterotrait Monotrait Ratio) criteria. From Table 3, it can be seen that investment intention has a root AVE value (0.783) greater than the correlation with learning channel (0.553). This indicates that the discriminant validity of the investment intention variable is met. Furthermore, the HTMT test results show a value of 0.675, which means that the variable

divides the variance of the measurement item against the item that measures it more strongly than dividing the variance in other variable items.

Table 3. Discriminant Validity

Fornell-Larcker Method

	Investment Intention	Learning Channel
Investment Intention	0,783	
Learning Channel	0,553	0,779

HTMT Method

	Investment Intention	Learning Channel
Investment Intention		
Learning Channel	0,675	

Source: own compilation, 2023

4.2 Evaluation of Structural Models

Evaluation of the structural model is related to testing the hypotheses proposed in this study. The evaluation results show that the research model is acceptable, namely there is no multicollinearity between variables where the inner VIF value is below 5, the estimated parameter results are robust. Based on the processing results in Table 4, it can besaid that the effect of learning channel on investment intention is 30.6%. The SRMR value of the model is 0.083. Thisvalue is still classified as acceptable fit. Details can be seen in Table 4.

Table 4. Hypotheses Testing

Hypothesis	Path Coefficient	P Value	Results	VIF	R Square
H1	0,553*	0,000	Accepted	1	0,306
H1a	-0,113*	0,024	accepted	1,001	0,319

sig 5% Source: own compilation, 2023

The results of hypothesis testing show that learning channels have a significant effect on investment intention with a path coefficient of 0.553 and a p value of 0.000. Any change in the learning channel will increase investment intention. Learning channel has a high influence on investment intention (f square = 0,441). Thus, the results of this study are inline with Hermansson, et al

Investment intention is the result of processing the information obtained. Generation Z is the most internet-connected generation so they have greater access to information on various learning channels than other generations. In this study, the media they use to obtain financial-related information are social media, influencers, investment applications, and non-formal education. The surprising result is that social media has less impact on investment intention than other indicators. Generation Z is more trusting of influencers in finance. This is consistent with a study conducted by Pauliene & Sedneva where opinion leader recommendations affect the choice of product or service. Generation Z considers influencers to be a credible source of learning because they have a background in finance and are considered successful in this field. In the theory of planned behavior, recommendations from these influencers have acted as shapers of consumer behavior.

Furthermore, we extended this research by testing gender as a control variable. The initial stage is done by coding gender where men are labeled 0 and woman are labeled 1. The results show that there is a difference in the effect of learning channel on investment intention between men and woman (See Table 4). Men feel they have more investment knowledge than woman. Supported by their courage in taking risks, men dare to allocate their money to invest. Woman tend to spend their money on shopping. Thus, men tend to have higher investment intention than woman.

5 Conclusions

This paper contributes to a better understanding of investment interest in generation Z. We have provided evidence that investment interest is influenced by learning channels. The various sources of learning channels used by Generation Z are social media, influencers, investment apps, and non-formal education. Although Generation Z is an internet-savvy generation, financial influencers play a bigger role in influencing their interest in investing than social media. The study also expanded its study by looking at the differences between men and women in their interest in investing. As a result, men tend to have a higher interest in investing compared to women. Although this study adds to the existing knowledge, it has limitations. This study is limited to generation Z students in Yogyakarta City only. The study can be extended to other research loci.

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