



DO DIGITAL PLATFORMS DRIVE INVESTMENT? EXAMINING GENERATION Y's STOCK MARKET INTENTIONS THROUGH AN EXTENDED TAM FRAMEWORK

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Abstract

In the realm of finance, technological advancements have revolutionized engagement with the stock market, particularly after the advent of online trading platforms. As the pioneering digital natives, Generation Y represents a significant working-age population. However, the influence of technology on their stock market investment intentions remains underexplored. This study seeks to bridge this gap by extending the Technology Acceptance Model (TAM) to analyze the stock market investment intentions of Generation Y. Enhancing the model's robustness, this research integrates two pivotal variables: financial knowledge and information asymmetry, as both are critical in shaping investment behaviors. Findings of the study showed that technology acceptance and financial knowledge positively impact investment intentions, while information asymmetry negatively affects them. Additionally, financial knowledge helps mitigate the negative effects of information asymmetry in the market. This investigation not only deepens the understanding of technological impacts on investment behavior but also establishes a comprehensive framework for future research.

Keywords: Technology Acceptance Model; Financial Knowledge; Information Asymmetry; Generation Y; Investment Intentions.

1. INTRODUCTION

Investment plays a crucial role in ensuring the financial security of individuals (Sharpe, 1964). The stock investment intention, reflects an individual's willingness to commit funds to the stocks traded in the market. Several factors influence the stock investment intentions of investors, technology in particular was an important factor because majority of investments activities are happening in online trading platforms. However, studies exploring influence of technology on investment intentions are limited. Therefore, accepting and adopting technology is crucial for investors. Emergence of technology also paved way for abundant information availability, affecting the decision-making processes of individuals (Benamati and Rajkumar, 2002). In an investment market, one investor may possess better information than another such phenomena is called information asymmetry (Akerlof, 1970), which can significantly influence the investment intentions of individuals. Investors effectively utilizing technology can have better access to information, and can overcome information asymmetry (Kulkarni, 2000), ultimately influencing their investment intentions. Earlier studies in finance highlighted the positive influence of financial knowledge on financial decisions and investment intentions (Cameron et al., 2014; Mouna and Anis, 2017; Skagerlund et al., 2018; Douissa, 2020; Amin et al., 2021). However in studies on interplay of technology acceptance, information asymmetry and financial knowledge on investment intentions has not been explored in the existing literature. This study chose Generation Y for two primary reasons First, they were the first generation to be raised in a world dominated by technology (Bolton et al., 2013). Their early and continuous exposure to technology has both favorable and unfavourable impacts on their behaviors. On the positive side, their familiarity with technology has helped them adapt to the advancements of digital age. However, on the negative side, it has a led to challenges, such as increased distractions, decreased attention spans, and difficulties in face-to-face

communication (Immordino-Yang et al., 2012). As this study is trying to understand the influence of technology on investment intentions, choosing a generation brought with technology is a right choice. As consumers, Generation Y has greatly benefited from the increased availability of customized products and services. They are a generation that expects immediate gratification and has elevated expectations on work, pay and benefits, career development, work-life balance, and wants to contribute reasonably for the society through their actions (Howe and Strauss, 2009; Ng et al., 2010). Overall, Generation Y constitutes a crucial demographic with peculiar behaviors. Therefore, their investment intentions can have a significant impact on the nation's economy. So, this study attempting to make significant contribution by understanding the important factors that influence their investment intentions, such as technology, financial knowledge, and information asymmetry, which does not seem to have been attempted in the previous literature.

2. REVIEW OF LITERATURE

2.1. *Generation Y and investment intentions*

Generation Y, were the individuals born between the years of 1980 and 2000 (Cole et al., 2002; Arora and Dhole, 2019; Tolani et al., 2020; Dimock, 2019). They currently constitute a significant proportion of the working-age population and play a vital role in the economic growth. Bolton et al. (2013), called Generation Y as digital natives. This term signifies the fact that, they have a unique relationship with technology and unlike their previous generation, they were brought up in the technology dominated world. Wesner and Miller (2008) argue that Generation Y was the first generation to have grown up in the digital age, so their personal and professional lives have been significantly shaped by technology.

According to Setyanta and Kadi (2020) Generation Y's knowledge about investments influenced their intention to invest in stocks. Putri and Hanggraeni (2022) highlighted the positive impact of financial knowledge on Generation Y's intention to make risky investments. These findings highlight the importance of various factors that may influence the investment decisions of Generation Y. Arora and Dhole (2019) noted that Generation Y represents nearly half of India's working population. In India, Generation Y individuals are the primary breadwinners of their families [<https://timesofindia.indiatimes.com/blogs/voices/the-rise-of-the-indian-millennial/>].

