

FINFLUENCER AND DIGITAL INVESTMENT
DECISION: THE MECHANISM OF FINANCIAL
KNOWLEDGE AND ARTIFICIAL INTELLIGENCE
LITERACY

BY

CHAN SZE MIN
KOAY ZHI XUAN
LIN LAI KEE
YAP WAN YI

A final year project submitted in partial fulfilment of the
requirement for the degree of

BACHELOR OF FINANCE (HONS)

UNIVERSITI TUNKU ABDUL RAHMAN

TEH HONG PIOW FACULTY OF BUSINESS AND
FINANCE
DEPARTMENT OF FINANCE

APRIL 2026

Copyright Statement

© 2026 Chan Sze Min, Koay Zhi Xuan, Lin Lai Kee and Yap Wan Yi. All rights reserved.

This final year project report is submitted in partial fulfillment of the requirements for the degree of Bachelor of Finance (Hons) at Universiti Tunku Abdul Rahman (UTAR). This final year project report represents the work of the author, except where due acknowledgment has been made in the text. No part of this final year project report may be reproduced, stored, or transmitted in any form or by any means, whether electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of the author or UTAR, in accordance with UTAR's Intellectual Property Policy.

DECLARATION

We hereby declare that :

- (1) This undergraduate FYP is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this FYP has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the FYP.
- (4) The word count of this research report is 24,631 words.

	Name of Student:	Student ID:	Signature
1.	<u>Chan Sze Min</u>	<u>22ABB02722</u>	<u></u>
2.	<u>Koay Zhi Xuan</u>	<u>23ABB01159</u>	<u></u>
3.	<u>Lin Lai Kee</u>	<u>23ABB01652</u>	<u></u>
4.	<u>Yap Wan Yi</u>	<u>22ABB02432</u>	<u></u>

Date : 15 April 2026

ACKNOWLEDGEMENT

This research project has been successfully completed with the assistance of many individuals and institutions. The research group would like to express the deepest gratitude to all who have helped in carrying out this research and have offered comments and suggestions.

First and foremost, the research group would like to thank Universiti Tunku Abdul Rahman (UTAR), particularly the Teh Hong Piow Faculty of Business and Finance, for providing the necessary resources, ethical approval, and a conducive academic environment to conduct this research. The research group are also grateful to UTAR for granting us the opportunity and support to pursue our Bachelor of Finance (Honours).

The research group would also like to express the deep gratitude to our research supervisor, Dr. Zuriawati Binti Zakaria for her unwavering guidance, insightful feedback, and continuous encouragement throughout every stage of this research. Her expertise and dedication have been instrumental in shaping this study and have inspired us to strive for academic excellence. We would also like to thank to Ms. Lau Wai Kwan, the second examiner that give guidance and advice in completing this research.

In addition, the research group would like to acknowledge the lecturers and tutors at UTAR who have directly and indirectly guided us by sharing valuable knowledge and insights throughout this research journey.

Furthermore, the research group would like to express our appreciation to all group members for their cooperation, commitment, and contributions. The ideas, suggestions, and perspectives shared among the team have significantly enhanced the quality of this research.

The research group are also deeply thankful to all the respondents who took the time to participate in our survey. Their valuable responses formed the empirical foundation of this study.

The research group would also like to thank our friends and peers for their continuous moral support and encouragement, which helped sustain our motivation throughout this journey.

Finally, and most importantly, the research group would like to express our heartfelt gratitude to our families. Their unconditional love, patience, and understanding have been our greatest source of strength. Once again, the research group are truly grateful for all the support and contributions from everyone involved in this research.

PREFACE

This research project is submitted in partial fulfillment of the requirements for the degree of Bachelor of Finance (Hons). The project has been completed under the supervision of Dr. Zuriawati Binti Zakaria. This final year project represents the original work of the researcher. However, it is developed based on existing literature, and all relevant sources have been properly cited and acknowledged in the references.

In recent years, the rapid development of digital technology and social media has transformed the way individuals make investment decisions, with financial influencers (finfluencers) playing an increasingly important role in shaping investment behaviours. However, limited research has examined how finfluencers' characteristics influence digital investment decision-making and the underlying mechanisms involved. Therefore, this study aims to investigate the impact of finfluencers' characteristics on digital investment decisions among adults in Malaysia, with financial knowledge as a mediating variable and artificial intelligence (AI) literacy as a moderating variable.

The research group is motivated to gain a deeper understanding of the factors influencing digital investment behaviour in the modern financial landscape. Thus, the chosen title for this study is Finfluencer and Digital Investment Decision: The mechanism of Financial Knowledge and Artificial Intelligence Literacy.

This research has been successfully completed through the researcher's dedication and continuous effort, along with the valuable guidance and support from the supervisor and others. It is hoped that the findings of this study will contribute to the existing body of knowledge and provide useful insights for future research.

ABSTRACT

The rise of social media has increased exposure to financial influencers (finfluencers) who provide investment-related information. At the same time, the rapid development of artificial intelligence (AI) tools has transformed decision making processes in various sectors, including digital investment. This study examines how finfluencer characteristics, specifically exposure, trustworthiness, and credibility influence digital investment decisions among Malaysian investors. Financial knowledge is proposed as a mediating variable, while AI literacy is examined as a moderating variable. This study is grounded in the Theory of Planned Behaviour (TPB) and Social Cognitive Theory (SCT). The data consists of 385 Malaysian adults aged 20 to 49 years and analyzed using the PLS-SEM.

The results indicate that finfluencer exposure significantly influences digital investment decisions, whereas trustworthiness and credibility do not have significant direct effects. Financial knowledge significantly mediates the relationship between finfluencer characteristics and digital investment decisions, and a significant relationship between financial knowledge and digital investment decisions is also observed. However, AI literacy does not significantly moderate the relationship between financial knowledge and digital investment decisions.

These findings suggest that knowledge development plays a more important role than technological literacy in shaping investment behaviour. The study provides practical implications for investors, financial institutions, and regulators in improving financial education and managing social media investment information.

Keywords : finfluencers; social media; financial knowledge; artificial intelligence; digital investment decision

Subject Area : HG4501-6051 Investment, capital formation, speculation

TABLE OF CONTENTS

	Page
Copyright page	ii
Declaration	iii
Acknowledgement	iv
Preface	vi
Abstract	vii
Table of Contents	viii
List of Tables	xii
List of Figures	xiii
List of Abbreviations	xiv
CHAPTER 1 : INTRODUCTION	1
1.0 Introduction.....	1
1.1 Research Background	1
1.1.1 Digital Investment Decisions.....	1
1.1.2 Finfluencers.....	4
1.1.3 Exposure of Finfluencers	5
1.1.4 Trustworthiness of Finfluencers.....	7
1.1.5 Credibility of Finfluencers	8
1.1.6 Financial Knowledge	9
1.1.7 Artificial Intelligence Literacy	11
1.2 Problem Statement.....	12
1.3 Research Objectives.....	15
1.4 Research Questions.....	16
1.5 Hypothesis of Study.....	16
1.6 Significance of Study	17
1.7 Definition of Key Terms	18
1.8 Conclusion	19
CHAPTER 2 : LITERATURE REVIEW	20
2.0 Introduction.....	20
2.1 Theoretical Framework.....	20
2.1.1 Theory of Planned Behaviour (TPB)	20

2.1.2 Social Cognitive Theory (SCT)	23
2.2 Review of Literature	25
2.2.1 Exposure of Finfluencers and Digital Investment Decisions.....	25
2.2.2 Trustworthiness of Finfluencers and Digital Investment Decisions.....	28
2.2.3 Credibility of Finfluencers and Digital Investment Decisions.....	31
2.2.4 Mediating Role of Financial Knowledge between Exposure of Finfluencers and Digital Investment Decisions.....	34
2.2.5 Mediating Role of Financial Knowledge between Trustworthiness of Finfluencers and Digital Investment Decisions.....	38
2.2.6 Mediating Role of Financial Knowledge between Credibility of Finfluencers and Digital Investment Decisions	40
2.2.7 Financial Knowledge and Digital Investment Decisions.....	43
2.2.8 Moderating Role of AI Literacy between Financial Knowledge and Digital Investment Decisions.....	45
2.3 Propose Framework	48
2.4 Hypothesis Development.....	48
2.4.1 Exposure of Finfluencers and Digital Investment Decisions.....	48
2.4.2 Trustworthiness of Finfluencers and Digital Investment Decisions.....	49
2.4.3 Credibility of Finfluencers and Digital Investment Decisions.....	49
2.4.4 Mediating Role of Financial Knowledge between Exposure of Finfluencers and Digital Investment Decisions.....	50
2.4.5 Mediating Role of Financial Knowledge between Trustworthiness of Finfluencers and Digital Investment Decisions.....	50
2.4.6 Mediating Role of Financial Knowledge between Credibility of Finfluencers and Digital Investment Decisions	51
2.4.7 Financial Knowledge and Digital Investment Decisions.....	51

2.4.8 Moderating Role of AI Literacy between Financial Knowledge and Digital Investment Decisions.....	51
2.5 Conclusion	52
CHAPTER 3: METHODOLOGY	53
3.0 Introduction.....	53
3.1 Research Design.....	53
3.2 Sample Design	54
3.2.1 Target Population	54
3.2.2 Sampling Size	56
3.2.3 Sampling Technique.....	57
3.3 Data Collection Method.....	57
3.4 Ethical Consideration.....	59
3.5 Questionnaire Development.....	59
3.6 Pre-Test and Pilot Test	62
3.6.1 Pre-Test	62
3.6.2 Pilot Test	63
3.7 Descriptive Test.....	63
3.7.1 Measurement Model Analysis.....	63
3.7.2 Structured Model Analysis.....	65
3.8 Conclusion	66
CHAPTER 4: DATA ANALYSIS	67
4.0 Introduction.....	67
4.1 Response Rate.....	67
4.2 Descriptive Analysis of the Respondents' Demographic Profiles	68
4.3 Statistical Analysis	71
4.3.1 Measurement Model Assessment.....	72
4.3.2 Structural Model Assessment.....	75
4.4 Conclusion	80
CHAPTER 5: DISCUSSION AND CONCLUSION	81
5.0 Introduction.....	81
5.1 Descriptive Summary of the Demographics Analysis	81
5.2 Statistical Analysis Summary	81
5.3 Hypothesis Testing.....	82

5.4 Answers to Research Question.....	84
5.4.1 Is there a significant relationship between finfluencers characteristics and digital investment decisions?	84
5.4.2 Does financial knowledge mediate the relationship between finfluencers characteristics and digital investment decisions?	84
5.4.3 Is there a significant relationship between financial knowledge and digital investment decisions?.....	85
5.4.4 Does AI literacy moderate the relationship between financial knowledge and digital investment decisions?.....	85
5.5 Findings Discussion	86
5.5.1 Exposure of Finfluencers and Digital Investment Decisions.....	86
5.5.2 Trustworthiness of Finfluencers and Digital Investment Decisions.....	87
5.5.3 Credibility of Finfluencers and Digital Investment Decisions.....	88
5.5.4 Mediating Role of Exposure of Finfluencers and Digital Investment Decisions	89
5.5.5 Mediating Role of Trustworthiness of Finfluencers and Digital Investment Decisions.....	91
5.5.6 Mediating Role of Credibility of Finfluencers and Digital Investment Decisions	93
5.5.7 Financial Knowledge and Digital Investment Decisions.....	94
5.5.8 Moderating Role of AI Literacy between Financial Knowledge and Digital Investment Decisions.....	96
5.6 Implication of the Study.....	97
5.6.1 Practical Implications.....	97
5.6.2 Theoretical Implications	100
5.7 Limitations and Recommendations for Future Research.....	103
5.7.1 Limitations	103
5.7.2 Recommendations.....	104
5.8 Conclusion	105
References.....	106
Appendices	131

LIST OF TABLES

	Page
Table 1.1: Mobile Phone Ownership and Social Media Usage Trends in 2024	6
Table 1.2 Definition of variables	18
Table 3.1 Population Table: Malaysia	55
Table 3.2 Questionnaire Development	59
Table 3.3 Measurement Model Analysis	64
Table 3.4 Structured Model Analysis	65
Table 4.1: Gender	68
Table 4.2: Race	68
Table 4.3: Age Group	69
Table 4.4: State	69
Table 4.5: Level of Education	70
Table 4.6: Employment Status	71
Table 4.7: Income Level	71
Table 4.8: Outer Loadings	72
Table 4.9: Construct Reliability and Average Variance Extracted	74
Table 4.10: Heterotrait-Monotrait Ratio (HTMT)	75
Table 4.11: Structural Model Results	77
Table 4.12: R-square, F-square	79
Table 5.1 Hypothesis Testing and the result	82

LIST OF FIGURES

	Page
Figure 1.1: Digital Investment - User by Age (25-34 years)	2
Figure 1.2: Digital Investment - Users by Segment	2
Figure 1.3: Digital Investment - Users by Age	3
Figure 1.4: Overall MYFLIC Index	10
Figure 1.5: Use cases and tasks involving the use of AI in finance	11
Figure 2.1 The Characteristics of Finfluencers on Digital Investment Decision of Adults in Malaysia	48
Figure 3.1: Percentage of Individuals Using the Internet by Age Group, Malaysia, 2022 and 2023	55
Figure 4.1: Structural Model Results	78

LIST OF ABBREVIATIONS

EPS	Exposure of Finfluencers
TW	Trustworthiness of Finfluencers
CD	Credibility of Finfluencers
FK	Financial Knowledge
AI	Artificial Intelligence
DID	Digital Investment Decision
TPB	Theory of Planned Behaviour
TRA	Theory of Reasoned Action
SCT	Social Cognitive Theory
PLS-SEM	Partial Least Squares Structural Equation Modeling
ETFs	Exchange-Traded Funds

CHAPTER 1: RESEARCH OVERVIEW

1.0 Introduction

This research investigates the influence of finfluencers on the digital investment decisions of adults in Malaysia. Firstly, this chapter will provide the background of finfluencers and their growing role in shaping investment behaviours within the digital financial landscape. Secondly, based on the research background, this study identifies several problem statements. Research objectives and research questions are then formulated to examine how three key finfluencers characteristics, namely exposure, trustworthiness, and credibility, affect investment behaviours while also considering financial knowledge as a mediating factor and artificial intelligence literacy as a moderating element. Lastly, the significance of this study will be discussed, focusing on its contributions to academic knowledge, regulatory frameworks, and investor protection initiatives in Malaysia and other emerging digital economies.

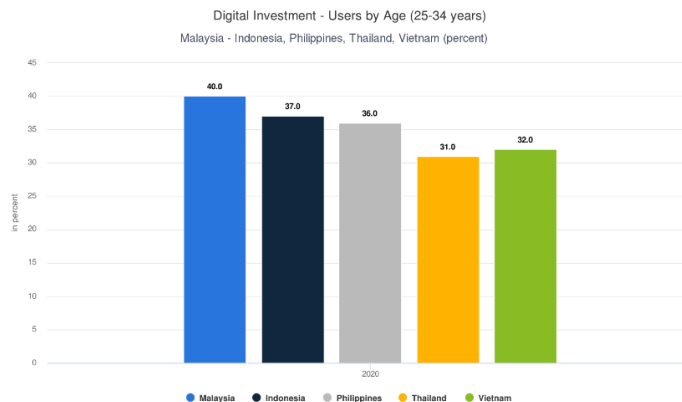
1.1 Research Background

1.1.1 Digital Investment Decisions

In today's digital era, the rise of technology-driven platforms has transformed investment decision making. Digital investment decisions are defined as the decision-making process of digital platforms, tools, or technologies in the field of assets, securities, or portfolio investment (Barroso & Laborda, 2022). It includes the choice of investments and management with the help of technological equipment, which provides more convenient access, easier decisions, and availability (Manlapaz et al., 2024).

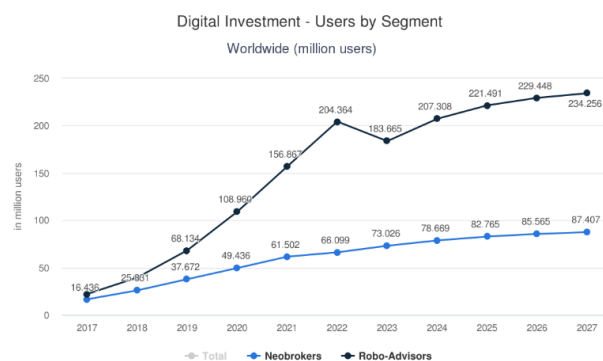
The transition is most visible in Southeast Asia, where digital investment adoption is highest among people aged 25 to 34, with 40.0% in Malaysia, 37.0% in Indonesia, and 36.0% in the Philippines in Figure 1.1. Innovations such as micro-investing apps and fractional shares helped to push down the barriers to entry as people with limited capitals could benefit by diversification in their portfolios. As a result, global digital investment users with robo-advisory are projected to reach 234.3 million by 2027 in Figure 1.2.

Figure 1.1: Digital Investment - User by Age (25-34 years)



*Source: Statista (2023)

Figure 1.2: Digital Investment - Users by Segment



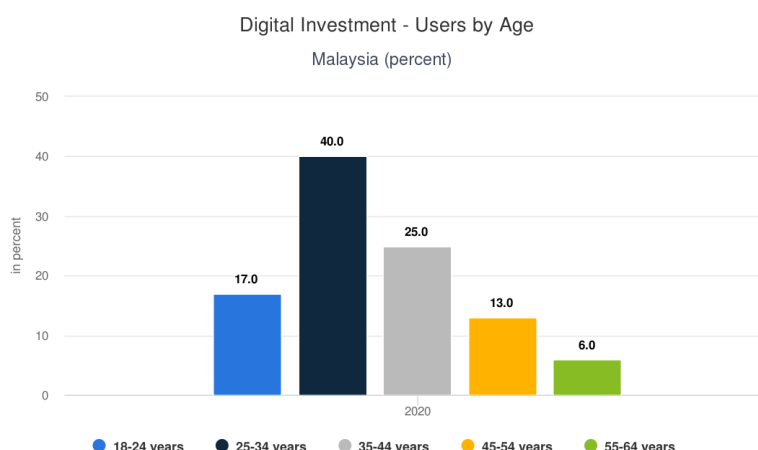
*Source: Statista (2023)

Micro-investing platforms allow users to begin investing with as little as \$1, offering intuitive interfaces, automated features, and educational content to support beginner investors (SmartAsset Team, 2024). Real-time access to

market data improves responsiveness (CelerData, n.d.), while AI-powered robo-advisors provide personalized portfolio strategies based on users' risk profiles (Khambholja, 2025).

However, there are new threats associated with this democratization. Finfluencers are social media influencers that publish financial advice that tend to promote speculative assets such as meme stocks with sentimental content. These narratives may contrast with algorithmic suggestions, such as conservative index funds, which robo-advisors frequently advocate (Pande et al., 2025). This dual influence is particularly impactful on young and lower-income users. For example, 57% of Malaysian investors are under 35 years old in Figure 1.3.