Generation Y has greatly benefited from the increased accessibility of tailored goods and individualized services. They are a generation that seeks instant gratification and holds high expectations in terms of job compensation and perks, professional progression, a balance between work and personal life, engaging tasks, and the ability to create a significant social impact through their work (Howe & Strauss, 2009; Ng et al., 2010). Financial institutions have recognized the potential of this generation and have incorporated them into their growth plans for many years (Killins, 2017). As a result, there has been a significant focus on developing financial literacy and offering financial education to young people, aimed at helping them make informed financial decisions and become financially responsible. Overall, Generation Y constitutes a crucial demographic with distinct characteristics and attitudes towards investments. Therefore, their investment intentions can have a significant impact on the nation's economy. So, it is essential to understand the factors that influence their investment intentions, such as technology, financial knowledge, and information asymmetry, in order to formulate tailored and effective investment strategies for this generation to help ensure that the younger generation is better equipped to make sound investments, ultimately contributing to the country's economic growth and stability.



2.2 Technology acceptance

Rapid technological progress and the widespread availability of digital information have characterized the digital era, leading to an unprecedented surplus of data. The abundance of information can largely be attributed to the swift advancements in digital technology. Research has indicated that technology significantly influences an individual's decision-making (Benamati and Rajkumar, 2002). In the domain of stock investments, technology plays a pivotal role by facilitating faster, more comprehensive, and precise access to financial data. This enhanced accessibility to financial information builds confidence, ultimately shaping individual intentions to invest in the stock market.

The Technology Acceptance Model (TAM) by Davis (1985) is the prominent model used by researchers to measure technology acceptance. This model proposes that perceived ease of use and perceived usefulness to predict behavioral intentions. Several studies on technology acceptance adopted two key elements of the model, i.e., perceived ease of use and perceived usefulness, to measure technology acceptance (Adams et al., 1992; Erdoğan and Esen, 2011; Akca and Ozer, 2012; Özbek et al., 2014). Following those studies, this research also adopts a similar approach to measure technology acceptance by focusing on two key elements: perceived ease of use and perceived usefulness. Davis (1989) states that perceived ease of use denotes the belief that utilizing a specific system requires minimal effort both physically and mentally. In the context of online trading, it denotes the ease of the procedure individuals perceive for learning, understanding, and utilizing the platform (Rotchanakitumnuai, 2006). There exists a direct relationship between users' perception of ease of use and their willingness to adopt online platforms for trading (Taylor & Todd, 1995; Bhattacharjee, 2000; Chen et al., 2002; Abroud et al., 2010; Abroud et al., 2015).

Perceived usefulness refers to an individual's personal perception that utilizing a specific technology will improve their overall performance (Davis et al., 2000). In the context of trading stocks online, it denotes an individual's belief that leveraging the tools provided by online trading platforms, such as analyzing stocks using candlestick graphs and other technical analysis tools, will enhance their performance, ultimately shaping their intentions to invest in the stock market. Specifically, it assesses how effectively an investor can leverage technology in comparison to conventional stock trading platforms (Chan and Lu, 2004). Extensive research has validated the importance of perceived usefulness in impacting individuals' behavior towards online stock trading (Lee, 2005; Gopi and Ramayah, 2007; Ramayah et al., 2009; Abroud et al., 2015). Drawing on this body of work, the following hypotheses are proposed for the study:

H1: Perceived ease of use of technology has an impact on the investment intentions of generation Y investors.

H2: Perceived usefulness of technology has an impact on the investment intentions of generation Y investors.

2.3. Financial knowledge

Financial knowledge denotes a person's ability to understand and apply key financial concepts in financial decision-making situations (Atkinson and Messy, 2012), such as stock investments. Earlier studies on financial decisions have indicated that there was a favorable association between financial knowledge and financial decisions (Cameron et al., 2014; Mouna and Anis, 2017; Skagerlund et al., 2018; Douissa, 2019; Amin et al., 2021). Financial knowledge holds particular significance for youth, aiding them in making rational economic choices such as investments (Bhatia et al., 2021). Given the presence of information asymmetry in the market,



it is essential to investigate whether investors with good financial knowledge intend to invest in the stock market. Therefore, the following hypothesis is proposed for the study:

H3: Financial knowledge has an impact on the investment intentions of generation Y investors.

2.4. Information asymmetry

Information asymmetry, a key concept in management research, refers to a situation where one party possesses superior or more extensive information than the other (Akerlof, 1970; Bergh et al., 2019). This idea holds significant importance in various subfields, like financial management and strategic management (Bergh et al., 2008). In simple terms, Stiglitz (2002) describes information asymmetry as the situation where different individuals possess varying levels of information. Schmidt and Keil (2013) further explain that information is not uniformly distributed in the market. For instance, Paruchuri and Misangyi (2015) utilize this concept as a basis, asserting that a substantial degree of information asymmetry exists in the association between shareholders and companies. In such cases, shareholders might not have access to all the relevant information about the company's operations, financial health, or potential risks, while the company's management possesses more comprehensive insights into these matters (Cormier et al., 2010). This information asymmetry can lead to challenges in decision-making processes and significantly impact investment intentions.

Previous studies on the relationship between technology and information asymmetry have yielded different results. Some studies found that technology can impact and reduce information asymmetry (Kulkarni, 2000), while others suggest that information technology may aggravate information asymmetry (Xiao et al., 1998). On the relationship between information asymmetry and investment intentions, it was found that information asymmetry has a positive effect on short-term investment intentions (Akhtar and Batool 2012). Therefore, the following hypotheses are proposed for the study:

H4: Perceived ease of use of technology has an impact on information asymmetry among Generation Y investors.

H5: Perceived usefulness of technology has an impact on information asymmetry among generation Y investors.

Financial knowledge has been identified as a pivotal factor in reducing and overcoming information asymmetry in the financial market (Hussain et al., 2018). Additionally, financial literacy has been shown to help overcome price information asymmetry (Soukal and Draessler, 2015). However, the specific impact of financial knowledge on information asymmetry in stock investment intentions remains an area that requires further research. So the following hypothesis was proposed:

H6: Financial knowledge has a negative impact on information asymmetry among generation Y investors.

Earlier research has explored the influence of technology on information asymmetry (Kulkarni, 2000; Xiao et al., 1998). As the information is not uniformly distributed in the market (Schmidt and Keil, 2013), it can affect the investment intentions of investors. Information asymmetry, or the imbalance of information, may act as a mediating factor in the decision-making process of investors. It refers to situations where one party possesses more or better information than the other, leading to an uneven playing field (Akerlof, 1970). In financial markets, information asymmetry can occur between companies and investors (Cormier et al., 2010) or among investors themselves (Huson et al., 2003). Earlier studies established a negative relationship between information asymmetry and firms' investments (Ahmad et al., 2023), and there are

limited studies conducted on the association between information asymmetry and individual investment intentions. Moreover, the information asymmetry may play a mediating role between technology acceptance and individual stock investment intentions. By understanding this, market participants can gain valuable insights into the influence of imbalanced information on stock investment intentions. Therefore, understanding and addressing information asymmetry is of utmost importance in management research. By recognizing its implications and potential consequences, researchers and practitioners can work towards promoting transparency, fairness, and trust between investors and listed companies in the stock market, ultimately contributing to improving investments from investors. Based on this, the following hypotheses are proposed for the study:

- H7: Information asymmetry has a negative impact on the investment intentions of generation Y investors.
- H8: Information asymmetry mediates the relationship between the perceived ease of use and the investment intentions of Generation Y investors.
- H9: Information asymmetry mediates the relationship between perceived usefulness of technology and the investment intentions of Generation Y investors.
- H10: Information asymmetry mediates the relationship between financial knowledge and the investment intentions of generation Y investors.

As financial knowledge is found to improve financial decisions (Cameron et al., 2014; Mouna and Anis, 2017; Skagerlund et al., 2018; Douissa, 2019; Amin et al., 2021), it can moderate the relationship between information asymmetry and investment intentions and can potentially improve the investment intentions of investors. So the following hypothesis is proposed:

- H11: Financial knowledge moderates the relationship between information asymmetry and the investment intentions of generation Y investors.

We propose a conceptual model shown in Figure I to test our hypotheses.