Figure 1.3: Digital Investment - Users by Age



*Source: Statista (2023)

Financial literacy and AI literacy are crucial to the ability to switch between emotional-social and algorithmic-data-driven advice. Financial literacy helps us to analyze investment strategies and risk critically, whereas AI literacy helps users to interpret and analyze algorithmic tools and capabilities (Gerlich, 2025).

In a recent survey by Fidelity International, the dualism of sources of trust can be highlighted that 49% of the UK investors base their trust on professional sources, 40% on social media, 12% on finfluencers, and 8% on AI tools (Lunn,

2025). This illustrates the coexistence of emotional and data-driven influences on investment behaviour. Therefore, financial and AI literacy should be improved, and people should be able to critically assess and interpret the pieces of advice, analyze automated recommendations, and make a sound decision based on their financial priorities.

1.1.2 Finfluencers

In recent years, the emergence of financial influencers, commonly known as finfluencers, has become a significant phenomenon in the global digital finance landscape. The term “finfluencers” started to appear due to the growing popularity of social media platforms during the Covid-19 pandemic (Mölders et al., 2025). Globally, finfluencers now play multiple roles within the modern financial ecosystem. As highlighted by the International Organization of Securities Commissions (IOSCO), finfluencers can act as educators, trendsetters, and, in some cases, unofficial marketers of financial products (International Organization of Securities Commissions, 2025). Their content ranges from budgeting tips and investment strategies to passive investment discussions and product promotions (CFA Institute, 2024a). A key factor in their growing influence is the rise of social media platforms, which have transformed the way financial advice is delivered.

This surge in popularity is also reflected in follower growth trends. According to Emplifi’s data, finfluencers are growing at almost twice the rate of lifestyle influencers (Emplifi, 2024). This is a broader generational shift, from personalised financial advice to mass guidance, which makes it easier to get financial advice but is often generalised. As the Lori Schock, the director of SEC’s Office of Investor Education and Advocacy says, while such content can enhance basic financial awareness, relying solely on non-personalised advice may lead to unsuitable investment decisions if individual needs and contexts are overlooked (Schock, n.d.).

In Malaysia, the finfluencers phenomenon has also mirrored global trends. According to a Hong Leong Bank survey, more than 83% manage their investments themselves, and 49% get financial advice from social media (Hong Leong Bank, 2024). This shows that Malaysians are increasingly getting financial education and advice from social media, which is similar to the global trend. Like their international counterparts, many Malaysian finfluencers do not have formal financial certifications but build credibility through affinity and lifestyle brands (Ravimalar, 2024). Together, these trends show that local investors' behaviour is changing from personalised advice to community-driven and algorithmic planning guidance, covering a wider audience.

1.1.3 Exposure of Finfluencers

In today's hyper-connected digital ecosystem, the degree to which individuals are exposed to financial content through mobile and social media platforms plays a foundational role in shaping their investment behaviours (Awad et al., 2025). High levels of mobile phone ownership directly correlate with increased access to financial content. According to Table 1.1, smartphone penetration exceeds 90% in countries like the U.S. (97.2%), Australia (95.5%), Japan (94.8%), U.K. (92.3%) and Malaysia (91.7%) indicating that a significant proportion of the population is constantly connected to digital platforms. In contrast, countries such as India (65.6%) and Indonesia (73.2%) still show relatively lower phone ownership, yet even in these markets, rapid growth in mobile connectivity continues to fuel finfluencers reach.

Daily screen time offers further insight into exposure intensity. As per data from Table 1.1, the average global mobile screen time now exceeds 6.5 hours per day, with countries like Malaysia (8.3 hours), Indonesia (7.6 hours), and the U.S. (7.1 hours) leading in digital consumption. The average time spent specifically on social media is significant for exposure to finfluencers (CFA Institute, 2024b). Indonesia tops the chart with 3.2 hours per day, followed by Malaysia (2.8 hours), India (2.4 hours), and the U.S. (2.3 hours). This sustained social

engagement creates repeated exposure to financial content shared by the finfluencers, as multi-platform exposure may bring different levels of engagement between audiences (Hasanah et al., 2025). The FINRA-CFA Institute Gen Z Research study reports that 48% of younger investors access financial advice across social media (CFA Institute, 2023). Table 1.1 proves that Facebook and Instagram are the largest platforms used to access financial information in the overall 7 countries.

Table 1.1: Mobile Phone Ownership and Social Media Usage Trends in 2024

	US	UK	Australia	Japan	Indonesia	India	Malaysia
Mobile phone ownership (%)	97.2	92.3	95.5	94.8	73.2	65.6	91.7
Average daily screen time (hr)	7.1	6.0	6.2	3.9	7.6	6.8	8.3
Average time spent in social media (hr)	2.3	1.8	1.9	0.9	3.2	2.4	2.8
Platform used (%):							
X (Twitter)	41.0	44.2	29.6	55.2	57.5	41.2	45.2
Facebook	75.3	73.0	78.2	24.4	81.6	71.7	84.9
Instagram	63.9	59.7	62.4	52.6	85.3	80.6	77.0
Facebook Messenger	61.3	60.1	69.9	9.8	47.9	45.1	56.5

*Sources: Kemp (2024) & Sumra (2025)

According to Nartallo (2021), an Instagram post with the hashtags #financialfreedom and #investing will receive up to millions of views. Platform

algorithms play a critical role in this exposure cycle. Algorithmic prioritization of “liked” and “shared” content accelerates the virality of finfluencers content regardless of its accuracy or depth (Ricciardelli & Parhizkari, 2024). Push notifications, content suggestions, and auto-play videos increase passive exposure to financial advice, making it more likely for users to act on simplified investment ideas, even when they lack the necessary background knowledge.

1.1.4 Trustworthiness of Finfluencers

The perceived trustworthiness of finfluencers often depends more on how they communicate with their audiences. Unlike traditional media or licensed financial advisors, many finfluencers rely on tone and delivery style to signal their intent and competence. For instance, a creator who uses hype-driven language such as "you can't miss this stock" or "make 150% return in a week" often arouses skepticism. According to the FINRA-CFA Institute research report, 69% of Gen Z investors trust financial advice from social media, largely due to their clear explanation about financial matters (FINRA Foundation & CFA Institute, 2023). On the other hand, content that uses jargon-free language and acknowledges the limitations of the creator's knowledge is more likely to be seen as trustworthy. The creators do not simply provide any misleading or uncertain information to the audience.

Finfluencers who openly share personal experiences, no matter success or failure, tend to be more relatable and trustworthy. For example, the finfluencer, @ZeroBasedBudget, openly shared her personal experience of paying off her own education loan of \$200,000 in four years of successful financial planning (Hayes & Ben-Shmuel, 2024). Authenticity of this sort builds emotional attachment, further developing the sense of trust. In addition, active participation with the audience members through comment responses and live sessions reinforces the sense of openness and trustworthiness. The active participation helps build interaction and enhances their image in the audience members' minds. As the CFA Institute report on the finfluencers appeal

recommended, investors preferred trusting finfluencers speaking face-to-face with them rather than those speaking behind the account (CFA Institute, 2024b).

Finfluencers who avoid excessive displays of wealth or quick-fix investment schemes are perceived as more sincere. Real-life stories and realistic expectations resonate more with audiences. Quoting the study report of FINRA-CFA Institute, sincere content developers who are not scripted, sales-pitch content are trusted further. 51% of the investors will place higher trust in those who are not seeking to hawk or promote products for them (FINRA Foundation & CFA Institute, 2023).

1.1.5 Credibility of Finfluencers

Misrepresenting financial terms or market mechanics can mislead audiences and lead to poor investment decisions. A study analyzing 29,000 accounts found that 56% of finfluencers provided advice that led to negative returns (Burgess, 2023). This reveals a stark gap between popularity and performance. When creators align their content with established financial principles such as risk management, diversification, and long-term growth, they are more likely to be viewed as credible. Creators who incorporate references to peer-reviewed research, government financial bodies, or renowned financial news sources demonstrate a commitment to accuracy. For instance, finfluencers discussing economic trends who reference reports from Bank Negara Malaysia, Bloomberg, or financial journals enhance their perceived credibility.

Expertise is a crucial dimension in determining the credibility of finfluencers and their impact on digital investment decisions. It refers to the source's peak or high levels of knowledge, competence, and problem-solving skills in a specific field, as well as the perceived competence to make well-founded claims (Hamamci & Aren, 2024). In this context, expertise extends beyond formal qualifications to include professional experience, a track record of successful financial decisions, and the ability to simplify complex market data for general

audiences (Schouten et al., 2021). Influencers who combine technical knowledge with demonstrated care for their audience are more likely to shape investment behaviour, as their opinions are perceived as more genuine and convincing (Sokolova & Kefi, 2020). Finfluencers who specialize in a specific financial topic, such as technical stock analysis, can present complex market information in a clear and actionable way. This topic-specific focus signals high expertise and increases content concreteness, which fosters a sense of psychological closeness with followers (Luan et al., 2024). Consequently, finfluencers with verifiable expertise are better positioned to provide reliable guidance and foster informed decision-making among their followers.

Finfluencers must provide all the information with logical reasoning to show their credibility. They must clearly explain how they arrive at conclusions. This includes identifying assumptions, explaining methods, and showing cause-effect relationships. Unfortunately, many creators rely on anecdotal evidence or emotionally charged appeals. Unlicensed finfluencers often use investors' wants to gain big returns to attract the audience to follow their recommendations (Lazarony, 2025). A logical and transparent presentation of ideas allows audiences to follow the reasoning and assess the validity of recommendations.

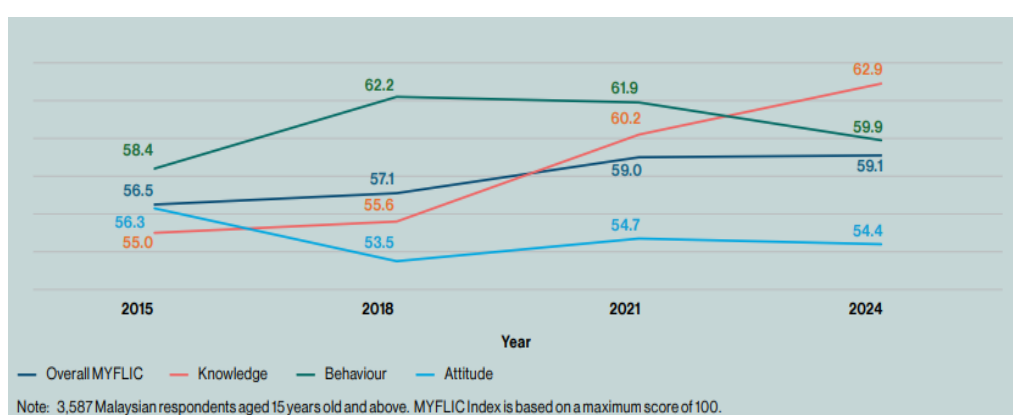
1.1.6 Financial Knowledge

Global assessments reveal substantial disparities in financial knowledge, and most people do not understand the basic principles of financial analysis, including the ability to compound interest, understand inflation, and diversify risk. The real implications of this body of knowledge are to have a misconception of what compounding means, such as it can increase transaction costs, debt levels, and reduce savings (Wafula, 2022).

In Malaysia, 92% of Malaysians use digital financial services, although some of them might not maximize its potential advantages. The MYFLIC index, a composite measure of financial literacy which remains around 59.0 since 2021.

While financial knowledge improved to 62.9 (+2.7 points), both financial behaviour (-2.0 points) and attitude (-0.3 points) saw a decline in 2024 as Figure 1.4, clearly shows a continuing discrepancy between knowing what to do and usually doing it (Bank Negara Malaysia, 2024). Consistently, global evidence shows that income and education strongly predict financial knowledge, as higher levels of both provide greater access to financial resources and tools (Organisation for Economic Co-operation and Development [OECD], 2023).

Figure 1.4: Overall MYFLIC Index



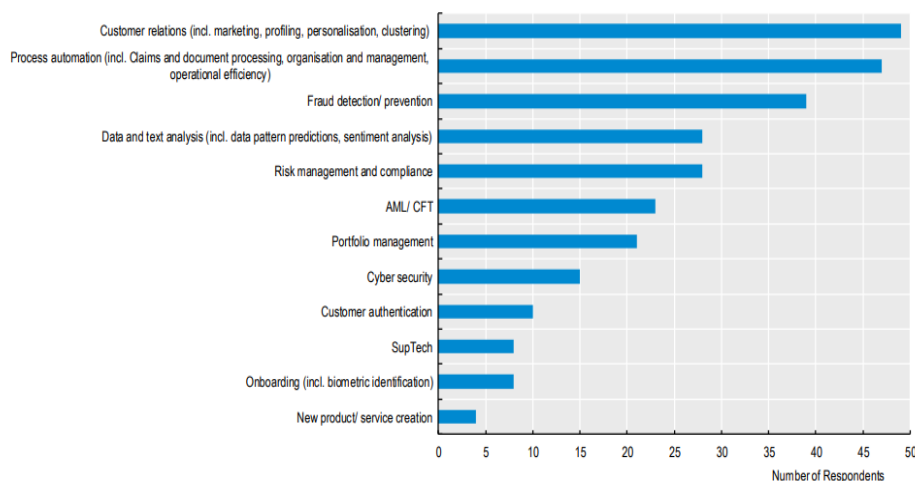
*Source: Bank Negara Malaysia (2024)

The asymmetry of distribution of financial knowledge influences individual personal financial management in several areas, such as budgeting, tax planning, debt management, retirement planning, and risk management through insurance. It also involves understanding financial products and services such as bank accounts, credit cards, loans, and investment instruments (Kumar, 2024). Individuals with higher financial knowledge tend to have a better understanding of how risk-return and income management are related and hence they are not easily susceptible to volatility or economic instability in the market. As a result, individuals with good financial knowledge and its use are at better chances of attaining good financial performance and financial satisfaction (Rohania & Yazdanianb, 2021).

1.1.7 Artificial Intelligence Literacy

Artificial intelligence (AI) is the creation of computer programs that can undertake humans who are supposed to be intelligent in their actions. According to Grand View Research (2024), the global AI market was valued at USD 279.22 billion in 2024 and is expected to reach USD 1,811.75 billion by 2030, reflecting a compound annual growth rate (CAGR) of 35.9% between 2025 and 2030. This notable increase shows the growing need and the growing impact of AI in the contemporary world. The financial sector is one of the rapidly integrating industries in AI. Financial applications based on AI help to make decisions in different fields more quickly, better, and more efficiently, increasing the quality of risk analyses, fraud prevention, and investment planning (Piacentino, 2025). According to the survey conducted by the OECD (2024), the use of AI is becoming common in customer service and process automation, which can prove its practical value and growing importance in the operational performance in Figure 1.5.

Figure 1.5: Use cases and tasks involving the use of AI in finance



*Source: OECD (2024)

The concept of literacy is traditionally characterized as the ability of reading and writing (Cambridge University Press, n.d.). However, the concept of literacy has expanded to include new forms such as media, digital, information,

computer, and artificial intelligence literacy (AI literacy) in today's digital era. AI is rapidly becoming embedded in everyday life, from generative tools such as ChatGPT to predictive algorithms curating our newsfeeds, making AI literacy a critical educational priority (Chiu, 2024a; Chiu, 2024b). AI literacy is defined as the ability to understand, apply, and critically evaluate AI technologies and their implications for society, ethics, and daily life (Gomstyn & Jonker, 2024).

The capability to evaluate AI output is one of the most crucial factors of AI literacy, as it should be clear whether algorithmic suggestions are accurate, reliable, or possibly biased. Although a lot of students are comfortable using AI tools, studies indicate that they usually do not possess the necessary critical thinking skills to review AI tools accordingly in the academic environment (Bećirović et al., 2025). This is not a deficiency of evaluative skills only in the educational context but also in the real world. For example, the Ontario Securities Commission (OSC) warns that modern investors face increasing risks from unconfirmed AI trading bots, imitation of legal AI platforms, and "pump and dump" schemes. These scams often exploit users' trust in AI by using fake algorithms or misleading data, ultimately causing financial losses. The understanding of this risk makes it clear that users need to be aware of the functioning of AI-based investment platforms and use trusted reviews and transparency.

1.2 Problem Statement

In Malaysia, finfluencers often rely on social media platforms such as Facebook and Instagram to share investment-related content. However, licensing is a grey field because most finfluencers do not have investment advice licenses in place, yet they give investment advice. This situation raises questions about their legal and ethical boundaries (Singh & Sarva, 2024). This problem is severe, which is supported by a report that indicated that Malaysians had lost more than RM1.34

billion to digital investment scams in 2019 to 2023 (Juned et al., 2024). In retaliation, the Securities Commission Malaysia started to issue warnings in 2024 against a number of unregistered personalities on the internet giving investment advice (Securities Commission Malaysia, 2025).

The lack of stringent and strict regulation is the main cause of the issue. Although the Securities Commission Malaysia revised the Capital Markets and Services Act 2007 in 2024 to require finfluencers to obtain licenses when offering advice online, the lack of strict legal action and clear content requirements has left regulatory loopholes (Securities Commission Malaysia, 2024). These vulnerabilities allow social media finfluencers to operate freely, especially those who promote high-risk or misleading investments. As a result, youths and first-time investors are still at risk of fraud and bad investment choices along with serious financial losses (Aziz et al., 2021).

Finfluencers have become the main source of financial-related information to most investors, especially youngsters. However, complaints have arisen about their lack of transparency in disclosing financial interests. For example, the Securities and Exchange Commission Thailand (2024) found that 59% of the promotional information shared by finfluencers lacked marketing disclosure. This shows that there is a high incidence of covert advertisement and any form of conflict of interest. The practices also enhance the likelihood of biased or misleading information being presented and this may not be in the best interest of the audience. Other international regulators, such as the Financial Conduct Authority (FCA) in the UK have acted in the same manner by issuing guidance, investigating, and warning of misleading promotions. This lack of consistent disclosure standards ultimately undermines the credibility and trustworthiness of financial content on social media, thus threatening investors in making their decisions.

Simultaneously, in the modern world where the financial sector is becoming more complex than ever before, people are supposed to work with a great variety of financial products, services, and choices. Nonetheless, the research conducted by many scholars has shown that too many people and especially young adults lack

financial literacy. This lack of knowledge makes them unable to balance their daily money spending, have future aspirations, and react appropriately to financial crises (Sarah & Palavi, 2025).

In Malaysia, digital financial services (DFS) have become popular, with 92% of Malaysians reporting regular use in 2024. Despite this widespread use, only 39% of Malaysians consider website security before conducting online transactions, compared to the global average of 66%. Although the practice of sharing bank account passwords or PINs with close friends has decreased significantly, more than one out of ten Malaysians still engage in it. All these deficiencies in financial literacy and internet safety expose users to vulnerability, despite the rapid pace of DFS adoption, and can destroy individual financial security. The enhancement of digital financial literacy is thus important so that Malaysians might take the advantage of a highly digitalizing financial environment (Bank Negara Malaysia, 2024).

Meanwhile, AI is rapidly expanding across various sectors, including finance. Popular AI financial tools like Wealthfront, Betterment, and ZestAI are now also extensively applied in the context of personal finance and investment management as well as financial analysis and risk assessment. Even though they are becoming more common, there is still a great number of people who do not have a basic understanding of how the tools work (Biagini, 2025). The socioeconomic background of inequality, education as well as accessibility to technologies are sources of this knowledge gap in AI literacy. The digital divide further exacerbates these disparities, especially among marginalized groups (Sparks et al., 2024). The main problem behind this is that the user also has to be financially literate enough to make informed financial decisions based on AI-generated recommendations. This is particularly important since AI and machine learning algorithms depend greatly on massive amounts of data to learn and become better (Ionescu & Diaconita, 2023). Even insignificant errors or prejudice in the input data may result in highly inaccurate results, which may cause poor financial decisions.

Aside from that, AI automation can reduce the financial literacy of customers by weakening their awareness of cash flow and fostering overreliance on AI advice, even when the AI has provided inaccurate recommendations, increasing the risk of poor financial decisions (Rosa & Bechler, 2024). Individual investor inefficiencies in financial and AI literacy have contributed to poor investment choices, their exposure to risky investments, and exposure to online fraud and misinformation (Sunarko & Sutrisno, 2025). In addition to such single outcomes, large-scale connections between poorly informed users and AI-based financial systems can also impose more risks on the market.

Furthermore, human behavioural biases are still a continued problem in making good investment decisions, even though people have some degree of financial literacy. An example is that millennials, although they are fairly financially literate, tend to be overconfident in potentially enjoying profitable results. Being overconfident, investors become overly risky, which may result in financial instability (Mu'awiyah & Jurana, 2025). Similarly, certain psychological predispositions, including the fear of missing out (FOMO), may be used as motivators behind impulsive or irrational investment actions, which exacerbate adverse financial performance even more (Nadhila et al., 2024). Therefore, it is not knowledge only but also consideration of the cognitive and emotional factors shaping choices in investing that are as important in the era of AI and digital finance.

1.3 Research Objectives

This study aims to achieve the following research objectives:

- I. To examine the relationship between finfluencers characteristics (exposure, trustworthiness, credibility) and digital investment decisions.
- II. To examine the mediating role of financial knowledge in the relationship between finfluencers characteristics and digital investment decisions.
- III. To explore the relationship between financial knowledge and digital investment decisions.

- IV. To investigate the moderating effect of AI literacy on the relationship between financial knowledge and digital investment decisions.

1.4 Research Questions

The study is guided by the following research questions:

- I. Is there a significant relationship between finfluencers characteristics and digital investment decisions?
- II. Does financial knowledge mediate the relationship between finfluencers characteristics and digital investment decisions?
- III. Is there a significant relationship between financial knowledge and digital investment decisions?
- IV. Does AI literacy moderate the relationship between financial knowledge and digital investment decisions?

1.5 Hypothesis of Study

H_{1a} : There is a relationship between exposure of finfluencers and digital investment decisions.

H_{1b} : There is a relationship between trustworthiness of finfluencers and digital investment decisions.

H_{1c} : There is a relationship between credibility of finfluencers and digital investment decisions.

H_{2a} : There is a mediating role of financial knowledge between exposure of finfluencers and digital investment decisions.

H_{2b} : There is a mediating role of financial knowledge between trustworthiness of finfluencers and digital investment decisions.

H_{2c} : There is a mediating role of financial knowledge between credibility of finfluencers and digital investment decisions.

H_3 : There is a relationship between financial knowledge and digital investment decisions.

H_4 : There is a moderating role of AI literacy between financial knowledge and digital investment decisions.

1.6 Significance of Study

This research has significant academic, practical, theoretical, and societal implications. Academically, it fills in key gaps in the research on finfluencers and digital investment behaviour. While most prior studies have concentrated on Generation Z and millennials, this study uniquely focuses on the Malaysian adult population, a demographic that remains underexplored in this context (Martaningrat & Kurniawan, 2024; Musialik-Chmiel et al., 2025). Furthermore, it distinguishes between two often conflated attributes of finfluencers which is trustworthiness and credibility by examining their independent effects on financial knowledge and digital investment decisions (Hamamcı & Aren, 2024; Ngamchuea, 2021). The study also breaks new ground by introducing AI literacy not merely as a circumstantial aspect but rather as a very important moderating aspect that determines the translation of financial knowledge into investment action in the digital age.

In practice, the results will be of benefit to the key stakeholders in Malaysia. The findings can be used by regulators like the Securities Commission Malaysia and Bank Negara Malaysia to improve policies and investor protection models to match the increasing role of finfluencers. Fintech platforms, investment service providers, and financial educators can use the evidence to develop specific financial literacy programs that combine digital and AI skills, as well as promote responsible influencer marketing behaviours that can protect the adult investors.

Theoretically, this study extends the application of established frameworks such as the Theory of Planned Behaviour (TPB) and Social Cognitive Theory (SCT) by

explicitly separating finfluencers attributes and positioning AI literacy as a pivotal moderator. This refined approach offers a deeper understanding of the dynamics of shaping digital investment decisions.

Finally, the research has value to Malaysian adult investors because it will increase their level of awareness regarding the multiple factors that complicate online financial decision making. It will enable them to be more critical of the content by finfluencers, enhance their financial literacy and make better investment decisions. In addition to Malaysia, the research is a contribution to the global discourse on the regulation of finfluencers, the incorporation of AI literacy in financial education, and the protection of different classes of investors in the fast-digitizing financial markets.

1.7 Definition of Key Terms

Table 1.2 Definition of variables

Variable	Definition	Citation
Digital Investment Decisions	Digital investment decision is the process of making investment choices in assets, securities, or portfolios using digital platforms, tools, or technology.	(Barroso & Laborda, 2022)
Finfluencers	Individuals who use social media platforms or other digital channels to share their expertise, insights, and recommendations related to personal finance, investment, and financial management.	Geenen (2023)
Exposure of Finfluencers	Exposure refers to the total number of times your content, post, or brand appears in front of an audience. Consider the number of potential views your message may receive, regardless of whether users click, comment, or simply	(Social Cat, 2025)

	scroll by. In social media and influencer marketing, exposure determines how far your voice travels.	
Trustworthiness of Finfluencers	Trustworthiness is a key dimension of credibility that reflects the extent to which an influencer is perceived as sincere, honest, and truthful, shaping the confidence followers place in their recommendations.	(Ngamchuea, 2021)
Credibility of Finfluencers	Credibility is the perceived reliability of a social media influencer, typically defined through expertise, trustworthiness, attractiveness, and perceived resemblance, which together influence how followers evaluate and act on shared information.	(Ngamchuea, 2021)
Financial Knowledge	Financial knowledge can be defined as an individual's basic knowledge of financial concepts to apply them in financial contexts correctly and thus make their choices.	(OECD, 2023)
AI Literacy	The ability to recognize, grasp, use, and critically assess artificial intelligence technologies and their impacts.	(Jones, 2024)

1.8 Conclusion

This research has covered the research background, problem statement, research objectives, research questions, hypotheses of the study, and the significance of the study. The research questions will be further addressed in the literature review in Chapter 2. In addition, the relationships between the independent variables, namely exposure, trustworthiness, and credibility, the mediating variable of financial knowledge, the moderating variable of AI literacy, and the dependent variable of digital investment decisions will also be discussed in Chapter 2.

CHAPTER 2: LITERATURE REVIEW

2.0 Introduction

This chapter reviews relevant literature from previous studies obtained from journals, articles, and research papers to provide a comprehensive understanding of the factors influencing digital investment decisions. The discussion focuses on the relationship between the dependent variable (digital investment decisions) and the independent variables (exposure, trustworthiness, and credibility). This chapter also examines the mediating role of financial knowledge and the moderating role of AI literacy in explaining how finfluencer-related factors influence investors' decision-making in digital investment environments. Therefore, the theoretical background, conceptual framework, and hypothesis development are presented to support the analysis of this study.

2.1 Theoretical Framework

2.1.1 Theory of Planned Behaviour (TPB)

The Theory of Planned Behaviour (TPB), introduced by Icek Ajzen in 1985, was developed as an extension of the earlier Theory of Reasoned Action (TRA), which he co-created with Martin Fishbein. While TRA focused on behaviours that individuals can fully control, Ajzen added the concept of perceived behavioural control to TPB. This addition helped explain actions that may be influenced by factors outside a person's direct control. In 1991, Ajzen further supported the model by showing that the three key components, which are attitude toward the behaviour, subjective norms, and

perceived behavioural control, can reliably predict human behaviour (Ajzen, 1991).

Attitude toward the behaviour refers to an individual's perception of a specific action. A favorable attitude increases the likelihood that a person will form an intention to carry out the behaviour. For instance, someone who believes that investing is beneficial for long-term wealth is more likely to form the intention to invest. Subjective norms refer to the perceived social pressures on whether they should engage in certain action. These pressures can come from family, friends, or wider society, and they influence individuals by shaping what is considered acceptable or expected behaviour. If a person believes that people important to them approve of investing in digital financial tools, they are more likely to form an intention to do so. Perceived behavioural control reflects the capabilities of a person to perform the behaviour, taking into account both internal factors and external barriers such as confidence and access to resources. The more control someone perceives over a behaviour, the more likely they are to both form the intention and follow through with the action (Hagger et al., 2022).

Together, these three constructs form a framework that explains how individuals make decisions and act upon them. TPB has been successfully applied in various domains, including health, education, and finance, especially in understanding why individuals adopt certain behaviours in response to both personal beliefs and external influences (Ajzen, 1991).

In the context of TPB, finfluencers can be seen as a major force shaping subjective norms. Social media platforms have enabled these individuals to build large audiences by sharing personal finance content such as investment advice, budgeting tips, and financial goal-setting strategies. When individuals are regularly exposed to finfluencers promoting certain financial behaviours like using digital investment apps or building passive income streams, these behaviours may become normalized. This frequent exposure can enhance the perception that "everyone is doing it," thereby

reinforcing subjective norms and increasing the likelihood of behavioural intention (Spohn, 2024).

However, the effect of exposure is moderated by how trustworthy and credible the finfluencers appear. Trustworthiness refers to the perceived honesty and integrity of the influencer. If a follower believes that the finfluencers genuinely act in their best interest, they are more likely to accept and internalize the advice given. Credibility, on the other hand, includes both trustworthiness and perceived expertise. Finfluencers who is not only relatable but also knowledgeable and accurate in presenting financial information is more likely to impact the follower's attitude toward financial behaviour positively. A credible and trustworthy finfluencer can shape positive attitudes toward digital investing, making the behaviour appear beneficial, smart, and socially approved (Prasad, 2025).

At the same time, financial knowledge plays a crucial role in the TPB framework, primarily by influencing perceived behavioural control. Financially knowledgeable individuals are more likely to feel capable of evaluating risks, understanding investment tools, and making informed decisions (Raut, 2020). This sense of competence strengthens perceived control and supports stronger behavioural intention. Moreover, financial knowledge can also reinforce the effects of finfluencers credibility where someone who is financially literate may better recognize trustworthy and accurate information, making them more receptive to credible content and more cautious of misleading advice (Billari et al., 2019).

By integrating these constructs, TPB provides a suitable theoretical foundation for understanding how digital investment behaviours are shaped in today's online financial environment. Finfluencers exposure, trustworthiness, and credibility are aligned with the TPB construct of subjective norms and may also influence attitude formation. Financial knowledge contributes to perceived behavioural control by improving confidence in one's ability to make sound investment decisions. Together,

these factors inform the individual's intention to engage in digital financial investment, making TPB an ideal model for guiding the research in this study.

2.1.2 Social Cognitive Theory (SCT)

Social Cognitive Theory (SCT), developed by Albert Bandura, explains that human behaviour is shaped through the dynamic and reciprocal interaction of personal factors, behavioural patterns, and environmental influences. This concept is known as reciprocal determinism (Firmansyah & Saepuloh, 2022; Warje, n.d.). This framework emphasizes that individuals are not passive recipients of information; rather, they actively interpret and respond to social stimuli based on cognitive processes such as beliefs, expectations, and self-regulation (Stajkovic & Sergent, 2019).

Stajkovic and Luthans (2002) highlights that self-efficacy is a central component of SCT. Self-Efficacy Theory explaining how individuals' beliefs in their capabilities influence their actions and decision-making. Self-Efficacy Theory is believed to be a major driver of people's perception on their capabilities towards performing certain actions, which in turn influences motivation, learning behaviours as well as goal achievement in their particular fields (Saliha & Samia, 2024). In relation to financial behaviour and tech adoption, self-efficacy is known to be a key determinant of people's confidence to gain and use financial knowledge, work AI tools, and choices based on digital investment decisions (Dare et al., 2022).

SCT also highlights the importance of observational learning, where individuals acquire knowledge and behaviours by observing others, particularly role models or influencers (Firmansyah & Saepuloh, 2022). In today's digital environment, finfluencers act as modern social models, providing financial information and shaping audience perceptions and behaviours. However, the impact of such exposure is not uniform, as

individuals differ in their ability to interpret and apply the information received.

In relation to digital finance, financial self-efficacy becomes essential in determining how individuals manage financial tasks, such as budgeting, saving, and investing. Individuals with higher financial self-efficacy are more proactive, goal-oriented, and more likely to participate in investment activities, whereas those with lower self-efficacy tend to avoid complex financial decisions or engage in less optimal financial behaviours (Widjaja, 2020). This aligns with SCT's emphasis on the role of internal beliefs in shaping behavioural outcomes.

Furthermore, as financial services increasingly integrate technology, AI literacy emerges as a critical extension of self-efficacy within digital contexts. Individuals with higher levels of AI literacy are more confident in using AI-driven financial tools, such as investment platforms and automated advisory systems, enabling them to analyse information, evaluate risks, and make informed decisions (Latikka et al., 2021; Liu et al., 2025). SCT suggests that such competencies enhance individuals' perceived control and adaptability, thereby improving decision quality in complex environments.

Within this framework, the relationship between finfluencers' exposure and digital investment decisions can be better understood through mediating mechanisms, particularly financial knowledge and AI literacy. While finfluencers provide information and influence attitudes through observational learning, the extent to which this information translates into actual investment behaviour depends on individuals' knowledge levels and technological competence (Ben-Shmuel et al., 2024; Riaz et al., 2022). Individuals with higher self-efficacy are more likely to critically evaluate finfluencers' content, filter relevant information, and apply it effectively in investment contexts (Puntoni et al., 2021).

Therefore, Social Cognitive Theory provides a strong theoretical foundation for this study by explaining how external influences (finfluencers) interact with internal cognitive factors (financial knowledge and self-efficacy) and technological capabilities (AI literacy) to shape digital investment decisions (Stajkovic & Luthans, 2002; Dare et al., 2022; Liu et al., 2025; Firmansyah, 2023). This integrated perspective highlights that behavioural outcomes are not solely driven by exposure, but by the individual's ability to process, interpret, and act upon the information in a digitally evolving financial landscape (Ben-Shmuel et al., 2024; Warje, n.d.).

2.2 Review of Literature

2.2.1 Exposure of Finfluencers and Digital Investment Decisions

Exposure to financial content on digital platforms has emerged as a critical driver of modern investment decision-making, with consistent evidence showing that repeated contact with financial influencers and curated content shapes perceptions, attitudes, and behaviours. Mishra et al. (2025) found that 76% of Gen-Z respondents followed financial influencers, with frequency of exposure significantly linked to changes in investment strategy, while credibility perceptions strongly predicted behavioural influence. Similarly, Choudhary and Yamuna (2025) highlighted how exposure to influencer-generated financial content can shape investor perceptions and decisions, revealing that such exposure significantly increased follower engagement, which in turn enhanced perceptions of credibility and trust. These factors were found to positively shape investor attitudes toward investment decisions, while perceived risk partially mediated the trust–attitude relationship, underscoring the nuanced psychological mechanisms through which finfluencers influence financial choices.

Evidence from Indonesia further supports these findings, as Andrian et al. (2025) observed that social media influencers had a significant impact on investment interest among university students, with trust and expertise emerging as dominant determinants, while even visual appearance encouraged willingness to follow financial advice. Another study that focuses on the Youtube influencer by Pandey et al. (2025) also indicates that social media engagement is a driving factor in influencing the impact of influencers. Evidence shows that watching videos, posts, and updates on social media can change consumer or audience attitudes toward financial services. Thus, the social media influencers can engage the users to have a positive effect on consumer attitudes, directly influencing purchase and investment intentions. Similarly, the findings of Oliveira and Silva (2025) also highlighted that videos with higher social media engagement increase the influence of digital influencers on investors' perceptions and decisions. Minor measurement limitations did not affect the robustness of the findings. These results highlight the important role of social media metrics in shaping investor attitudes and decision-making in investment context.

On the other hand, the large following of finfluencers has a greater impact on shaping investment decisions. A study conducted in Jakarta examining Generation Z's perceptions of influencers reported that the "number of influencer followers" received a mean score of 3.993, indicating a strong influence on investment decision-making (Sihombing & Usman, 2025). These results suggest that the popularity and reach of influencers can significantly affect the behaviour and choices of young investors.

Setthajit and Sompaeng (2025) found that frequent exposure to investment-related media on platforms such as Instagram, Facebook, TikTok, and online investment programs significantly enhances investment awareness among young investors. Greater exposure improves understanding of investment risks, asset types, and potential returns, which in turn supports more confident and proactive digital investment decisions. Digital exposure thus

serves as a tool that not only enhances investment awareness but also positively shapes investment attitudes. As a result, higher investment awareness and more positive investment attitudes contribute to increased and more effective investment behaviours among young individuals.

The impact of Instagram exposure was also significant. Safitri et al. (2025) found that Millennials and Generation Z in Labuan Bajo who regularly engaged with curated financial content on Instagram showed higher willingness and confidence to invest, even with limited prior financial literacy. Multiple linear regression analysis confirmed that Instagram content exposure, along with education level and financial literacy, significantly predicted investment behaviour. These findings suggest that, as social media becomes an increasingly important source of financial information especially with the rise of finfluencers which let investors are more likely to trust the opinions and insights shared by individuals perceived as experts.

Based on the study by Atoom et al. (2021), 80.0% of Amman Financial Market investors reported using social media to obtain opinions and comments that help assess their confidence in a particular institution, which in turn supports their investment decisions. Additionally, 60.0% of respondents use social media to seek advice from intermediaries regarding specific investments. These findings indicate that social media has a strong influence on investment decision-making.

Warkar and Durai (2025) found that Gen Z investors rely heavily on finfluencers' content when making investment decisions, as these influencers present simplified explanations, confident predictions and relatable storytelling that affect how young audiences interpret market movements. The study revealed that finfluencers exposure activates behavioural biases such as herding, anchoring and overconfidence, causing investors to follow recommendations based on perceived credibility rather than objective financial assessment. Financial decision-making is no longer

done alone in the mind, but is increasingly influenced by interactive digital environments. As a result, many Gen Z investors form decisions driven by social proof and emotional resonance, demonstrating that finfluencers effects extend beyond information sharing to directly shaping decision behaviour. The findings highlight that although behavioural bias has a direct effect on investment decisions, most of its influence occurs through investors' perception of and exposure to finfluencers.