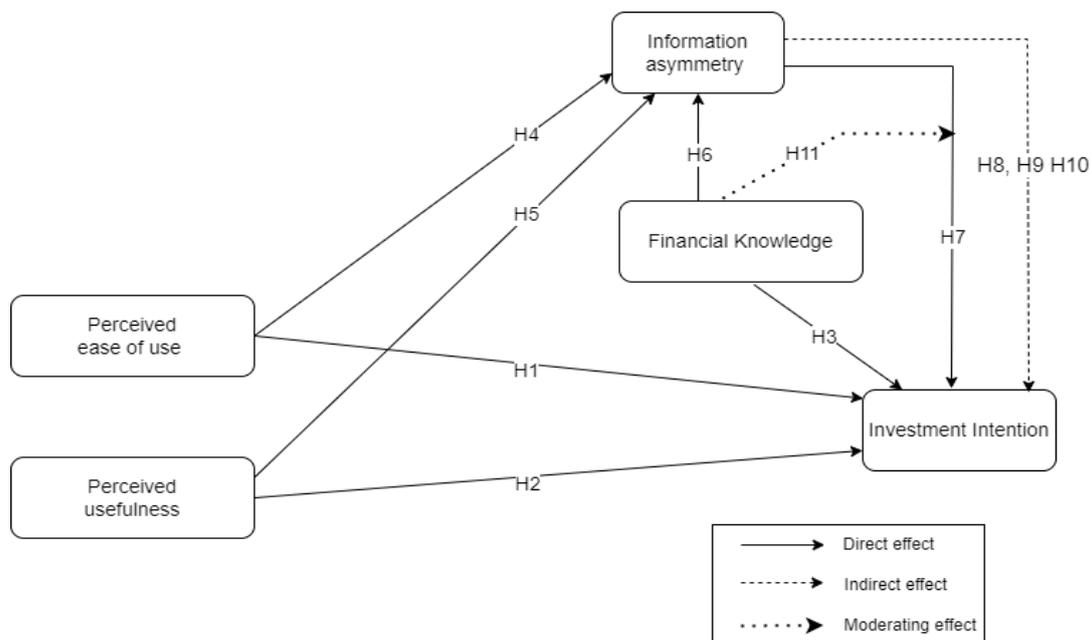


Figure 1: Figure 1 Conceptual model

Source: Authors own conceptualization

3. METHODOLOGY

The aim of the study is to explore associations among variables, i.e., technology acceptance, financial knowledge, information asymmetry, and investment intentions. Hence, to address this research goal, a quantitative survey approach was employed, utilizing a questionnaire technique (Saunders et al. 2009). The purpose of the study is to study the investment intentions of Generation Y. So, the purposive sampling technique was adopted, and the data for the study was collected from Generation Y. Ethical approval for this study was obtained from VIT Business School Ethics Committee, with reference number [2023062103]. All procedures performed in the study adhered to the guidelines outlined for research involving human participants.

A Self-administered questionnaire adapted from previous research (as shown in Table I) to measure variables of the study. In 2023, a questionnaire covering demographic profiles and study variables was sent to 1450 individuals in India. Informed consent was obtained electronically from the respondents before proceeding with the questionnaire. The online questionnaire began with a consent form where participants were informed about the study’s purpose, their voluntary participation, and their right to withdraw at any time. Only after participants selected the option to provide their consent was the questionnaire loaded for responses. If they did not consent, the form directed them to the submission page, ensuring that no further data was collected from non-consenting individuals. Questions used a 5-point Likert scale, ranging from strongly disagree (1) to strongly agree (5). Filter questions were included to ensure the data was collected from generation Y. In the same year, 441 valid responses were received, and after discarding 8 invalid responses, 433 were considered for analysis. The demographic profile of the respondents is presented in Table II.

Table I: Measurement scales

S.No	Constructs	Scale adapted
1.	Technology acceptance	Gefen et al. (2003a), Gefen et al. (2003b), and Abroud et al. (2015).
2.	Financial knowledge	Akhtar and Das (2018)
3.	Information asymmetry	Wang et al. (2006) and Khalid and Hunjra (2017)
4.	Investment intentions	Akhtar and Das (2018)

Table II: Demographic profile

Particulars	Frequency	Percent
Gender		
Male	223	51.5
Female	210	48.5
Total	433	100.00
Marital Status		
Married	171	39.5
Unmarried	259	59.8
Others	3	0.7
Total	433	100.00
Annual Income		
less than 3,00,000	167	38.6
3,00,001 – 5,00,000	140	32.3
5,00,001 – 10,00,000	86	19.9
above 10,00,000	40	9.2
Total	433	100.00
Education		
Secondary education	19	4.4
Graduation	239	55.2

Post Graduation and above	175	40.4
Total	433	100.00
Occupation		
Self-employed	143	31.57
Government employee	47	10.38
Private employee	158	34.88
Student	41	9.05
House wife	46	10.15
Others	18	3.97
Total	433	100.00

Source: Primary data

3.1. Data analysis

Following data collection, the data was entered into a spreadsheet for further processing. The constructs used in the study and their abbreviations are presented in Table III. Data analysis was performed using SmartPLS 3. To ensure the quality of the data, we established the scale's reliability and validity. Model fit was established using standardized root mean square residual (SRMR). The hypotheses of the study were tested using path, mediation, and moderation analyses.

Table III: Abbreviations

Constructs	Abbreviations
Perceived ease of use	PEU
Perceived usefulness	PUS
Financial Knowledge	FK
Information Asymmetry	IA
Investment Intentions	II

Source: Authors own conceptualization

4. RESULTS

4.1. Reliability, validity and model fit

To ensure measurement scale reliability, we computed Cronbach's alpha and composite reliability scores, as displayed in Table IV. For Cronbach's alpha, a value of 0.7 or higher is deemed reliable (Peterson, 1994). Our data exhibits Cronbach's alpha values ranging from 0.784 to 0.862 for all constructs. Additionally, we assessed composite reliability to ensure internal consistency, yielding values between 0.861 and 0.916, which surpass the threshold of 0.7 advised by Hair et al. (2017), affirming scale reliability and internal consistency.

Convergent validity is estimated using factor loadings and Average Variance Extracted (AVE) values. Factor loadings above 0.5 are considered acceptable for demonstrating convergent validity (Hulland, 1999; Truong and McColl, 2011). Our results indicate that all factor loadings exceed this threshold, consistently measuring above 0.7. The AVE values of all constructs are between 0.579 and 0.784, which exceeded the required threshold of 0.5 (Fornell and Larcker, 1981; Hu and Bentler, 2009). Both factor loadings and AVE values signify the robust convergent validity of study constructs. To ascertain discriminant validity, we employed two techniques. Initially, we compared the square root of AVE values with corresponding correlation coefficients among constructs. Subsequently, we assessed the Heterotrait Monotrait Ratio (HTMT). Discriminant validity is confirmed when square roots of AVEs exceed corresponding correlation coefficients among inter-constructs (Fornell and Larcker, 1981; Hu and Bentler, 2009) or when HTMT values remain below 0.9 (Henseler et al., 2015). Table IV

shows the lowest square root of AVE at 0.761, surpassing the highest correlation coefficient of 0.645. Moreover, the maximum HTMT value stands at 0.754, comfortably below the 0.9 threshold. Thus, both methods validate discriminant validity. The model fit of our study was assessed using the Standardized Root Mean Square Residual (SRMR), yielding a value of 0.06. An SRMR value of 0.06 indicates a reasonable fit of our structural equation model. In the structural equation model, lower SRMR values are generally preferred; a value less than 0.08 is considered a good fit (Hu & Bentler, 1999). Therefore, our model demonstrates a good fit.

Table IV: Reliability and Validity measures

	CA	CR	AVE	FK	IA	II	PEU	PUS
FK	0.830	0.887	0.664	0.815				
IA	0.846	0.889	0.618	-0.192	0.786			
II	0.862	0.916	0.784	0.645	-0.314	0.886		
PEU	0.784	0.861	0.609	0.071	-0.188	0.205	0.780	
PUS	0.817	0.873	0.579	0.037	-0.195	0.170	0.081	0.761

Abbreviations: CA: Cronbach's Alpha; CR: Composite Reliability; AVE: Average Variance Extracted.

Square root values of AVEs are shown in bold faces in the diagonal and inter construct correlations are shown below square root values of AVEs

Source: Authors own work using PLS-SEM

4.2. Hypotheses testing

We constructed a structural equation model in SmartPLS 3 (Figure II), and we tested the study's hypotheses through path analysis, moderation analysis, and mediation analysis.

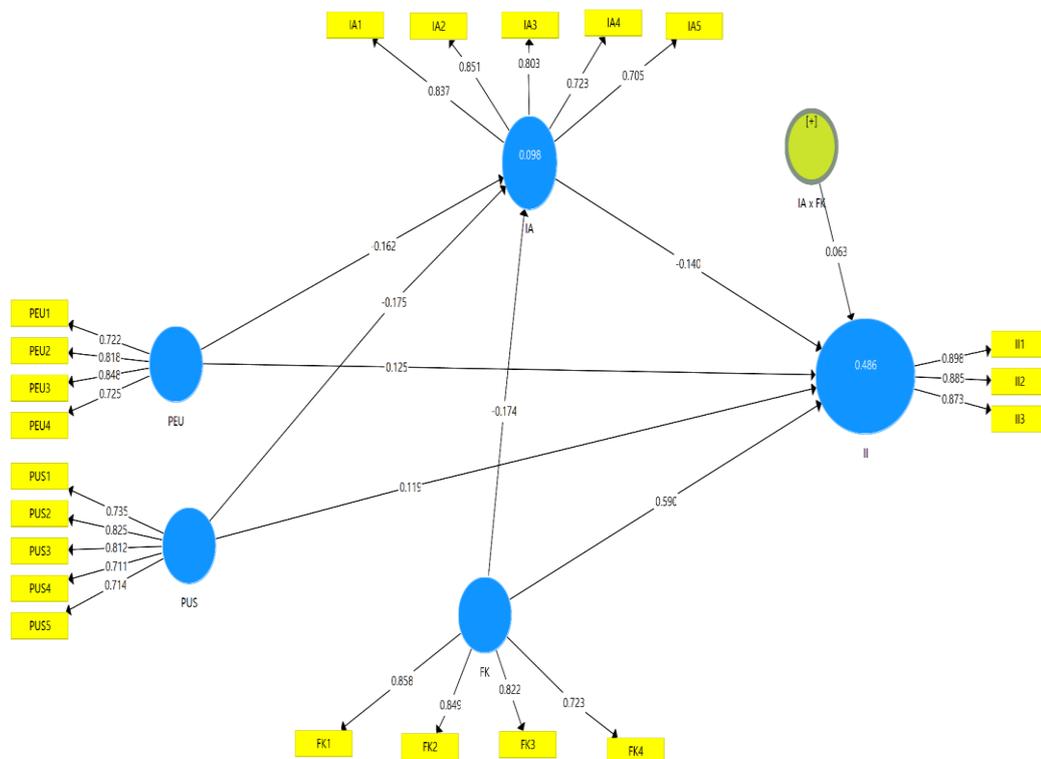


Figure 2: Figure 1 Conceptual model

Source: Authors' own work using PLS-SEM

4.2.1. Direct effects

The results presented in Table V reveal important findings regarding the direct relationships between the variables. The analysis of the results reveals that PEU (path coefficient = 0.125, $t = 3.507$, and $p = 0.001$) and PUS (path coefficient = 0.119, $t = 3.385$, and $p = 0.001$) have a significant and positive impact on II, suggesting individuals who perceive technology as easier to use and more useful are more inclined to make stock investments. And also, FK (path coefficient = 0.590, $t = 13.999$, and $p < 0.001$) has a strong, significant positive impact on II, indicating investors with higher financial knowledge intent to make stock investments. Hence, hypotheses H1, H2, and H3 are accepted.