Furthermore, Sinaga and Usman (2025) found that social media influencers have a positive and significant influence on cryptocurrency investment decisions. This means that the greater the influence of social media influencers, the higher the likelihood of individuals investing in cryptocurrency. The further study highlights social media influencers not only directly affect investment decisions but also indirectly influence them through FOMO. FOMO acts as a mediator, amplifying the effect of influencers and accessible information on individuals' inclination to invest in cryptocurrency.

Collectively, these studies demonstrate that consistent exposure to financial knowledge through digital platforms enhances investor confidence and participation. Whether delivered via influencers, curated content, or peer-driven engagement, digital exposure consistently lowers barriers to entry and shapes investment attitudes. In the Malaysian context, it is therefore expected that frequent interaction with investment-related content will encourage greater digital investment participation, especially among younger users.

2.2.2 Trustworthiness of Finfluencers and Digital Investment Decisions

Trustworthiness has been widely recognised as an important factor influencing investors' financial decision-making, particularly when

financial information is obtained through social media and digital platforms. Several studies highlight the role of influencer honesty and recommendation reliability in shaping investment behaviour. Rajput and Gandhi (2024) examined the influence of finfluencers' characteristics on investment decisions using structural equation modelling with 377 participants from the Asian social media industry. The findings showed that followers are more likely to perceive finfluencers as trustworthy and act on their advice when they provide consistent and balanced recommendations, as this trust is primarily influenced by the influencers' ability to provide honest and secure recommendations rather than their technical financial expertise. Similarly, Luan et al. (2024) found that among 327 social media users, many were willing to invest when they perceived influencers as trustworthy, particularly those with higher risk tolerance. In this context, trust was largely formed based on the perceived honesty of influencers and the alignment of their recommendations with followers' expectations in risky financial decisions.

Trustworthiness has been shown to influence investors' behavioural responses, including herding behaviour. Natahadi et al. (2024) examined the influence of finfluencers on millennial investors using path analysis with 111 Indonesians. The results showed that finfluencers' trustworthiness significantly increases herding behaviour, as investors tend to imitate the investment actions of influencers they trust. Perceived trustworthiness reduces investors' perceived risk and increases their tendency to follow the investment behaviour suggested by influencers (Natahadi et al., 2024; Trisno & Vidayana, 2023).

Beyond finfluencers, trustworthiness is a key factor shaping investors' confidence in advisors and digital investment services. Kulal et al. (2024), using a survey of 400 retail investors, found that 85% prefer advisors who are transparent, ethical, and reliable, which strengthens relationships and boosts investment confidence. Nourallah et al. (2023) investigated how young retail investors develop initial trust in financial robo-advisors using

empirical data from users of digital financial platforms. Their study showed that investors tend to rely more on financial technologies when they perceive them as reliable and trustworthy. Similarly, Md Husin et al. (2023) examined investors' decision-making in the Islamic stock market and found that perceived trust significantly influences investors' attitudes and participation in investment activities.

In the context of social media financial communication, financial influencers have increasingly become an important source of investment-related information. Gerritsen and de Regt (2025) found that financial influencers can influence consumers' financial decision-making when followers perceive them as credible and trustworthy sources of financial knowledge. Trust helps reduce uncertainty when investors evaluate financial advice shared on social media platforms, which in turn increases their confidence in making investment decisions (Md Husin et al., 2023; Nourallah et al., 2023).

The role of influencer trustworthiness has also been observed in digital consumption contexts. Dharma et al. (2024) examined the impact of influencer marketing on 150 Generation Z's purchase intentions in emerging economies and found that influencer trustworthiness positively affected consumers' purchase intention. Consumers feel that honest, authentic, and trustworthy influencers' recommendations are more acceptable. Cardoso et al. (2024) investigated the influence of digital influencers on the adoption of financial technology (Fintech) banking services among Generation Y in Brazil using survey data from 146 fintech users. The results showed that trust in digital influencers significantly increases the adoption of fintech services, as individuals tend to rely on influencers whom they perceive as reliable and knowledgeable when making financial-related decisions (Cardoso et al., 2024; Sabrina et al., 2025).

However, some studies present contradictory findings regarding the influence of influencers' trustworthiness on investment behaviour. Pande

(2025) analysed the impact of finfluencers on the investment choices of retail investors using a mixed-method approach involving surveys and interviews with 210 retail investors with Structural Equation Modeling (SEM). The study found that trustworthiness did not have a significant effect on digital investment choices, as investors tend to rely more on their own knowledge, attitudes, and perceived behavioural control when making financial decisions rather than solely depending on the trustworthiness of finfluencers. As a result, expertise and practical financial advice were considered more influential than perceived trustworthiness in shaping investors' behaviour.

From all the above literature, most of the findings showed that finfluencers' trustworthiness positively affects investment behaviour. Therefore, this study expects that among Malaysian social media users, finfluencers who are perceived as honest and transparent will have a similar impact on followers' investment decisions. This means that in Malaysia, investor trust built on honesty is crucial in shaping financial behaviour.

2.2.3 Credibility of Finfluencers and Digital Investment Decisions

Finfluencers' credibility has been widely recognised as an important factor influencing investors' financial decision-making. Empirical studies consistently demonstrate that when financial influencers are perceived as knowledgeable and reliable, investors are more likely to rely on their recommendations when making investment decisions. Using covariance-based structural equation modelling (CB-SEM), Hamamcı and Aren (2024) examined 1,000 participants in Turkey and found a positive and significant relationship between finfluencers' credibility and risky investment intention, indicating that individuals tend to invest in more complex or risky financial products when they believe influencers possess strong expertise. The overall credibility significantly predicts investment actions, even though the effect

of expertise becomes weaker after controlling for other variables (Subramanian & Sherene, 2023). Supporting these findings, Dalimunthe et al. (2023) and Batool et al. (2026) also demonstrated similar evidence, showing that credible finfluencers encourage stronger investment behaviour because investors perceive their recommendations as trustworthy and relevant to their financial goals.

Tripathi et al. (2025) further examined the role of finfluencers' credibility in shaping investor engagement and investment decisions using Source Credibility Theory. The study collected data through a structured online questionnaire. The findings indicate that credibility dimensions such as expertise, trustworthiness, and attractiveness significantly influence investor engagement and investment decisions, while authenticity showed no significant effect. The study concludes that credible finfluencers enhance investor engagement and increase individuals' willingness to act on investment recommendations in digital financial environments.

In addition to quantitative evidence, qualitative and behavioural studies further highlight how credibility shapes investors' engagement with financial information. Masithoh (2024) uses a phenomenological approach and interviews with Indonesian students who follow financial influencers, found that participants followed influencers largely due to their perceived expertise in personal finance. Credible financial influencers can increase investment interest by presenting financial information in a practical and easily understandable manner (Tazkia & Wijayanti, 2022). These findings suggest that credibility not only strengthens trust but also helps simplify complex financial concepts, allowing novice investors to better understand and participate in investment activities.

Similarly, Manikandan and Aravind (2025) provided evidence on the role of influencers' credibility in digital investment decision-making among retail investors in Kerala, India. Using a quantitative survey of 468 investors and binary logistic regression analysis, they found a strong positive relationship

between credibility and the likelihood of following investment recommendations. The study highlighted that trust and expertise are the most influential dimensions of investor behaviour, showing that credible digital financial content significantly increases the probability of investment action, underscoring the practical importance of credibility in online financial environments.

Evidence from broader influencer marketing research also supports the central role of credibility in shaping behavioural intentions. According to Saima and Khan (2020) and Khoury (2022), the credibility of social media influencers has a positive and significant effect on consumers' purchase intentions, highlighting that credibility can motivate audiences to act on recommendations shared through social media. Factors such as shared values, perceived authenticity, and parasocial interaction were shown to strengthen this effect, suggesting that when influencers are perceived as genuine and relatable, followers are more likely to trust their financial advice (Khoury, 2022). These findings imply that credibility does not operate in isolation but interacts with social and psychological mechanisms to shape investment confidence. In the context of financial decision-making, the study found that credibility significantly increases investment intention, particularly among individuals with higher financial literacy, suggesting that credible influencers enhance followers' confidence in online financial advice (Tran et al., 2025).

Despite the generally positive findings, some research also highlights the potential risks associated with relying on perceived credibility alone. Singh and Sarva (2024) conducted an event study analysing stock recommendations made by financial influencers and found a significant relationship between influencer credibility and investors' responses to those recommendations. However, the results showed negative short-term returns and inconclusive long-term returns, although some Buy-and-Hold Abnormal Returns (BHAR) were significant. The authors argued that the lack of professional financial licences and formal expertise among many

finfluencers raises concerns about their reliability as financial information intermediaries. This suggests that while perceived credibility may influence investor behaviour, it does not always reflect actual expertise, which may lead to suboptimal investment outcomes if investors rely solely on influencer recommendations.

Morasch et al. (2026) further examined the influence of reputable social media finfluencers in finance and insurance and found a negative but statistically significant direct relationship between source credibility and purchase intention. The study, which surveyed 758 followers of 32 certified finfluencers in German-speaking areas, revealed that credibility alone does not directly improve digital investment decisions. Instead, its influence operates indirectly through brand trust, indicating that followers rely more on trust mechanisms and quasi-social relationships than on perceived professional credibility when making investment decisions. This finding highlights that credibility must be transformed into trust to effectively shape digital investment behaviour.

From all the literature reviews above, most of the results proved that finfluencers' credibility has a positive effect on investment decisions. Therefore, this study expects that Malaysian retail investors will also be influenced by the perceived credibility of finfluencers. This shows that the higher the expertise credibility of the influencer, the stronger the investment intention and behaviour among Malaysian investors.

2.2.4 Mediating Role of Financial Knowledge between Exposure of Finfluencers and Digital Investment Decisions

Exposure to financial knowledge through digital platforms significantly shapes investment decision-making, although empirical findings are mixed. Bhatt and Bhatt (2025) reported that consistent exposure to finfluencers significantly improved financial knowledge among young adults in Gujarat,

which subsequently shaped their investment behaviour. Using Structural Equation Modeling (SEM), they demonstrated that credibility, content engagement, and perceived financial literacy collectively strengthened understanding of investment opportunities, budgeting, and risk assessment. This enhanced financial knowledge increased individuals' confidence in making independent and informed digital investment choices. These findings highlight that financial knowledge serves as a bridge between digital exposure and practical investment behaviour, indicating that the quality and engagement level of content are key factors in translating exposure into actionable understanding.

Similarly, Yanto et al. (2021) demonstrated that social media exposure and peer influence jointly contribute to building financial literacy among Indonesian millennial students. Social media was found to operate as a dynamic platform for accessing and exchanging financial knowledge, which subsequently shaped students' financial attitudes and management practices. Exposure to social media significantly enhanced students' financial knowledge, influencing their financial attitudes, which in turn improved financial behaviour. The squared multiple correlation results revealed that financial attitude, social media exposure, and financial knowledge collectively explained 58% of the variance in financial behaviour. This indicates that social media can be an effective channel for financial learning, but its impact depends on the interplay between knowledge acquisition and attitude formation.

The mediating role of capital literacy has also been identified as significant in mediating investment decisions among young adults exposed to social media (Junaidi & Nurhidayah, 2023). Capital literacy, as a subset of financial literacy, refers to knowledge and understanding specific to the capital market context. Kustitik et al. (2025) further found that financial literacy mediated the relationship between social media exposure and educational investment decisions among 375 respondents from Pamulang University. While social media exposure enhanced financial literacy, which

in turn positively influenced investment decisions, the overall effect remained relatively modest. This indicates that financial literacy can mediate the impact of exposure, but its strength varies depending on context and population characteristics. Similarly, Jha and Jose (2025) observed that finfluencers exert a strong direct impact on financial behaviour. However, individuals' financial literacy further influences how they interpret and act on influencer content, acting as a partial mediator. These findings suggest that both exposure and pre-existing financial literacy interact to shape behaviour.

Evidence from Bengaluru, India, further supports the positive effects of finfluencers exposure. Umakanth et al. (2024) surveyed 200 Gen Z participants and found that about 80% followed at least one financial influencer, 70% reported improved financial understanding, and 60% admitted that their investment choices were influenced by these influencers. This demonstrates that for younger generations, actively following credible influencers can enhance financial knowledge and support informed digital investment decisions.

A study by Wijaya et al. (2024) shows that digital financial literacy moderates the relationship between influencers and investment decisions. The findings indicate that individuals exposed to information from finfluencers, who possess stronger financial understanding, are more likely to make better investment decisions. However, the study also shows that the expected stronger effect of investment influencers on cryptocurrency investment decisions among individuals with low digital financial literacy is not significant.

Zega and Satato (2025) highlight that exposure to financial information via digital media, investment communities, and online learning resources plays a crucial role in shaping how millennial investors develop financial knowledge. Millennials often rely on platforms such as social media, online investment forums, and mobile trading apps as primary sources of financial

understanding, given the accessibility and real-time nature of information. Continuous exposure to financial content enhances comprehension of market trends, investment risks, and portfolio management, thereby strengthening confidence in investment decision-making. However, the study cautions that not all digital information is reliable, meaning that exposure without proper evaluation skills can lead to misinformed choices. This underscores that the effectiveness of digital exposure depends on the quality of content and the ability of investors to critically evaluate information.

Finally, Borde et al. (2024) indicate that Generation Z generally exhibits limited comprehensive financial knowledge, yet demonstrates strong adaptability and high engagement with social media platforms. As a result, they rely heavily on finfluencers for investment-related information and advice. Content produced by many finfluencers is typically simple, easily understandable, and freely accessible, making it particularly attractive to this generation. This highlights a generational tendency to depend on digital channels for learning, but also points to the need for content that builds deeper financial literacy.

Overall, the literature suggests that digital exposure is a meaningful pathway for acquiring financial knowledge, but its impact on investment decisions is influenced by the credibility of content, engagement level, existing literacy, and critical evaluation skills. While exposure alone may not guarantee improved understanding, credible and engaging financial content can enhance literacy levels and support informed digital investment participation among young adults.

2.2.5 Mediating Role of Financial Knowledge between Trustworthiness of Finfluencers and Digital Investment Decisions

Financial knowledge significantly influences how investors interpret and act on information from social media influencers. Research suggests that financial literacy mediates the link between trust in influencers and investment decisions. Thukral and Mascarenhas (2025) categorises investors into three clusters. Cautious learners (19%) are mainly young, low-income students and postgraduates who trust influencers and engage with their content but rarely invest directly, preferring to verify information first. Skeptical professionals (47%) are mid-aged, high-income investors with strong financial knowledge who trust influencers less and rely on independent research. Action-oriented followers (35%) are high-income investors who trust influencers and act frequently on their advice but perform minimal fact-checking, making them more prone to misinformation. Therefore, financial knowledge shapes whether trust in influencers leads to verification, independent analysis, or direct action.

Building on these insights, empirical studies have examined how financial literacy mediates the influence of influencers' trust on actual investment behaviour in digital environments. Zaman (2025) found that financial literacy serves as a pathway through which FinTok influencers' trust are transformed into scam avoidance behaviour. Financial knowledge enables individuals to evaluate offers more critically and avoid fraudulent schemes, suggesting that it strengthens consumers' ability to assess the credibility of financial information shared by influencers. This indicates that financial knowledge not only enhances protection against scams but also facilitates more informed digital investment decisions by linking trust in influencers with rational financial outcomes.

Financial literacy has also been shown to reduce investors' susceptibility to social influence and herd behaviour when making financial decisions. Wangzhou et al. (2021) investigated the effects of regret aversion and information cascades on investment decisions in the real estate sector from 325 retail investors. The study revealed that financial literacy significantly moderated the relationship between information cascades and investment decisions. Financial knowledgeable investors are less likely to follow herd behaviour and capable of evaluating investment information independently. Similarly, Pandey (2025) found that financial literacy weakens the influence of trust in finfluencers on digital investment decisions among Indian youth. The study reported that 51% of respondents trust finfluencers more than certified financial advisors. However, investors with higher financial literacy were less likely to act impulsively on influencer-driven advice. These findings show that financial knowledge can promote the rational evaluation of financial information, reducing investors' susceptibility to social influence and their emotional attachment to finfluencers.

However, not all studies support a significant moderating role of financial literacy in the relationship between these two constructs. Martaningrat and Kurniawan (2024) examined whether financial literacy moderates the influence of finfluencers on investment decision-making among Millennials and Generation Z in Indonesia. The study found that the moderation effect was not supported among the relationship between finfluencers and investment decisions. Financially literate Millennials and Gen Z already critically evaluate finfluencers' advice, so financial literacy does not significantly change the influence of finfluencers on their investment decisions.

Similarly, Rijanto and Utami (2024) examined the influence of social media influencers on cryptocurrency investment decisions among 192 young investors in the Jabodetabek area using a Google Form questionnaire and SEM-PLS analysis. The study found that financial knowledge did not significantly moderate the effect of influencer trustworthiness on investment

decisions. Instead, investors relied more on trust, credibility, and perceived suitability of influencers, often prioritizing influencer portfolios over structured financial planning. These findings suggest that while financial knowledge can support critical evaluation of information, trust in influencers may override its influence, particularly in speculative markets like cryptocurrency.

From the literature reviewed, financial knowledge clearly shapes how trust in influencers affects digital investment decisions. While some studies focused on moderation, their findings suggest financially literate investors already critically evaluate influencer advice, limiting observable effects. This study instead examines mediation, exploring how financial knowledge acts as a mechanism linking trust in influencers to investment decisions, supporting critical evaluation, scam avoidance, and informed digital investment behaviour among Malaysian retail investors.

2.2.6 Mediating Role of Financial Knowledge between Credibility of Finfluencers and Digital Investment Decisions

Social media has increasingly emerged as a primary source of investment information, shaping how investors evaluate opportunities and make decisions (Atoom et al., 2021). Their findings revealed that 60% of investors rely on social networking sites for investment information, compared to 40% who use specialized financial websites. Beyond accessing news, investors actively seek credibility cues from these platforms, with 80% following opinions and comments on institutional trustworthiness, 60% relying on advice from intermediaries, and 33.3% consulting financial bulletins of public companies. The study further concluded that investors with postgraduate education and more than ten years of experience are more influenced by social media, indicating that higher levels of knowledge and expertise enhance the ability to process and act on information obtained from diverse digital channels. This suggests that financial knowledge plays

an important role in shaping how investors interpret credible information from social media sources, including finfluencers, when making digital investment decisions.

Several studies further highlight the role of financial knowledge in shaping how investors respond to finfluencers' credibility. Amritha (2024) found that finfluencers' perceived expertise and trustworthiness significantly foster positive attitudes toward them, which subsequently encourage investment intentions. The study demonstrated that financial literacy strengthens individuals' ability to evaluate financial information, allowing investors with higher knowledge to make more informed and discerning investment decisions rather than blindly following influencer advice. Similarly, Anshori et al. (2024) examined the influence of stock influencer credibility on investors' herding behaviour with financial literacy as a moderating variable. Higher perceived credibility of stock influencers significantly increases herding behaviour, but financial literacy was found to weaken this relationship. Investors with stronger financial knowledge were more capable of filtering information, critically evaluating financial products, and relying on independent judgment rather than imitation. These findings suggest that financial knowledge improves investors' decision-making processes by helping them interpret credible financial information more critically, thereby influencing the way finfluencers' credibility translates into digital investment decisions.