Both PEU (path coefficient = -0.162, $t = 3.111$, and $p = 0.002$) and PUS (path coefficient = -0.175, $t = 3.262$, and $p = 0.001$) have a significant and negative impact on IA, implying that individuals who perceive technology as easier to use and more useful tend to have lower levels of information asymmetry.

Additionally, FK also has a significant and negative impact on IA, indicating that higher levels of financial knowledge decrease information asymmetry. Furthermore, IA (path coefficient = -0.140, $t = 3.890$, and $p < 0.001$) has a significant negative impact on II, showing higher levels of information asymmetry lead to reduced intention to invest in the stock market. Thus, hypotheses H4, H5, H6, and H7 are accepted.

Table V: Direct effects

Hypothesis	Path	Coefficient	T Statistics	P values	Conclusion
H1	PEU -> II	0.125	3.507	0.001	Supported
H2	PUS -> II	0.119	3.385	0.001	Supported
H3	FK -> II	0.590	13.999	0.000	Supported
H4	PEU -> IA	-0.162	3.111	0.002	Supported
H5	PUS -> IA	-0.175	3.262	0.001	Supported
H6	FK -> IA	-0.174	3.351	0.001	Supported
H7	IA -> II	-0.140	3.890	0.000	Supported

Source: Authors own work using PLS-SEM

4.2.2. Mediation effects

The mediation analysis results indicate that the effect of perceived ease of use, perceived usefulness, and financial knowledge on generation Y's investment intentions in the stock market partially mediates through information asymmetry (table VI).

In all three cases, the p values of total effects, direct effects, and indirect effects are less than 0.05, indicating information asymmetry partially mediates the relationships. Specifically, the results revealed a significant indirect effect of PEU on II through IA (path coefficient = 0.023, $t = 2.278$, and $p = 0.023$). The total effect of PEU on II was also significant (path coefficient = 0.148, $t = 4.014$, and $p = 0.000$). In the presence of mediator IA, the effect of PEU on II is still significant (path coefficient = 0.125, $t = 3.507$, and $p = 0.001$), indicating IA is partially mediating the relationship.

Additionally, there was a significant indirect effect of PUS on II through IA (path coefficient = 0.025, $t = 2.704$, and $p = 0.007$). The total effect of PUS on II was also significant (path coefficient = 0.144, $t = 3.883$, and $p = 0.000$). In the presence of mediator IA, the effect of PUS on II was still significant (path coefficient = 0.119, $t = 3.385$, and $p = 0.001$), indicating IA was partially mediating the relationship.

Furthermore, there was a significant indirect effect of FK on II through IA (path coefficient = 0.024, $t = 2.354$, and $p = 0.019$), and the total effect of FK on II was also significant (path coefficient = 0.614, $t = 15.309$, and $p = 0.000$).

In the presence of mediator IA, the effect of FK on II was still significant (path coefficient = 0.590, $t = 13.999$, and $p < 0.001$), indicating IA partially mediating the relationship as well. So, hypotheses H8, H9, and H10 are accepted.

Table VI: Mediation effects

Total Effects			Direct Effects			Indirect Effects				
Path	Coefficient	P value	Path	Coefficient	p value	Path	Coefficient	T Statistics	p value	BI [2.5%; 97.5%]
PEU → II	0.148	0.000	PEU → II	0.125	0.001	H8: PEU → IA → II	0.023	2.278	0.023	0.005; 0.042
PUS → II	0.144	0.000	PUS → II	0.119	0.001	H9: PUS → IA → II	0.025	2.704	0.007	0.009; 0.046
FK → II	0.614	0.000	FK → II	0.590	0.000	H10: FK → IA → II	0.024	2.354	0.019	0.007; 0.044

Source: Authors own work using PLS-SEM

4.2.3. Moderation analysis

The moderation analysis results (Table VII) reveal that the moderating effect of FK (path coefficient = 0.063, $t = 2.109$, and $p = 0.036$) on the relationship between IA and II is significant. Hence, hypothesis H11 is accepted. It should be noted that IA had a negative relationship with II (Table V), but when this relationship was moderated by FK, the relationship became positive (Table VII).

Table VII: Moderation effects

Hypothesis	Path	Coefficient	T Statistics	P values	Conclusion
H11	IA x FK → II	0.063	2.109	0.036	Supported

Source: Authors own work using PLS-SEM

5. DISCUSSION

The study results indicate that individuals' perceptions of the ease of use and usefulness of technology are positively associated with stock investment intentions. When technology is perceived as easy to use, it enables individuals to efficiently search for investment-relevant data, execute trades, and monitor their portfolios online. The perception of technology's usefulness also plays a pivotal role in shaping individual stock investment intentions.

Individuals recognizing the value of information available through technology, such as financial reports, company performance data, market trends, and expert analyses, are better equipped to identify promising investment opportunities, leading to an intention to invest in stock markets.

Our finding aligns with past research, such as studies by Lee (2005), Gopi and Ramayah (2007), Ramayah et al. (2009), and Abroud et al. (2015), which concluded that technology plays a significant role in online stock trading. Similarly, Benamati and Rajkumar's (2002) research highlights the impact of technology on decision-making processes, providing further support for our findings. So, by leveraging the potential of technology, investors can access valuable information and make sound choices, ultimately contributing to enhanced financial outcomes.



The study results indicated that financial knowledge has a significant and positive impact on the stock investment intentions of Generation Y. Individuals with higher financial knowledge possess a deeper understanding of financial concepts, investment instruments, and market dynamics, which improves their confidence in their financial decisions, ultimately leading to an intention to invest in the stock market.

This finding is supported by previous research, such as the studies conducted by Amin et al. (2021), Cameron et al. (2014), Skagerlund et al. (2018), and Bhatia et al. (2021), which all established a positive relationship between financial knowledge and the financial decisions individuals make.

The significant and negative impact of information asymmetry on the stock investment intentions of generation Y may be attributed to the uneven distribution of information among market participants. When investors do not have equal access to relevant information, it can impede their ability to make well-informed decisions. This finding is consistent with the findings of Akhtar and Batool (2012), who concluded that information asymmetry has a positive relationship with short-term investment intentions.

The reason could be stock investments, which are usually long-term investments, whereas the findings of Akhtar and Batool (2012) are for short-term investment intentions. Information asymmetry creates an environment where misinformation or false rumors can circulate, leading to confusion, which can negatively affect generation Y's intention to invest in the stock market.

The effect of both technology acceptance and financial knowledge on the stock investment intention of generation Y involves both direct and indirect pathways. Information asymmetry serves as a mediating factor in all cases.

Even in the presence of information asymmetry in the market, the perceived ease of use and perceived usefulness of technology help generation Y individuals shape their intentions to invest in the stock market. It appears that technology's perceived usefulness may enable investors to build their confidence through access to useful and accurate information through technology, allowing them to navigate the challenges of information asymmetry and wanting them to invest in the stock market.

In other words, the direct effects of technology acceptance and financial knowledge on stock investment intentions were not significantly affected even in the presence of information asymmetry in the market. When individuals perceive technology as a valuable tool for accessing information and reducing uncertainty, it could counterbalance the negative effects of asymmetry by providing them with timely and comprehensive data.

The interesting finding from the current study is that the negative impact of information asymmetry on stock investment intentions of generation Y can be moderated by financial knowledge. Figure III indicates that the slope for high financial knowledge is less steep than for low financial knowledge, suggesting that financial knowledge can reduce the negative impact of information asymmetry on the investment intentions of generation Y.

In other words, individuals who feel there is a high level of information asymmetry in the stock market are still intent on investing in the stock market if they have higher levels of financial knowledge. In other words, the moderating effect of financial knowledge not only decreases the negative effect of information asymmetry, but it also makes the relationship positive, suggesting that financial knowledge can reduce the negative impact of information asymmetry and improve stock investment intentions of generation Y.