The importance of financial knowledge is also reflected in studies examining behavioural biases in investment decisions. Gothe and Mishra (2023) found that limited financial knowledge among mutual fund investors in India leads to psychological biases such as herding, where individuals rely on the decisions of others instead of conducting independent analysis. Using survey data to analyze investor behaviour, the study demonstrated that knowledge gaps increase susceptibility to external influence (Gothé & Mishra, 2023; Usha & Magesh, 2025). According to Usha and Magesh (2025), credibility and behavioural tendencies shape investment decisions,

while emphasizing that financial knowledge plays a critical role in improving the quality and rationality of investment decision-making.

In contrast, some studies report inconsistent findings regarding the mediating or moderating role of financial literacy. Priscilla and Saleh (2023) investigated the mediating role of financial literacy in the relationship between influencer credibility and digital investment decisions in P2P lending. Using purposive sampling, the study collected responses from 50 millennial P2P investors in Indonesia through online questionnaires. The results indicated that financial literacy did not serve as a mediating variable between influencers and investment decisions. This insignificance was attributed to inaccurate recommendations, trust issues toward influencers, and the presence of financial losses even among well-known investors. The authors suggested that investors with higher financial literacy tend to rely on their own rational analysis of risks and returns rather than depending on influencer recommendations, which weakens the relationship between influencer credibility and investment decision-making. Similarly, Chairunnisa and Dalimunthe (2021) examined the moderating role of financial literacy in the relationship between influencer credibility and investment decision-making through herding behaviour. The findings showed that financial literacy did not significantly moderate the relationship, as investor behaviour remained largely unaffected by different levels of financial literacy.

From the literature, finfluencers' credibility and financial knowledge are key factors shaping digital investment decisions. Credible influencers increase reliance on their recommendations, while financial knowledge helps investors critically evaluate information and avoid blindly following advice. Thus, this study expects financial knowledge to mediate the relationship between finfluencers' credibility and digital investment decisions among Malaysian retail investors.

2.2.7 Financial Knowledge and Digital Investment Decisions

Financial knowledge has consistently been identified as an important factor influencing individuals' investment decisions. Empirical studies show that investors with stronger financial understanding are better able to evaluate financial information, manage risk, and make more informed investment choices. Mubaraq et al. (2021) analysed 110 investors who attended a capital market school in West Nusa Tenggara, Indonesia. The study found that financial knowledge has a positive effect on investment decisions, as knowledgeable investors are more capable of understanding stock market risks and opportunities. Financial knowledge reduces uncertainty and helps young investors make clearer and more confident choices (Wangi & Baskara, 2021; Sianipar et al., 2024).

Zainordin et al. (2025) examined the influence of financial literacy on stock market investment behaviour among Generation Z investors. The study found that financial literacy significantly influences investment behaviour, as more knowledgeable investors demonstrate higher confidence, stronger awareness of risk–return trade-offs, and more rational participation in stock market activities. Baihaqqy et al. (2020) also confirmed this relationship through a survey of 400 respondents across different generations in Indonesia. Although the effect size reported was relatively small (2.1%), the study still demonstrated the same result.

Parsai and Chandok (2025) emphasised that financial literacy encourages informed risk-taking, particularly among younger individuals, as investors with stronger financial knowledge tend to evaluate investment opportunities more carefully. Investors with higher levels of financial literacy were more confident in evaluating investment alternatives and demonstrated stronger tendencies toward rational portfolio selection, capable of distinguishing between credible and non-credible financial information and demonstrated more deliberate and structured investment decision processes within online investment communities (Nugraha et al., 2022; Baveja & Verma, 2024).

Adil et al. (2022) examined 253 individual investors in the Delhi–NCR region using hierarchical regression analysis to explore how financial literacy interacts with behavioural biases. Their findings showed that financial literacy directly improves the quality of investment decisions and also moderates the influence of behavioural biases by reducing their negative effects on investor judgement. Investors with higher financial literacy were better able to interpret financial information and avoid irrational investment behaviour. Moreover, Yanti and Endri (2024) found that financial literacy positively influences investment decision-making among millennials in Jakarta. Millennials with stronger financial knowledge tend to make more rational and effective investment decisions, while those with limited knowledge are more vulnerable to financial mistakes and fraud (Yanti & Endri, 2024; Uddin et al., 2024).

Another study also confirms the positive influence of financial knowledge on investment decision-making. When investors possess stronger financial literacy, their ability to interpret financial information, evaluate risks, and identify investment opportunities is better (Darvishan, 2024). In different investor groups, Abidin et al. (2024) found similar results among Micro, Small and Medium Enterprises (MSME) business owners. Individuals with higher financial knowledge are better able to understand financial risks, evaluate investment schemes, and make more prudent investment decisions (Abidin et al., 2024; Atmaningrum et al., 2021).

However, not all studies indicate that higher financial literacy always leads to more cautious investment behaviour. Kawamura et al. (2021) identified a paradoxical relationship between financial literacy and financial decision-making using a large-scale web-based survey of approximately 350,000 Japanese participants. The study found that although higher financial literacy is associated with positive behaviours such as retirement planning and avoiding gambling, it is also linked to greater engagement in risky financial activities. These findings suggest that financial knowledge may

sometimes lead to overconfidence, encouraging investors to take greater risks when dealing with complex investments, indicating that even knowledgeable investors remain vulnerable to financial risks.

From the literature review above, most of the findings showed that financial knowledge has a positive impact on investment decisions. Therefore, this study expects that in the Malaysian context, especially in the setting of finfluencers influencing young investors, financial knowledge will continue to play a major role in shaping investment decisions. This is in line with the previous studies that increased financial literacy among Malaysian retail investors, especially those influenced by digital financial content, will lead to better risk understanding and more confident and informed decision-making in investment activities.

2.2.8 Moderating Role of AI Literacy between Financial Knowledge and Digital Investment Decisions

Financial knowledge plays a critical role in enabling individuals to make informed digital investment decisions. Recent studies indicate that AI such as robo-advisors and algorithm-driven advisory tools can strengthen the impact of financial literacy on investment behaviour. However, the effectiveness of these AI tools is largely contingent on the AI literacy of investors, which include the ability to understand, interpret, and appropriately apply AI-generated recommendations (Gürsoy, 2025). Inkpen et al. (2023) highlights that AI does not automatically improve decision outcomes. Instead, its benefits rely on user expertise. Investors with higher expertise can integrate algorithmic input with their knowledge for superior decisions, whereas those with lower expertise may misuse or over-rely on AI, resulting in suboptimal outcomes.

Guo et al. (2025) show that expert users show minimal change when using the AI tools, as they already outperform the AI. However, low AI literacy

reduces investors' intention to use AI tools, thereby limiting the potential benefits of AI-assisted investment decisions. Qadoos et al. (2025) further found that the adoption and effective use of robo-advisors strongly depend on the financial literacy and investment experience of investors. Those with greater financial knowledge and familiarity with AI tools are better able to interpret algorithmic recommendations and integrate them into portfolio management decisions. Besides, empirical evidence suggests that a strong set of cognitive tools which include financial literacy and AI literacy play critical roles in shaping investment decisions. Financial literacy equips individuals with the knowledge to understand investment risks and opportunities, enabling them to evaluate and engage with digital financial services effectively (Isaia & Oggero, 2022).

In addition, Praveen et al. (2025) show that AI-driven technologies such as robo-advisors, adaptive learning platforms and predictive analytics can increase investor financial knowledge, reduce cognitive load and improve the accuracy of financial decisions. Aishwaryalaxmi et al. (2024) indicate that AI-enabled fintech tools moderate the relationships between FinTech-linked banking literacy, digital adoption, and financial inclusions. AI tools can support individuals with lower financial literacy by simplifying complex processes and providing tailored recommendations. Moreover, evidence from Meesook et al. (2025) demonstrates that higher AI literacy enhances diagnostic and prognostic skills, which are essential cognitive capabilities for effective decision-making. Taken together, financial literacy and AI literacy facilitate AI tool adoption and promote greater engagement in digital financial activities.

Conversely, insufficient AI literacy can limit the benefits of financial knowledge. Eichler and Schwab (2024) suggest that robo-advisors function as technological and cognitive support tools that help investors manage complex financial decisions. However, the authors note that robo-advisors do not necessarily improve users' financial literacy, highlighting the continued importance of investor knowledge in digital investment contexts.

In addition, Jamal et al. (2025) find that AI adoption enhances outcomes mainly for financially knowledgeable investors. Their results also reveal that risk perception moderates the effect of financial literacy on investment results. This study underscores that AI adoption alone is insufficient for optimal investment decisions without adequate investor literacy, reinforcing that psychological and cognitive factors interact with technological capabilities in shaping digital investment behaviour.

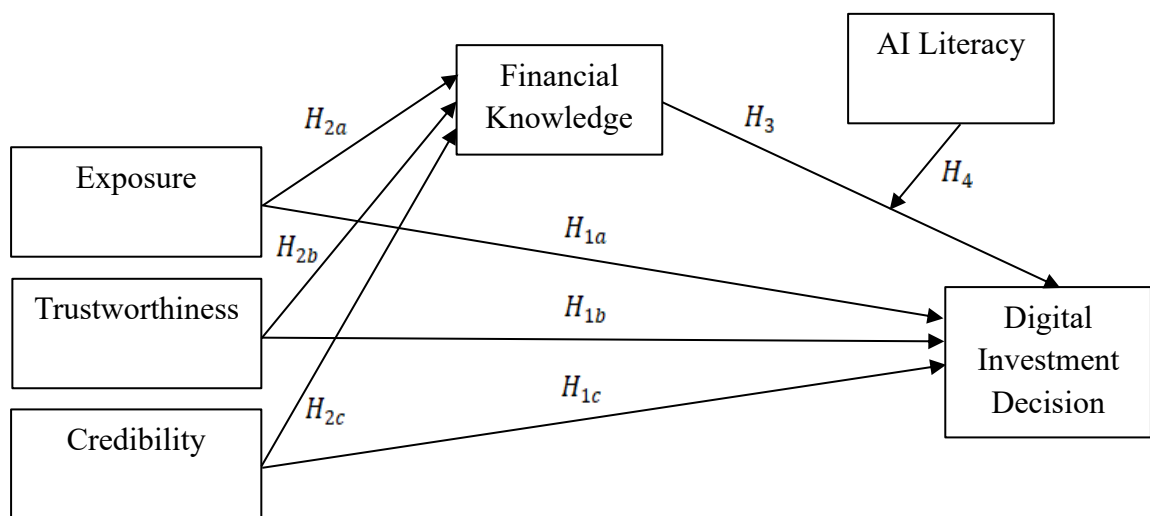
Furthermore, research indicates that the presence of AI in investment platforms such as robo-advisors does not automatically improve investor decision-making. Empirical studies show that users lacking financial knowledge or understanding of AI outputs gain little benefit from automated recommendations or portfolio management. For example, retail investors using robo-advisors did not show significant improvements in disciplined investment behaviour, whereas financial literacy remained a stronger predictor of sound decisions (Anwar, 2025a; Anwar, 2025b). Therefore, AI in investment platforms without adequate AI literacy and financial literacy cannot meaningfully influence investor behaviour, highlighting the need for educational tools, personalized feedback, and design features that help investors understand and engage with algorithmic recommendations.

Overall, these findings indicate that AI literacy functions as a moderator that determines the effectiveness of financial knowledge in shaping digital investment behaviour. Investors with higher AI literacy are better equipped to integrate their financial knowledge with AI-supported advice, resulting in more informed and rational investment decisions. In contrast, those with lower AI literacy may fail to leverage their knowledge effectively, highlighting the importance of AI education and skill development in maximizing the benefits of digital investment tools.

2.3 Propose Framework

Figure 2.1 showed the theoretical framework of independent variables (exposure, trustworthiness and credibility), mediating variable (financial knowledge) and moderating variable (AI literacy) on digital investment decisions.

Figure 2.1 The Characteristics of Finfluencers on Digital Investment Decision of Adults in Malaysia



2.4 Hypothesis Development

2.4.1 Exposure of Finfluencers and Digital Investment Decisions

The exposure of finfluencers positively affects the investors digital investment decisions (Choudhary & Yamuna, 2025; Andrian et al., 2025). According to Safitri et al. (2025) and Setthajit & Sompang (2025), the more frequent exposure of finfluencers to investors, the more effect on investment decisions of investors.

H_{1a} : There is a relationship between exposure of finfluencers and digital investment decisions.

2.4.2 Trustworthiness of Finfluencers and Digital Investment Decisions

Rajput and Gandhi (2024) and Kulal et al. (2024) mentioned that the trustworthiness of finfluencers significantly affects the investors' investment decisions. The higher the trust between investors and finfluencers, the more investors influenced by the finfluencers in investment decision making (Luan et al., 2024; Natahadi et al., 2024; Trisno & Vidayana, 2023).

H_{1b} : There is a relationship between trustworthiness of finfluencers and digital investment decisions.

2.4.3 Credibility of Finfluencers and Digital Investment Decisions

Prior studies showed a positive relationship between credibility of finfluencers and digital investment decisions (Hamamci & Aren, 2024; Subramanian & Sherene, 2023; Masithoh, 2024; Singh & Sarva, 2024; Dalimunthe et al., 2023; Saima & Khan, 2020). The higher the credibility of finfluencers, the more investors follow their recommendations in investment decision making.

H_{1c} : There is a relationship between credibility of finfluencers and digital investment decisions.

2.4.4 Mediating role of Financial Knowledge between Exposure of Finfluencers and Digital Investment Decisions

The majority of the study showed that financial knowledge mediates between exposure of finfluencers and investors' digital investment decisions (Bhatt & Bhatt, 2025; Yanto et al., 2021). Wijaya et al. (2024) found that investors with higher financial literacy gain more benefits from information provided by investment influencers, whereas those with lower financial literacy gain little, particularly in cryptocurrency investment decisions. With financial knowledge, investors may not influence decision making even if exposure increases.

H_{2a} : The mediating role of financial knowledge between exposure of finfluencers and digital investment decisions.

2.4.5 Mediating Role of Financial Knowledge between Trustworthiness of Finfluencers and Digital Investment Decisions

According to Martaningrat and Kurniawan (2024), it indicated that financial knowledge does not have a mediating role between trustworthiness of finfluencers and followers' financial behaviour. However, several studies found that financial knowledge does mediate this relationship. The higher level of financial knowledge, higher cautious level in decision making rather than following blindly on trust (Thukral & Mascarenhas, 2025; Zaman, 2025; Pandey, 2025; Wangzhou et al., 2021).

H_{2b} : The mediating role of financial knowledge between trustworthiness of finfluencers and digital investment decisions.

2.4.6 Mediating Role of Financial Knowledge between Credibility of Finfluencers and Digital Investment Decisions

Financial knowledge has a mediating role between the credibility of finfluencers and digital investment decisions (Atoom et al., 2021; Amritha, 2024; Gothe & Mishra, 2023; Usha & Magesh, 2025). The higher financial knowledge, the higher the ability to process finfluencers' advice in making informed investment decisions. However, several studies observed that financial knowledge does not mediate this relationship (Priscilla & Saleh, 2023; Chairunnisa & Dalimunthe, 2021).

H_{2c} : The mediating role of financial knowledge between credibility of finfluencers and digital investment decisions.

2.4.7 Financial Knowledge and Digital Investment Decisions

Many studies have shown that financial knowledge positively affects investors' digital investment decisions (Mubaraq et al., 2021; Wangi & Baskara, 2021; Sianipar et al., 2024). Baihaqqy et al. (2020) and Parsai & Chandok (2025) said that investors with higher financial knowledge are more able to manage risks and confidently engage in investment activities.

H_3 : There is a relationship between financial knowledge and digital investment decisions.

2.4.8 Moderating Role of AI Literacy between Financial Knowledge and Digital Investment Decisions

Most of the studies showed that AI literacy moderate the relationship between financial knowledge and digital investment decisions (Isaia &

Oggero, 2022; Praveen et al., 2025). Meesook et al. (2025) observed that investors with higher AI literacy exhibit stronger risk management skills, as their diagnostic and prognostic capabilities enable them to use AI tools effectively, whereas a lack of these competencies can lead to misjudgments and cognitive biases in investment decisions.

H₄: The moderating role of AI literacy between financial knowledge and digital investment decisions.

2.5 Conclusion

This chapter has reviewed and compared the empirical findings of previous studies regarding the relationship between finfluencer-related factors and digital investment decisions. The discussion focused on the influence of exposure, trustworthiness, and credibility, as well as the role of financial knowledge as a mediating variable and AI literacy as a moderating variable in shaping investment behaviour. The literature reviewed provides the theoretical foundation and supports the development of the research framework and hypotheses for this study. The following chapter will discuss the research methodology used to conduct this study.

CHAPTER 3: METHODOLOGY

3.0 Introduction

This chapter will discuss the methodology applied in this study. It includes research design, data collection method, sample design, ethical consideration, questionnaire development, pre-test and pilot test, and descriptive analysis.

3.1 Research Design

The study adopts a quantitative research design, which focuses on quantifying data to test hypotheses, identify relationships and generate generalizable findings. It is defined as the systematic collection, analysis and interpretation of numerical data through structured methods grounded in empiricist and positivist ideologies that emphasize theory testing (Ghanad, 2023). This design ensures efficiency and reliability through standardized, scalable and rapid data collection, with statistical analysis promoting objectivity and reproducibility to increase study credibility (Lim, 2024).

A cross-sectional survey is employed in the study, which collects data from the target population at a specific point in time, enabling assessment of multiple variables at once and offering a snapshot within the population (Ghanad, 2023). It allows for single-phase data collection from a large number of respondents and generates generalizable findings in a limited timeframe. A questionnaire serves as a structured tool for data collection, where the questions are designed around the research objectives that describe the variables, making it systematically capture measurable data (Barroga & Matanguihan, 2022).

SmartPLS 4.0, a widely used and accessible software for Partial Least Squares Structural Equation Modeling (PLS-SEM), is used for data analysis in the study. SmartPLS 4.0 applies algorithms and statistical models that are tested and validated in peer-reviewed research, ensuring transparency in computation and replicability of findings (Memon et al., 2021). PLS-SEM is a variance-based multivariate analysis technique that combines principal component analysis with ordinary least squares regression so that it can analyze complex models involving multiple independent, dependent, mediating, and moderating as well as higher-order constructs through reflective or formative measurement models (Subhaktiyasa, 2024). Statistical Package for the Social Sciences (SPSS) is also employed to analyse the demographic profile of respondents using descriptive statistics.