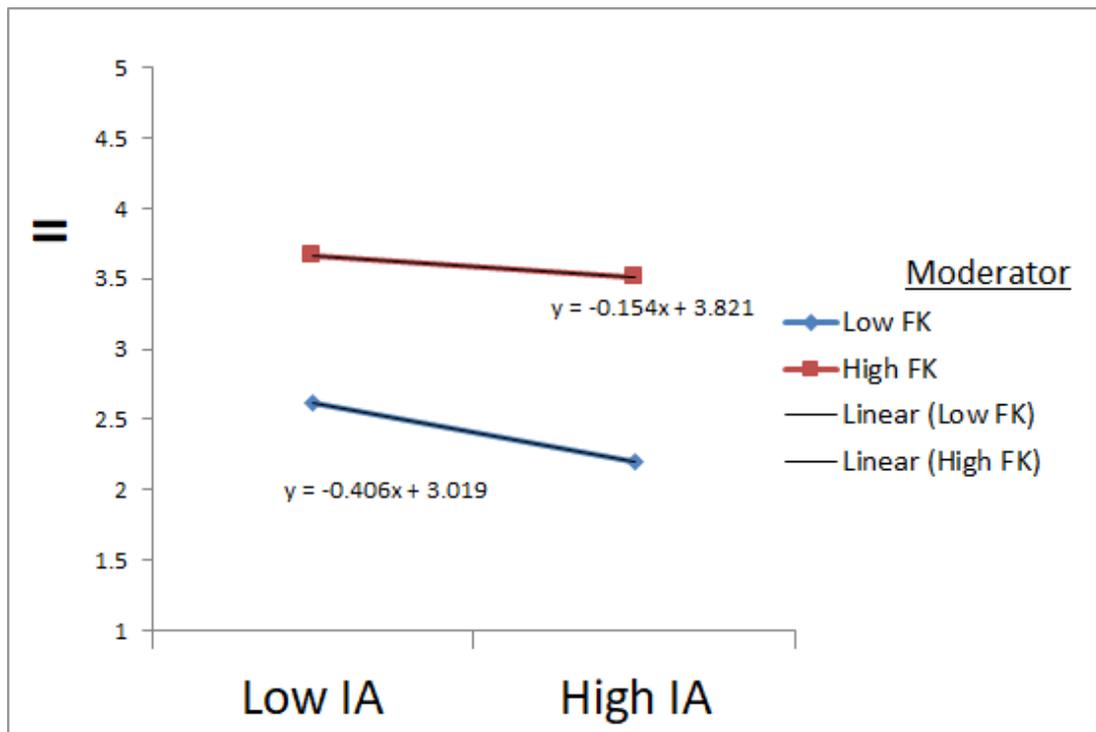


Figure 3: Moderating effect of financial knowledge on relationship between information asymmetry and investment intentions

Source: Authors own work

6. IMPLICATIONS OF THE STUDY

This study advances the field of behavioral finance by showcasing the roles played by technology acceptance, financial knowledge, and information asymmetry on the investment intentions of Generation Y. It deepens our understanding of how these factors interact and influence the investment intentions of Generation Y. This study introduces financial knowledge as a moderator in the relationship between information asymmetry and stock investment intentions, suggesting that improving an individual's financial knowledge can improve their intentions to invest in the stock market. This study can serve as a foundation for future studies to explore its applicability across diverse demographic groups. Furthermore, the study validates and extends previous research on the association between technology acceptance and investment intention, financial knowledge and investment intention, and information asymmetry and investment intention.

6.1. Practical Implications

Investment advisors and wealth managers can apply this study's insights by offering programs to enhance Generation Y clients' financial knowledge, and technology acceptance which can further improve stock investment intentions. Designing investment platforms with user friendliness can also improve the stock investment intentions of Generation Y investors.

6.2. Policy Implications

Policymakers can invest in targeted financial literacy programs for Generation Y to improve their intentions to invest in the stock market. Recognizing information asymmetry's role, policymakers and regulators can enforce stringent measures for transparent financial information dissemination, ensuring equal access to market information, and safeguarding



investors against misinformation. Supporting initiatives for widespread access to technology and digital financial platforms can improve the investment intentions of Generation Y. By integrating behavioral finance insights into policy-making, policymakers can develop more effective investor protection measures.

7. CONCLUSION AND FUTURE DIRECTIONS

This study contributes valuable empirical evidence to the understanding of Generation Y's stock investment intentions, a crucial demographic for economic development globally. It demonstrates that their inclination to invest in the stock market is directly influenced by three key factors: technology acceptance, financial knowledge, and information asymmetry. The study not only reveals the direct positive impact of financial knowledge on investment intentions but also its moderating role in the relationship between information asymmetry and investment decisions. Furthermore, the research provides compelling evidence for the mediating role played by information asymmetry in the relationship between both technology acceptance and investment intentions, as well as between financial knowledge and investment intentions. Based on these findings, the study suggests the development of targeted programs to improve the financial knowledge of Generation Y investors, enforcing measures to improve transparency and dissemination of stock information, and keeping a user-friendly investment platform to improve the stock investment intentions of Generation Y. Such initiatives could help shape their stock investment intentions and contribute significantly to their financial well-being and overall economic growth.

This study acknowledges limitations, which This study focused on Generation Y and a specific region, and it might limit the generalizability of the findings. So future studies can be conducted by diversifying samples by age, culture, religion, gender, and location, which would enhance the generalizability of the findings. This study only studied intentions to invest in the stock market, so future studies can explore investment intentions in other investment avenues. This study showed financial knowledge's role in reducing the negative impact of information asymmetry. Future studies can study the impact of factors such as financial behavior, financial awareness, and financial self-efficacy. This study provided a framework to study investment intentions using technology acceptance, information asymmetry, and financial knowledge, which can be used as a foundation for future studies.

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Disclosure of Interest

The author(s) declare that there are no competing interests or conflicts of interest.

Data Availability Statement

The data of this study are available from the corresponding author upon reasonable request.

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