3.2 Sample Design

3.2.1 Target Population

The population represents a large group of individuals who share common traits within a particular context (Willie, 2024). On the other hand, the target population narrows to a smaller segment of individuals who possess distinct attributes or fulfill certain criteria relevant to the study (Scribbr, 2023). In this study, the target group is adult investors in Malaysia. After careful consideration, the target respondents were set between 20 and 49. The main reason for setting the respondents' age range from 20 to 49 is that it represents the largest proportion of the population in Malaysia (Table 3.1). According to Figure 3.1, most social media users are between 20 and 49 years old. This target can help obtain more accurate data from the most frequent users of the study. Those familiar with the use of technologies are more likely to use digital investment apps or engage in online investment activities. Unlike most seniors who act as risk-avoiders, this group of investors tends to take risks for higher returns, leading to a more open-

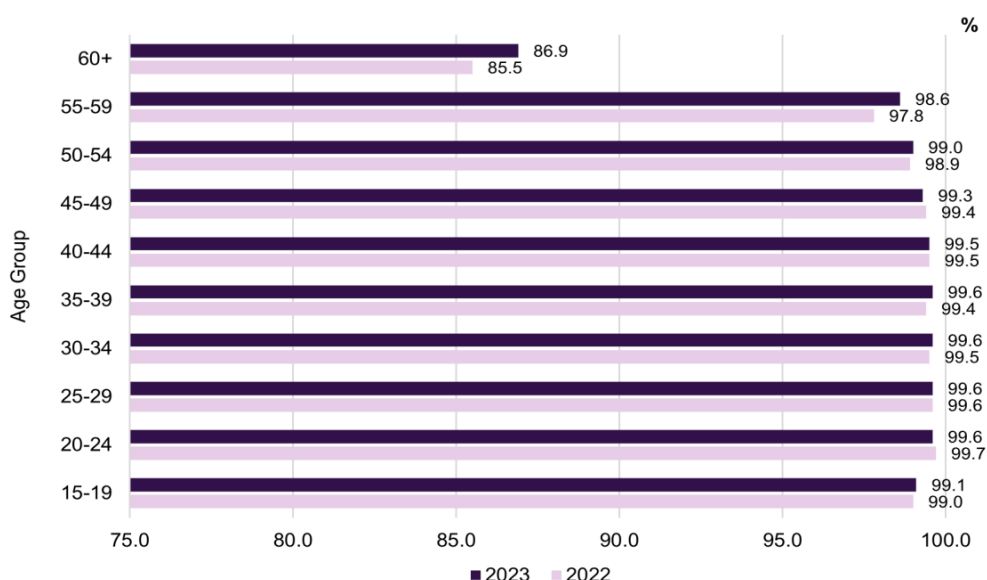
minded approach to digital investment products such as cryptocurrency, robo-advisory and ETFs.

Table 3.1 Population Table: Malaysia

Age Groups	Population ('000)
Age 45 - 49	2,104.6
Age 40 - 44	2,660.6
Age 35 - 39	2,849.4
Age 30 - 34	2,889.4
Age 25 - 29	3,086.8
Age 20 - 24	3,155.5

*Source: Department of Statistics Malaysia (2025)

Figure 3.1: Percentage of Individuals Using the Internet by Age Group, Malaysia, 2022 and 2023



*Source: Department of Statistics Malaysia (2024)

3.2.2 Sampling Size

This study uses Krejcie and Morgan's (1970) formula to determine the sample size. Krejcie and Morgan is a widely accepted method for calculating the representative sample size in investigations and research (Hasan & Kumar, 2024). The formula considers the total population size, the expected confidence level, and the margin of error to generate the minimum number of respondents needed to extend the research results to the target population. This method is usually applied to business, finance and social science research because it balances statistical accuracy and practical feasibility (Alrawashedh, 2023; Ibrahim et al., 2022).

Krejcie and Morgan's formula allows for research efficiency by ascertaining a sufficient sample size to reduce the necessity of interviewing the whole population. According to Chuan (2006), a small sample size may render research findings inaccurate, whereas a sample size that is too large may incur excessive time and financial costs. The formula determines a representative subset of respondents to ensure the research results are reliable and effective under limited resources. The Krejcie and Morgan's formula is expressed as:

$$s = \frac{X^2 NP(1 - P)}{d^2(N - 1) + X^2 P(1 - P)}$$

where s = sample size

X^2 = the table value of chi-square for 1 degree of freedom at the desired confidence level (3.841)

N = the population size

P = the population proportion (assumed to be 0.5 since this would provide the maximum sample size)

d = the degree of accuracy expressed as a proportion (0.05)

$$\begin{aligned} s &= \frac{3.841(16,746,300)(0.5)(0.5)}{(0.05)^2(16,746,300 - 1)} \\ &\quad + \frac{3.841(0.5)(0.5)}{(0.05)^2} \\ &= 385.06 \end{aligned}$$

Thus, the final sample size for the study is 385 respondents.

The target population of this study includes 16.7463 million Malaysia adults between 20 years old to 49 years old. Under the confidence level of 90% and the error range of 10%, the formula of Krejcie and Morgan is used to calculate the required minimum sample size.

According to the calculation steps, the formula determines that 385 respondents are sufficient to represent the population in this study.

3.2.3 Sampling Technique

This study adopted a non-probability convenience sampling technique because it provided quick and efficient access to respondents directly relevant to the research objectives. The questionnaire was designed using Google Forms and distributed through a QR code, which the participants scanned to complete the survey. The target respondents consisted of adults in Malaysia ranging from 20 years old to 49 years old, with or without financial knowledge and AI literacy. The inclusion of respondents from both groups through questionnaire distribution ensured that the dataset reflected a diversity of financial knowledge. Thus, it provides a balanced foundation for investigating its effect on the relationship between the characteristics of finfluencers and digital investment decisions.

3.3 Data Collection Method

This study aims to examine the characteristics of finfluencers on the digital investment decisions of adults in Malaysia. The primary data is collected through the questionnaires. The questionnaire is divided into two sections, where the first section is for demographic information, and the second section is for the study's

variables, the characteristics of finfluencers (exposure, trustworthiness and credibility), financial knowledge, AI literacy and digital investment decisions. A closed-ended survey format is used where respondents only need to choose the most appropriate answer, as such questions are easier to answer, reducing the need for assistance, and are very suitable for self-administered questionnaires, especially when measuring subjective constructs (Taherdoost, 2022). The survey uses a 7-point Likert scale from “Strongly Disagree” (1) to “Strongly Agree” (7). The use of a Likert scale with more than five response options, particularly a 7-point scale, can improve the reliability and validity of the measurement, as it can provide response variability and achieve more accurate data collection (Kusmaryono et al., 2022). The questionnaire is written in English, as it is widely understood among Malaysian adults, especially in an investment context. Using English also ensures consistency of interpretation and avoids potential translation errors.

The questionnaire is pretested by two academic experts to ensure the questions and structure are suitable and valid for the study before the survey is distributed. A pilot test is then conducted by sending the questionnaire to 30-50 people, and the data collected is analyzed using SmartPLS to check the reliability and validity of the data to ensure the variables measured are appropriate for the study. The target population for this study is adults in Malaysia, with a sample size of 385 respondents, which is determined using the Krejcie and Morgan formula, a scientifically proven sample size for a given population. This formula ensures the findings are statistically representative and generalizable to the broader adult population. The survey is conducted online through Google Forms, where respondents can participate using their electronic devices through a QR code and link. This approach is considered an efficient and convenient way to collect data, as it allows respondents to complete the survey at their preferred time, increases accessibility across different devices, and reduces data entry errors (Wardropper et al., 2021).

3.4 Ethical Consideration

This study strictly follows the ethical research standards to ensure all participants' rights and safety. The questionnaire survey clearly explains the research purpose, procedures, and rights to the respondents before answering the questionnaire. Then, it informed consent through voluntary participation. A clear statement guarantees that their participation is voluntary, they can quit at any time without any consequences, and the risk involved in the study is minimal. This survey aims to protect anonymity from personally identifiable information. It does not collect private information such as an IC number or contact information and keeps the answers confidential. To further protect the privacy of participants, the data collection process is in full compliance with the Personal Data Protection Act of 2010 (PDPA). The Universiti Tunku Abdul Rahman, Teh Hong Piow Faculty of Business and Finance, approves this study ethically before the distribution of questionnaires. The research does not disclose any information to any third party, and only reports the survey results in summary form. This study remains honest and transparent throughout the research process. All data is accurately recorded, objectively analyzed, and presented without manipulation. At the same time, all academic sources are properly recognized to maintain integrity.

3.5 Questionnaire Development

Table 3.2 Questionnaire Development

Variables	Questionnaire	Citation
Exposure	1. I am aware of “finfluencers,” social media influencers who provide financial advice and investment tips.	(Das et al., 2025)
	2. I actively follow several finfluencers on social media platforms.	(Geenen, 2023)

	3. I regularly watch, read, or listen to content related to investments shared by finfluencers.	(Choudhary & Yamuna, 2025)
	4. I often seek out financial information or advice from content created by finfluencers.	(Geenen, 2023)
	5. I feel disconnected when I do not engage with finfluencers on social media for a day.	(Dinh et al., 2023)
Trustworthiness	1. I follow finfluencers because I find them trustworthy, not simply because of their appearance.	(Ngamchuea, 2021)
	2. I am confident to the statement made by the finfluencers I followed.	(Hamamci & Aren, 2024)
	3. I avoid following finfluencers whose credibility I doubt.	(Hamamci & Aren, 2024)
	4. I prefer finfluencers who remain consistent in their advice and opinions.	(Tamara et al., 2021)
	5. I prefer to follow finfluencers whom I consider reliable and trustworthy.	(Tamara et al., 2021)
Credibility	1. My favorite finfluencer is well educated in finance.	(Hamamci & Aren, 2024)
	2. My favorite finfluencer demonstrates extensive financial knowledge.	(Ngamchuea, 2021)
	3. My favorite finfluencer has extensive practical experience in finance.	(Hamamci & Aren, 2024)

	4. My favorite finfluencer is competent in providing reliable financial advice.	(Hamamci & Aren, 2024)
	5. I am confident in my favorite finfluencer's financial skills.	(Ngamchuea, 2021)
Financial Knowledge	1. My financial knowledge enables me to avoid money-related fraud.	(Sunarko & Sutrisno, 2025)
	2. I am confident in my understanding of financial jargon in investing in the future.	(Ngamchuea, 2021)
	3. An investment with a high return is likely to involve high risk.	(Geenen, 2023)
	4. High inflation means that the purchasing power of money decreases rapidly.	(Geenen, 2023)
	5. Investing in a wide range of stocks and shares usually reduces the overall risk.	(Geenen, 2023)
AI literacy	1. I have a clear understanding of the steps involved in AI decision-making.	(Pinski & Benlian, 2023)
	2. I can recognize the AI technologies used in the applications and products I interact with.	(Wang et al., 2022)
	3. I am capable of assessing the strengths and limitations of an AI application or product after using it for some time.	(Wang et al., 2022)

	4. I consistently follow ethical principles when using AI applications or products.	(Wang et al., 2022)
	5. I am able to select the most suitable AI application or product for a specific task from a range of available options.	(Wang et al., 2022)
Digital Financial Decisions	1. I feel that investing through digital applications is safe, including the security of money, personal data, and transactions.	(Furinto et al., 2023)
	2. I believe I can obtain optimal benefits by investing through digital investment applications.	(Furinto et al., 2023)
	3. I dare to take risks.	(Ningtyas et al., 2024)
	4. I invest to fulfill my future needs.	(Utami et al., 2021)
	5. A considerable proportion of my monthly income is allocated to digital investments decisions.	(Sunarko & Sutrisno, 2025)

3.6 Pre-Test and Pilot Test

3.6.1 Pre-Test

The purpose of pre-testing questionnaires was to uncover the reasoning behind respondents' answers, enabling the auditor to determine whether the

questionnaire was completed correctly, the questions were clearly understood, and they reflected the intended meaning of the auditor (Office of the Auditor General of Canada, 2007). The survey was evaluated by two academic experts before being distributed.

3.6.2 Pilot Test

Pilot test refers to a small-scale version of the full study, also known as a feasibility study, conducted to preliminarily test a specific research instrument (Van Teijlingen & Hundley, 2002).

A pilot study is an essential phase of a research project, undertaken to identify and address potential issues in the research instruments and procedures before commencing the main study (Hassan et al., 2006). If the pilot test yields unsatisfactory results, modifications can be implemented before administering the survey in the main study. The pilot test study will involve minimum 30 individuals based on the most stringent statistical test requirements and after accounting for a 20% non-response rate (Bujang et al., 2024). All obtained data was analyzed using the SmartPLS to assess data reliability.

3.7 Descriptive Test

3.7.1 Measurement Model Analysis

A reliability test is a statistical method used to assess the consistency and stability of a measurement (Brown, 2002). The purpose of such testing is to evaluate the precision and uniformity of the results obtained.

Table 3.3 Measurement Model Analysis

Test	Purpose	Descriptive	Source
Loading Factor	Reflective measurement model evaluation, where they represent the strength of relationships between latent constructs and their indicators.	An acceptable outer loading is 0.708 or higher. However, 0.70 is considered close enough to 0.708 to be acceptable.	(Subhaktiyasa, 2024)
Composite Reliability (Conbrach Alpha)	Alpha to provide a measure of the internal consistency of a test or scale.	The acceptable values of alpha, ranging from 0.70 to 0.95. A low alpha could be due to a low number of questions, poor inter-relatedness between items or heterogeneous constructs.	(Tavakol & Dennick, 2011)
Composite Reliability	CR to examine the internal consistency and reliability of a construct.	Composite reliability values of 0.70 or higher are considered satisfactory.	(Khan et al., 2023)
Convergent Validity (AVE)	Convergent validity is evaluated by calculating the Average Variance Extracted (AVE), which quantifies the degree to which a construct explains the variance of its items.	An acceptable AVE is 0.50 or higher indicating that the construct explains at least 50 per cent of the variance of its items.	(Hair et al., 2019)

HTMT	HTMT method used to assess discriminant validity in measurement models.	The result in HTMT should be less than 0.90. HTMT values below the threshold indicate that correlations between different constructs are sufficiently low, suggesting good discriminant validity.	(Henseler et al., 2015)
------	---	---	-------------------------

3.7.2 Structured Model Analysis

Structured model analysis is a key step in structural equation modeling (SEM), where the relationships between latent variables (constructs) are examined. This analysis helps determine the strength, direction, and significance of relationships in the proposed model, providing insights into causal mechanisms and theoretical validity.

Table 3.4 Structured Model Analysis

Test	Purpose	Descriptive	Source
Coefficient - R square	The R ² value indicates the proportion of variance explained in each endogenous construct, serving as a measure of the model's explanatory strength. It is also commonly described as in-sample predictive power.	0 to 0.10 → weak explanatory power 0.11 to 0.30 → modest explanatory power 0.31 to 0.50 → moderate explanatory power > 0.50 → strong explanatory power	(Hair et al., 2019)

Variance Inflation Factor (VIF)	The Variance Inflation Factor (VIF) is a common measure to check whether there is collinearity (i.e., high correlation) among formative indicators in a model.	If the VIF value is 5 or higher, it indicates serious collinearity problems between the indicators. However, problems can also occur when the VIF is as low as 3.	(Becker et al., 2014)
F ²	F ² quantifies the individual effect size of an exogenous construct in explaining an endogenous construct by measuring how much R ² changes when that construct is added to or removed from the model.	Small Effect = 0.02 Medium Effect = 0.15 Large Effect = 0.35	(Ringle et al., 2014)

3.8 Conclusion

All data is collected through distributing online questionnaires to a sample size of 385 respondents from the population of 16.7463 million Malaysian adults aged between 20 years old to 49 years old. The questionnaires are originated and modified from the previous studies to determine the result of the study. This study used SmartPLS to run two model analysis, measurement model and structured model analysis. In the measurement model, the result of loading factor, cronbach alpha, composite reliability, convergent validity and HTMT will be obtained. In structured model analysis, it will get the result of R square, variance inflation factor and F square.

CHAPTER 4: DATA ANALYSIS

4.0 Introduction

This chapter presents the data analysis of the study examining the influence of finfluencers on digital investment decisions, with financial knowledge as a mediator and AI literacy as a moderator. A total of 385 valid responses collected through online questionnaires were analysed using PLS-SEM technique. The chapter includes descriptive analysis of respondents' profiles, assessment of the measurement model for reliability and validity, and structural model analysis to test the relationships among the proposed variables.

4.1 Response Rate

A total of 507 questionnaires were distributed to the target audience through the google forms over a period of five months, from October 2025 to February 2026. The questionnaire through the links and also the QR code shared through email and social media channels. In these 5 months, total received 385 responses which is higher than the minimum requirement of the 384 sample size. The overall response rate was 75.93%, indicating a high level of participant engagement. All responses were carefully reviewed to ensure completeness and adherence to the eligibility criteria, maintaining high data quality for subsequent analysis. The remaining 385 valid responses were analyzed using SmartPLS 4, which allows for the assessment of structural relationships among latent variables through Partial Least Squares Structural Equation Modeling (PLS-SEM). The high response rate and complete, eligible dataset provide a solid foundation for robust statistical analysis.

4.2 Descriptive Analysis of the Respondents' Demographic Profiles

As described in Section A of the questionnaire, the demographic information of the respondents is presented in Tables 4.1 to 4.4 to make the results clearer and easier to understand. Following this, descriptive analyses were conducted to provide an overview of the quantitative data.

The data presented in Table 4.1 below demonstrates that the surveys were filled out by females (57.7%), while the remaining questionnaires were filled out by males (42.3%).

Table 4.1: Gender

Gender	Frequency	Percentage
Female	222	57.7%
Male	163	42.3%

Table 4.2 presents the racial distribution of the respondents. The majority of respondents were Chinese, accounting for 264 out of 385 respondents (68.6%). The second largest group was Malay, representing 18.7% of the sample, followed by Indian respondents at 11.9%. A small portion of respondents belonged to other ethnicities, including one Melanau and two Iban participants.

Table 4.2: Race

Race	Frequency	Percentage
Chinese	264	68.6%
Malay	72	18.7%
Indian	46	11.9%
Others (Melanau & Iban)	3	0.8%

Table 4.3 shows the age distribution of the respondents. The most respondents were in the younger age groups, with 67.3% aged 20-29 years and 22.6% aged 30-39

years. These categories accounted for 89.9% of the total sample, showing that the most of respondents were under the age of 40 years. In comparison, fewer respondents were in the older age brackets: 10.10% were 40-49 years old. There were no responders aged under 20. This age distribution indicated that most of the respondents were between 20 to 39 years, with a smaller number of the responders aged 40 or older.

Table 4.3: Age Group

Age	Frequency	Percentage
20 - 29 years old	259	67.3%
30 - 39 years old	87	22.6%
40 - 49 years old	39	10.1%

The table 4.4 shows the frequency and percentage of respondents from different states. The highest number of respondents came from Johor, with 114 participants, representing 29.6% of the total sample. This was followed by Perak (66 respondents, 17.1%) and Selangor (55 respondents, 14.3%).

A moderate number of respondents came from Pulau Penang (28 respondents, 7.3%) Sarawak (22 respondents, 5.7%) and Melaka (21 respondents, 5.5%), while Negeri Sembilan (18 respondents, 4.7%) and Pahang (15 respondents, 3.9%) contributed intermediate proportions.

Several states had very few respondents, including Kedah (12 respondents, 3.1%), Kelantan (8 respondents, 2.1%), Sabah (8 respondents, 2.1%), Perlis (9 respondents, 2.3%), and Terengganu (9 respondents, 2.3%).

Table 4.4: State

States	Frequency	Percentage
Johor	114	29.6%
Kedah	12	3.1%
Kelantan	8	2.1%
Melaka	21	5.5%

Negeri Sembilan	18	4.7%
Pahang	15	3.9%
Pulau Penang	28	7.3%
Perak	66	17.1%
Perlis	9	2.3%
Sabah	8	2.1%
Sarawak	22	5.7%
Selangor	55	14.3%
Terengganu	9	2.3%

Table 4.5 presents the educational background of the respondents. The majority of respondents held a Bachelor's Degree or Professional Qualifications, accounting for 256 participants (66.5%). This indicates that most respondents possess higher education qualifications, which may contribute to better financial knowledge and more informed investment decisions. This was followed by respondents with Pre-University, Diploma, or Advanced Diploma qualifications, comprising 69 participants (17.9%). A smaller proportion of respondents had Primary or Secondary Education (40 respondents, 10.4%), while only a minority had attained a Master's degree or PhD (20 respondents, 5.2%).

Table 4.5: Level of Education

Education level	Frequency	Percentage
Primary / Secondary Education	40	10.4%
Pre- U / Diploma/ Advance Diploma	69	17.9%
Bachelor Degree/ Professional Qualifications	256	66.5%
Master/ PhD	20	5.2%

Table 4.6 presents the employment status of the respondents. The largest group of respondents were in full-time employment, accounting for 190 participants (49.4%). The next largest group comprised part-time employees, representing 146 respondents (37.9%). This indicates that approximately half of the respondents are likely financially independent and possess sufficient resources to make informed

investment decisions. A smaller portion of the sample was unemployed, consisting of 49 participants (12.7%).

Table 4.6: Employment Status

Employment Status	Frequency	Percentage
Full Time Employment	190	49.4%
Part Time Employment	146	37.9%
Unemployment	49	12.7%

Table 4.7 presents the income distribution of the respondents. The largest portion of respondents earned RM 2,000 or below, accounting for 191 participants (49.6%), indicating that nearly half of the sample are in the lower income bracket. This was followed by respondents earning RM 2,001 to RM 4,000, representing 119 participants (30.9%). A smaller proportion of respondents had an income of RM 4,001 to RM 6,000 (47 participants, 12.2%), while only 28 respondents (7.3%) earned RM 6,001 and above, representing the highest income bracket.

Table 4.7: Income Level

Income Level	Frequency	Percentage
RM 2000 and below	191	49.6%
RM 2001 to RM 4000	119	30.9%
RM4001 to RM 6000	47	12.2%
RM 6001 and above	28	7.3%

4.3 Statistical Analysis

This study applied Partial Least Squares Structural Equation Modeling (PLS-SEM) to test the proposed research model and hypotheses. Given that the study involved a sample size of 385 respondents, the use of SmartPLS is considered appropriate for analysing complex relationships between variables. The analysis focuses on examining the relationships and patterns among the variables to understand how

finfluencers characteristics influence investors' digital investment decisions. The results obtained from the statistical analysis provide empirical evidence to support the subsequent discussion and interpretation of the research findings.

4.3.1 Measurement Model Assessment

The measurement model aims to ensure the validity and reliability of the proposed constructs. Accordingly, outer loadings, Composite Reliability, Cronbach's Alpha, AVE, and HTMT are examined and evaluated against the recommended threshold values to confirm the adequacy of the measurement model.

The outer loadings reflect the strength of the relationships between latent constructs and their corresponding indicators. According to Subhaktiyasa (2024), an acceptable outer loading value is 0.708 and above. However, a value of 0.70 is also considered acceptable because it is close enough to the recommended threshold. Table 4.8 shows that all indicators have reached the required threshold, indicating that the reliability of indicators is satisfactory. The lowest outer loading value was observed for digital investment decisions indicator 3 at 0.700, while the highest outer loading value was recorded for credibility indicator 4 at 0.923. Therefore, each construct is regarded as reliable because its indicators fully represent and effectively measure their respective latent variables.

Table 4.8: Outer Loadings

	AI	CD	DID	EPS	FK	TW
AI1	0.878					
AI2	0.871					
AI3	0.886					
AI4	0.781					
AI5	0.891					

CD1	0.898
CD2	0.904
CD3	0.921
CD4	0.923
CD5	0.851
DID1	0.824
DID2	0.864
DID3	0.700
DID4	0.817
DID5	0.839
EPS1	0.775
EPS2	0.901
EPS3	0.885
EPS4	0.848
EPS5	0.739
FK1	0.845
FK2	0.834
FK3	0.794
FK4	0.821
FK5	0.796
TW1	0.845
TW2	0.811
TW4	0.875
TW5	0.822

Notes

“AI = AI Literacy, CD = Credibility, DID = Digital Investment Decisions, EPS = Exposure, FK = Financial Knowledge, TW = Trustworthiness”

Construct reliability represents the variables' internal consistency and is measured using Composite Reliability and Cronbach's Alpha (Khan et al., 2023). In addition, convergent validity was evaluated by examining Average Variance Extracted (AVE). Each variable is found to be reliable when the

Composite Reliability values exceed 0.70, Cronbach's Alpha values range from 0.70 to 0.95, and AVE values exceed 0.50 (Tavakol & Dennick, 2011; Khan et al., 2023; Hair et al., 2019). For all three tests, values closer to 1 indicate stronger reliability and convergent validity, confirming that the constructs are measured with high accuracy (Youssef et. al, 2023). The results in Table 4.9 showed that the lowest value among these tests was 0.859, which not only exceeds the acceptable threshold but is also close to 1. Therefore, all constructs can be considered consistently reliable.

Table 4.9: Construct Reliability and Average Variance Extracted

	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
AI	0.913	0.915	0.935	0.744
CD	0.941	0.941	0.955	0.809
DID	0.869	0.880	0.905	0.658
EPS	0.889	0.903	0.918	0.692
FK	0.877	0.882	0.910	0.670
TW	0.859	0.860	0.905	0.703

Notes

“AI = AI Literacy, CD = Credibility, DID = Digital Investment Decisions, EPS = Exposure, FK = Financial Knowledge, TW = Trustworthiness”

Heterotrait-Monotrait (HTMT) ratio was used to assess the discriminant validity of the measurement model. The HTMT method is widely used to evaluate the correlations between constructs, with a recommended threshold value of below 0.90 (Henseler et al., 2015). During the assessment, one item under the trustworthiness construct (TW indicator 3) was removed to improve the measurement model's validity. After the item was removed, the HTMT values for all constructs were found to be below the threshold of 0.90 as shown in Table 4.10. The HTMT values among the constructs ranged from 0.520 to 0.898. The highest HTMT value was observed between

credibility and trustworthiness at 0.898, but it remained below the threshold, indicating these two constructs are distinct yet conceptually related. Therefore, the results confirm that the measurement model demonstrated satisfactory discriminant validity and is reliable for further structural model analysis.

Table 4.10: Heterotrait-Monotrait Ratio (HTMT)

	AI	CD	DID	EPS	FK	TW
AI						
CD	0.587					
DID	0.787	0.621				
EPS	0.568	0.592	0.684			
FK	0.810	0.751	0.757	0.520		
TW	0.633	0.898	0.689	0.695	0.749	

Notes

“AI = AI Literacy, CD = Credibility, DID = Digital Investment Decisions, EPS = Exposure, FK = Financial Knowledge, TW = Trustworthiness”

4.3.2 Structural Model Assessment

The collinearity among the independent variables was examined using the Variance Inflation Factor (VIF). VIF was used to detect multicollinearity between constructs in models. According to Becker et al. (2014), a VIF value of 5 or higher indicates a serious collinearity problem. As shown in Table 4.11, the VIF value of each direct relationship ranges from 1.812 to 3.440. The lowest VIF value was observed for the relationship between exposure and digital investment decisions at 1.812, while the highest VIF value was recorded for the relationship between trustworthiness and digital investment decisions at 3.440. Therefore, all VIF values are below the critical threshold of 5, indicating that there is no multicollinearity between constructs.

After confirming that there was no collinearity issue, PLS-SEM analysis with bootstrapping was used to evaluate the hypothesized relationship among the constructs. Bootstrapping was applied to obtain the path coefficient, *t*-statistic and *p*-value for testing the significance of the structural model relationships, where significance levels were set at 1 % ($t = 2.57$), 5 % ($t = 1.96$), and 10 % ($t = 1.65$). When the *t*-statistic was below the threshold and the *p*-value exceeded the significance level, the hypothesis was considered not supported.

The results of direct relationship analysis showed that exposure had a significant positive impact on digital investment decisions (coefficient = 0.240, $t = 4.449$, $p = 0.000$), which is significant at 1% significance level. Financial knowledge also had a significant positive impact on digital investment decisions (coefficient = 0.234, $t = 3.045$, $p = 0.002$) at 1% significance level. However, trustworthiness has no significant influence on digital investment decisions (coefficient = 0.095, $t = 1.121$, $p = 0.262$). Similarly, credibility has no significant influence on digital investment decisions (coefficient = 0.013, $t = 0.145$, $p = 0.885$). Therefore, the hypothesis that trustworthiness and credibility affect digital investment decision-making was not supported.

For the mediating effects, this study examined the role of financial knowledge as a mediating variable between exposure, trustworthiness, credibility and digital investment decisions. The results showed that exposure affects digital investment decisions through financial knowledge (coefficient = 0.022, $t = 1.834$, $p = 0.008$), indicating that there is a significant mediating effect at 1% significance level. Trustworthiness also affects digital investment decisions-making through financial knowledge (coefficient = 0.059, $t = 1.734$, $p = 0.067$) at 10% significance level. In addition, credibility also affects digital investment decisions through financial knowledge (coefficient = 0.100, $t = 2.667$, $p = 0.083$) at 10% significance level. Therefore, all the mediating effect hypotheses were supported.

For the moderating effects, this study investigated the interaction effect of AI Literacy on the relationship between financial knowledge and digital investment decisions. The results indicated that the moderating effect of AI Literacy was not significant (coefficient = 0.018, $t = 0.531$, $p = 0.595$). Since the t -statistic was below the critical value and the p -value exceeded the significance level, the hypothesis was not supported.

Table 4.11: Structural Model Results

		VIF	Coefficient	T- Statistics	P- Value	Result
Direct						
H1a	EPS -> DID	1.812	0.240***	4.449	0.000	Supported
H1b	TW -> DID	3.440	0.095	1.121	0.262	Not supported
H1c	CD -> DID	3.387	0.013	0.145	0.885	Not supported
H3	FK -> DID	2.981	0.234***	3.045	0.002	Supported
Mediation						
H2a	EPS -> FK-> DID	-	0.022***	1.834	0.008	Supported
H2b	TW-> FK -> DID	-	0.059*	1.734	0.067	Supported
H2c	CD -> FK -> DID	-	0.100*	2.667	0.083	Supported
Moderation						
H4	FK -> AI -> DID	-	0.018	0.531	0.595	Not supported

Note:

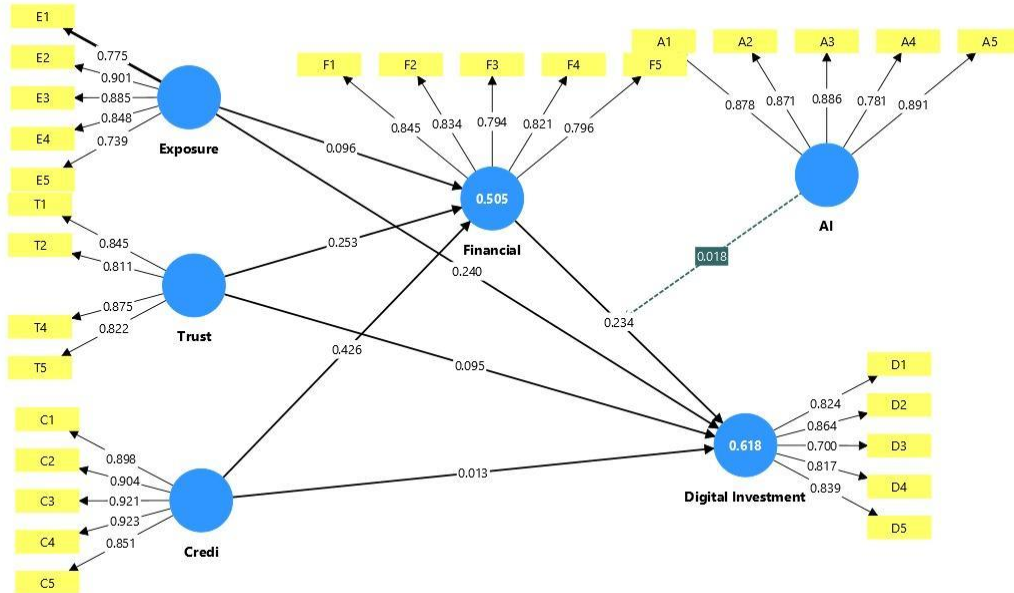
“AI = AI Literacy, CD = Credibility, DID = Digital Investment Decisions, EPS = Exposure, FK = Financial Knowledge, TW = Trustworthiness”

1. $t = 1.65$, $P < 0.10^*$

2. $t = 1.96$, $P < 0.05^{**}$

3. $t = 2.57, P < 0.01^{***}$

Figure 4.1: Structural Model Results



The structural model was evaluated using the coefficient of determination (R^2) and effect size (f^2). The R^2 value indicates the proportion of variance explained by the predictors in each endogenous construct, reflecting the explanatory power of the model.

The results show that the R^2 value for digital investment decisions is 0.618, indicating that exposure, trustworthiness, credibility, and financial knowledge together explain 61.8% of the variance in digital investment decisions. Based on the adopted threshold, this represents strong explanatory power, suggesting that these factors play a substantial role in shaping individuals' digital investment decisions. Similarly, the R^2 value for financial knowledge is 0.505, meaning that exposure, trustworthiness, and credibility account for 50.5% of the variance in financial knowledge. This also indicates strong explanatory power, highlighting the importance of these variables in explaining financial knowledge within the model.

The effect size was further examined to determine the individual contribution of each predictor to digital investment decisions. The findings indicate that exposure has an f^2 value of 0.083, while financial knowledge records 0.048, suggesting small effect sizes for both variables. This implies that although these variables contribute to explaining digital investment decisions, their individual influence remains limited. In contrast, trustworthiness shows a very small effect with an f^2 value of 0.007, while credibility records 0.000, indicating no meaningful contribution to digital investment decisions when other variables are considered. The moderating effect of AI literacy on the relationship between financial knowledge and digital investment decisions was also assessed. The interaction term $AI \times FK$ shows an f^2 value of 0.001, indicating a negligible moderating effect.

Overall, while the model demonstrates strong explanatory power, the individual contributions of most predictors to digital investment decisions are relatively small, with exposure and financial knowledge showing comparatively greater influence than the other variables.

Table 4.12: R-square, F-square

Predictors	Outcomes	R-square	Outcomes	F-square
EPS	DID	0.618		0.083
TW	FK	0.505		0.007
CD			DID	0.000
FK				0.048
AI X FK				0.001

Note:

“EPS = Exposure, TW = Trustworthiness, CD = Credibility, FK = Financial Knowledge, AI = Artificial Intelligence Literacy”

4.4 Conclusion

This chapter analysed the relationships between finfluencers' characteristics and digital investment decisions. The results indicate that exposure and financial knowledge have significant positive effects on digital investment decisions, while trustworthiness and credibility show no significant direct influence. Financial knowledge was found to significantly mediate the relationships between exposure, trustworthiness, credibility and digital investment decisions, whereas the moderating effect of AI literacy on the relationship between financial knowledge and digital investment decisions was not supported. The next chapter will discuss the key findings, implications, limitations, and recommendations for future research.

CHAPTER 5: DISCUSSION AND CONCLUSION

5.0 Introduction

This chapter summarizes the findings discussion, implications, limitations, and recommendations for future research. It begins with a summary of the sample demographics and statistical analyses, followed by a detailed examination of the results for each hypothesis. The study focuses on the relationship between digital investment decisions and other independent variables highlighting their relationship based on the empirical evidence from Chapter 4.

5.1 Descriptive Summary of the Demographics Analysis

About 57.5% of the respondents were female. In terms of ethnicity, 68.6% of the respondents were Chinese. The majority of respondents were between 20 and 29 years old (67.3%). Regarding geographical distribution, 29.6% of the respondents were from Johor. In terms of education level, the largest group of respondents had Bachelor's Degree or Professional Qualifications (66.5%). With respect to employment status, 49.4% of the respondents were employed full-time. Finally, 49.6% of the respondents reported a monthly income of RM 2,000 and below, representing the largest income group in the sample.

5.2 Statistical Analysis Summary

The validity of the measurement model was assessed through convergent validity and discriminant validity tests. According to Subhaktiyasa, (2024), an acceptable value of outer loading is more than 0.708, which has met the requirements after testing. The model's convergent validity was assessed by analysing Composite

Reliability, Cronbach's Alpha, and Average Variance Extracted (AVE). The results indicate that convergent validity was achieved for all constructs, as the Composite Reliability values exceed 0.70, Cronbach's Alpha values fall between 0.70 and 0.95, and the AVE values are greater than 0.50. In this study, the trustworthiness construct of finfluencers recorded the lowest values for Composite Reliability and Cronbach's Alpha, while the Digital Investment Decisions construct exhibited the lowest AVE value. For discriminant validity, the Heterotrait–Monotrait ratio (HTMT) was employed to assess the validity of the latent constructs. The recommended threshold for HTMT is below 0.90. However, the initial HTMT value for the trustworthiness construct exceeded this threshold. Therefore, one item from the trustworthiness construct was removed in the second test. After this adjustment, all HTMT values met the required criteria, confirming the discriminant validity of the constructs.

5.3 Hypothesis Testing

Referring to Table 5.1, a total of five hypotheses were significant, which include H_{1a} , H_{2a} , H_{2b} , H_{2c} , and H_3 , out of eight hypotheses tested. The hypotheses H_{1a} , H_{2a} , and H_3 were supported at the 1% level of significance. Meanwhile, H_{2b} and H_{2c} were supported at the 10% level of significance. However, H_{1b} , H_{1c} , and H_4 were not supported because their p -values were greater than 0.10.

Table 5.1 Hypothesis Testing and the result

No.	Hypothesis	Significant Level
1	H_{1a} : There is a relationship between exposure of finfluencers and digital investment decisions.	Supported (p -value < 0.01)
2	H_{1b} : There is a relationship between trustworthiness of finfluencers and digital investment decisions.	Not Supported (p -value > 0.10)

3	H_{1c} : There is a relationship between credibility of finfluencers and digital investment decisions.	Not Supported (p -value > 0.10)
4	H_{2a} : There is a mediating role of financial knowledge between exposure of finfluencers and digital investment decisions.	Supported (p -value < 0.01)
5	H_{2b} : There is a mediating role of financial knowledge between trustworthiness of finfluencers and digital investment decisions.	Supported (p -value < 0.10)
6	H_{2c} : There is a mediating role of financial knowledge between credibility of finfluencers and digital investment decisions.	Supported (p -value < 0.10)
7	H_3 : There is a relationship between financial knowledge and digital investment decisions.	Supported (p -value < 0.01)
8	H_4 : There is a moderating role of AI literacy between financial knowledge and digital investment decisions.	Not Supported (p -value > 0.10)

5.4 Answers to Research Question

5.4.1 Is there a significant relationship between finfluencers characteristics and digital investment decisions?

The findings of the first research question indicate that finfluencers characteristics have varying effects on digital investment decisions. Exposure has a significant positive effect on digital investment decisions, suggesting that respondents who frequently encounter financial influencers are more likely to engage in digital investments. Conversely, trustworthiness and credibility do not have a significant direct effect, indicating that mere perceptions of reliability or credibility are insufficient to drive investment behaviour. These results highlight that repeated exposure and visibility are more influential than perceived reliability in shaping digital investment decisions.

5.4.2 Does financial knowledge mediate the relationship between finfluencers characteristics and digital investment decisions?

For the second research question, the results reveal that financial knowledge mediates the relationship between finfluencers characteristics and digital investment decisions. Exposure, trustworthiness, and credibility indirectly affect investment decisions through respondents' financial knowledge, illustrating that financial literacy enables individuals to interpret finfluencers content effectively, assess investment options, and make informed decisions. This underscores the importance of financial knowledge in translating external information into actionable investment behaviour. This means that even if trustworthiness or credibility don't

strongly influence decisions directly, they can still have an impact indirectly by improving financial knowledge.

5.4.3 Is there a significant relationship between financial knowledge and digital investment decisions?

The findings for the third research question confirm that financial knowledge has a significant positive relationship with digital investment decisions. Respondents with higher financial knowledge are better able to evaluate risks, compare investment products, and make confident investment choices. This finding reinforces the pivotal role of financial literacy as a core determinant of effective digital investment behaviour.

5.4.4 Does AI literacy moderate the relationship between financial knowledge and digital investment decisions?

Finally, the findings for the fourth research question indicate that AI literacy does not significantly moderate the relationship between financial knowledge and digital investment decisions. While AI tools may provide analytical support, respondents' proficiency in AI does not substantially strengthen the impact of financial knowledge on their investment decisions. Overall, the study demonstrates that exposure and financial knowledge are the primary drivers of digital investment decisions, with financial knowledge also acting as a key mediator, while trustworthiness, credibility, and AI literacy exert limited direct or moderating effects.

5.5 Findings Discussion

5.5.1 Exposure of Finfluencers and Digital Investment Decisions

H_{1a} : There is a relationship between exposure of finfluencers and digital investment decisions.

There is a significant impact of exposure of finfluencers toward to the digital investment decisions. The structural model results support this hypothesis, as exposure of finfluencers was found to have a significant positive and significant impact on digital investment decisions. The data shows a coefficient of 0.240 and p -value of 0.000, which is supported at a significance level of 1%. Thus, H_{1a} is supported, indicating that individuals' digital investment decisions are influenced by their exposure of finfluencers.

These findings show that individuals who are exposed to finfluencers and follow them are more likely to be influenced by the investment suggestions shared by these finfluencers. Based on the responses received, around 62.8% of respondents reported that they regularly watch, read, or listen to investment-related content shared by finfluencers.

This finding supports previous studies that report a strong relationship between exposure of finfluencers and digital investment decisions. A study by Mishra et al. (2025) also provides supporting evidence. The study found that 76% of Gen Z and Millennial respondents were more likely to change their investment decisions as their exposure to finfluencers increased. Similarly, evidence from a study in Indonesia shows that finfluencers have a positive impact on students' interest in investing (Andrian et al., 2025).

Platforms such as Instagram, YouTube, and Facebook are among the most popular today, making them significant channels for exposure of finfluencers. A study by Safitri et al. (2025) observed that Millennials and Generation Z in Labuan Bajo who regularly engaged with curated financial content on Instagram showed higher willingness and confidence to invest. The study by Pandey et al. (2025) shows that social media engagement plays a key role in influencer impact, as viewing videos, posts, and updates can positively shape attitudes toward financial services and influence investment and purchase intentions.

The main reasons for the significant relationship exposure of finfluencers and digital investment decisions. The study shows that high engagement with finfluencers has a significant impact on investor decisions, primarily due to the social proof effect, which increases the likelihood that participants will follow the influencer's advice (Oliveira & Silva, 2025).

Overall, these findings show the exposure of finfluencers will directly impact digital investment decisions. As there are more social media channels to reach out the finfluencers' contents, it shows the investor will treat it as advice and take actions. The exposure of finfluencers including the engagement rate.

5.5.2 Trustworthiness of Finfluencers and Digital Investment Decisions

H_{1b} : There is a relationship between trustworthiness of finfluencers and digital investment decisions.

The study investigated whether the trustworthiness of finfluencers affects digital investment decisions. The results showed a positive but statistically insignificant relationship between these constructs at the 10% significance level, with a coefficient of 0.095 and a p -value of 0.262. Therefore,

hypothesis H_{1b} is not supported. These results suggest that although finfluencers may be perceived as honest, transparent, and dependable, such perceptions alone are insufficient to directly drive individuals to make digital investment decisions. Trustworthiness may influence how audiences interpret and evaluate online financial information, but it does not appear to translate into immediate investment actions.

Previous research has emphasized that trustworthiness alone does not directly determine digital investment decisions. Pande (2025) observed that finfluencers' trustworthiness did not significantly influence investors' digital investment choices, as investors often rely more on their own financial knowledge, personal judgment, and perceived behavioural control. This suggests that, while followers may recognize finfluencers as honest and reliable, they still critically assess financial information and depend on their own understanding before making investment decisions.

Overall, the results imply that trustworthiness contributes to building confidence and engagement but is not sufficient by itself to motivate digital investment decisions. Investors seem to treat trustworthiness as an indicator of reliability rather than a decisive factor, with financial knowledge, risk assessment, and evaluation of potential returns playing more central roles in shaping investment behaviour.

5.5.3 Credibility of Finfluencers and Digital Investment Decisions

H_{1c} : There is a relationship between credibility of finfluencers and digital investment decisions.

The study examined the effect of the credibility of finfluencers on digital investment decisions, revealing an insignificant relationship, with a coefficient of 0.013 and a p -value of 0.885. Therefore, the hypothesis H_{1c} is

not supported. This result indicates that the perceived credibility of finfluencers does not directly influence individuals' digital investment decisions in this study. Although credibility may affect how financial information is perceived, investors appear to rely on additional considerations before making actual investment decisions.

Study suggests that credibility alone may not directly translate into investment action. Morasch et al. (2026) found that the direct relationship between finfluencers credibility and digital investment decisions is weak, as credibility tends to influence behaviour indirectly rather than acting as a direct determinant. Investors may perceive finfluencers as credible sources of information, but they still evaluate the content critically before making financial commitments. This indicates that credibility primarily enhances the perceived reliability of information rather than directly driving investment behaviour.

Overall, the findings imply that while credibility is an important attribute of finfluencers, it does not independently determine digital investment decisions. Investors may consider credibility when assessing financial content, but their final decisions are likely influenced by other factors such as their own understanding of the information and their evaluation of potential risks. This highlights that credible financial communication alone may not be sufficient to encourage investment behaviour without deeper engagement with financial knowledge and information.

5.5.4 Mediating Role of Exposure of Finfluencers and Digital Investment Decisions

H_{2a} : The mediating role of financial knowledge between exposure of finfluencers and digital investment decisions.

There is a significant mediating role of financial knowledge between exposure of finfluencers and digital investment decisions. The structural model results support this hypothesis, indicating that financial knowledge plays a mediating role between exposure of finfluencers and digital investment decisions, with a significant positive effect on digital investment decisions. The data shows a coefficient of 0.022 and p -value of 0.008, which is supported at a significance level of 1%. Thus, H_{2a} is supported, indicating that individuals' digital investment decisions are influenced by their exposure of finfluencers.

There is the previous study that shows the strong mediating role of financial knowledge between exposure of finfluencers and digital investment decisions. A study by Bhatt and Bhatt (2025) shows that exposure to finfluencers significantly improved financial knowledge among young adults in Gujarat, boosting their confidence and independent investment behaviour. The same result also shows in findings in the Pamulang University, which show that social media will enhance financial literacy, in turns of investment decisions (Kustitik et al. ,2025).

Similarly, Jha and Jose (2025) found that finfluencers have a direct influence on individuals' financial behaviour. However, this influence becomes stronger when investors possess higher levels of financial literacy. The study of Wijaya et al. (2024) also found that digital financial literacy strengthens the effect of investment influencers, enabling those with higher financial knowledge to make better investment decisions.

Borde et al. (2024) explained that Generation Z generally lacks comprehensive financial knowledge but shows high engagement with social media. As a result, they tend to rely more on finfluencers for investment information and advice. This suggests that financial knowledge may act as a mediator between exposure of finfluencers and digital investment decisions.

Overall, the result shows financial knowledge will mediate the relationship of exposure of finfluencers and digital investment decisions with direct relationships. These findings suggest that enhancing financial literacy among digital investors, particularly younger generations, could strengthen the positive effects of finfluencers on investment decisions. When investors are exposed to content from finfluencers, their level of financial knowledge determines how effectively they can understand and apply the information, which in turn influences their final investment decisions.

5.5.5 Mediating Role of Trustworthiness of Finfluencers and Digital Investment Decisions

H_{2b} : The mediating role of financial knowledge between trustworthiness of finfluencers and digital investment decisions.

The study investigated the mediating role of financial knowledge in the relationship between the trustworthiness of finfluencers and digital investment decisions. The results showed a positive and statistically significant indirect effect at the 10% significance level, with a coefficient of 0.059 and a p -value of 0.067, indicating that hypothesis H_{2b} is supported. This result suggests that the trustworthiness of finfluencers does not directly influence digital investment decisions but operates through the financial knowledge gained by individuals. When individuals perceive finfluencers as trustworthy, they are more likely to engage with and learn from the financial information shared, which enhances their financial knowledge and subsequently supports more informed digital investment decisions.

This finding is consistent with the previous literature, which emphasizes that financial knowledge is the key mechanism to link trust in finfluencers with investment-related behaviours. Zaman (2025) found that financial literacy is the way to transform trust into rational financial results, especially by enhancing the ability of individuals to evaluate financial information and

avoid fraudulent plans. This supports the view that financial knowledge can enhance investors' ability to critically evaluate the information shared by trusted financial websites, thus improving the quality of decision-making. Similarly, the Thukral and Mascarenhas (2025) divides investors into different behaviour groups and shows that people with higher financial knowledge are more inclined to verify information and conduct independent analysis before making investment decisions, even when they trust finfluencers.

Wangzhou et al. (2021) also found that financial literacy significantly affects investors' reactions to information cascades. Investors with financial knowledge are less likely to follow herd behaviour and are better at evaluating investment information independently. Similarly, Pandey (2025) pointed out that although a large proportion of investors trust finfluencers, investors with higher financial literacy are unlikely to act impulsively on influencer-driven advice. These findings further confirm the mediating role of financial knowledge, as it enables investors to turn trust into more analytical and informed decisions, rather than purely emotion-driven behaviours.

Overall, the findings highlight the importance of financial knowledge in bridging the relationship between the trustworthiness of finfluencers and digital investment decisions. Since the direct effect of trustworthiness on digital investment decisions was not supported, the results suggest that trust alone may not be sufficient to influence investment behaviour among Malaysian adults. Instead, individuals appear to rely on the financial knowledge obtained from finfluencers content to evaluate investment opportunities before making decisions. Therefore, financial knowledge serves as an important mechanism that links perceived trustworthiness with actual investment behaviour in the digital investment environment.

5.5.6 Mediating Role of Credibility of Finfluencers and Digital Investment Decisions

H_{2c} : The mediating role of financial knowledge between credibility of influencers and digital investment decisions.

This study examined the mediating role of financial knowledge in the relationship between credibility of influencers and digital investment decisions. The findings indicate that financial knowledge significantly mediates this relationship, with an indirect effect coefficient of 0.100 and a p -value of 0.083 at the 10% significance level. Hence, H_{2c} is supported. This implies that influencers' credibility alone does not directly influence investors' digital investment decisions. Instead, credibility contributes to the development of financial knowledge, which subsequently supports investors in making more informed decisions in digital investment environments.

These findings highlight the important role of knowledge in transforming financial information obtained from social media into actual investment behaviour. Atoom et al. (2021) found that social networking platforms have become a key source of investment information, with a large proportion of investors relying on these platforms to access financial insights and evaluate market opportunities. Their findings also indicate that investors with higher levels of knowledge and experience are more capable of processing and applying information obtained from social media sources. In this context, credible influencers may act as information providers whose financial content enhances followers' understanding of investment concepts, enabling investors to better interpret financial information before making digital investment decisions.

The mediating effect identified in this study is also consistent with previous research emphasising the role of financial literacy in shaping how individuals respond to influencer-generated financial content. Amritha

(2024) found that finfluencers credibility, particularly in terms of expertise and trustworthiness, positively influences investors' attitudes toward financial advice shared on social media, while financial literacy helps individuals interpret such information more effectively. Similarly, Usha and Magesh (2025) demonstrated that credibility significantly influences investment behaviour among retail investors who consume financial content online, although behavioural factors such as herding tendencies may also affect decision-making. Gothe and Mishra (2023) further highlighted that limited financial knowledge can lead investors to rely heavily on others' judgments, suggesting that stronger financial understanding enables individuals to evaluate financial information more independently.

Overall, the findings of this study demonstrate that financial knowledge functions as a key mechanism linking finfluencers credibility with digital investment decision-making. Rather than directly persuading investors to act, credible finfluencers contribute to the development of financial understanding, which enables investors to evaluate financial information more critically and make more informed investment choices. This highlights that the effectiveness of finfluencers in influencing digital investment behaviour depends not only on their perceived credibility, but also on their ability to enhance followers' financial knowledge and support more rational decision-making in digital financial markets.

5.5.7 Financial Knowledge and Digital Investment Decisions

H_3 : There is a relationship between financial knowledge and digital investment decisions.

Financial knowledge (FK) has a significant relationship with digital investment decisions. The structural model results support this hypothesis, as financial knowledge was found to have a significant positive and significant impact on digital investment decisions. This study shows a

coefficient of 0.234 and p -value of 0.002, which is supported at a significance level of 1%. Therefore, H_3 is supported, indicating that individuals with higher financial knowledge are more likely to make better and more confident digital investment decisions.

This result is consistent with previous studies that highlight the important role of financial knowledge in shaping investment behaviour. For example, Mubaraq et al. (2021) found that financial knowledge significantly influences investment decisions, as individuals with stronger financial understanding are better able to manage risks and make informed choices in financial markets. Similarly, Wangi and Baskara (2021) reported that financial knowledge improves investment behaviour by enabling individuals to assess investment products and avoid potential financial fraud.

In addition, Sianipar et al. (2024) also reported that financial literacy has a significant positive impact on investment decisions among millennials. Their study suggests that financial knowledge helps reduce uncertainty and confusion when evaluating investment opportunities, allowing investors to make more confident and rational financial decisions. Furthermore, Baihaqqy et al. (2020) confirmed that financial literacy improves individuals' understanding of the risk–return trade-off, which supports better investment decision making.

The results of this study are also supported by Parsai and Chandok (2025), who emphasized that financial literacy increases investor confidence and encourages informed risk-taking. Individuals with higher financial knowledge are more likely to participate actively in investment activities because they possess the ability to analyze financial information and understand the potential outcomes of their decisions.

Overall, the results of this study reinforce the importance of financial knowledge in influencing digital investment decisions. In the context of this study, financial knowledge helps individuals better understand financial

information provided through digital platforms and finfluencers, enabling them to make more rational and informed investment decisions. Therefore, improving financial literacy among investors is essential to promote responsible and effective digital investment behaviour.

5.5.8 Moderating Role of AI Literacy between Financial Knowledge and Digital Investment Decisions

H_4 : The moderating role of AI literacy between financial knowledge and digital investment decisions.

Artificial intelligence (AI) has increasingly been recognized as an important technological tool that can assist investors in analysing financial information and making more informed investment decisions. The results of this study indicate that the moderating effect of AI on the relationship between financial knowledge and digital investment decisions is not significant. The structural model analysis shows that the interaction effect between financial knowledge and AI literacy has a coefficient of 0.018 and p -value of 0.595. Since the p -value exceeds the significance level, H_4 is not supported. This finding suggests that AI literacy does not significantly strengthen or weaken the relationship between financial knowledge and digital investment decisions among the respondents in this study.

This outcome aligns with prior research emphasizing that the effectiveness of AI tools largely depends on the AI literacy of investors (Gürsoy, 2025). AI does not automatically improve decision making outcomes. Rather, its benefits rely on user expertise (Inkpen et al., 2023). Eichler and Schwab (2024) emphasize that robo-advisors primarily serve as cognitive support tools rather than educational interventions. AI facilitates decision-making but does not inherently increase an investor's ability to interpret complex financial information. Jamal et al. (2025) also highlight that AI adoption

benefits are largely contingent upon underlying financial literacy rather than AI-specific skills, further reinforcing the limited moderating role observed.

Besides, Anwar (2025a) found that retail investors using robo-advisors did not exhibit statistically significant improvements in disciplined investment behaviour, whereas financial literacy remained a stronger predictor of sound decision-making. Similarly, Anwar (2025b) emphasized that although robo-advisors increase accessibility and lower barriers to investing, they do not inherently improve financial knowledge or correct behavioural biases without integrated educational or behavioural reinforcement mechanisms.

Overall, the findings suggest that financial knowledge remains a key driver of digital investment decisions, whereas AI alone without sufficient literacy or supporting mechanisms does not significantly moderate this relationship. These results highlight the importance of integrating educational tools, personalized guidance, and user-centric design features into AI-based investment platforms to ensure that investors can effectively interpret and act upon algorithmic recommendations.

5.6 Implication of the Study

This study aims to examine the influence of finfluencers characteristics on digital investment decisions (exposure of finfluencers, trustworthiness of finfluencers and credibility of finfluencers), mediated by financial knowledge and moderated by AI literacy. The main contributions of this study can be summarised as follows:

5.6.1 Practical Implications

This study provides practical implications for several stakeholders involved in the digital investment environment, particularly investors, finfluencers,

financial institutions, and regulators. The significant effect of finfluencers exposure indicates that retail investors aged 20–49 in Malaysia are highly influenced by investment-related information shared on social media. As a result, digital investment platforms and financial institutions can utilise finfluencers as an effective communication channel to reach potential investors who are already active on these platforms. For example, platforms such as Webull and Moomoo frequently rely on online marketing strategies and financial content to attract new users. During the pandemic period, the number of retail investors in Malaysia increased significantly, many individuals began exploring investment opportunities through digital platforms and online information sources. By collaborating with finfluencers who produce educational investment content, these platforms can introduce key investment concepts, demonstrate how digital investing works, guide users through the process of opening investment accounts, and explain portfolio diversification in a more practical and accessible manner. This indicates that increased exposure to financial content on social media can directly translate into higher participation in digital investing.

The significant influence of financial knowledge implies that investors with better financial understanding are more capable of evaluating investment information and making rational digital investment decisions. In practical application, this highlights the importance of strengthening financial literacy programmes. Financial education initiatives organised by the Bursa Malaysia aim to improve public understanding of investment products, risk management, and portfolio planning. In recent years, Bursa Malaysia has actively organised free investment courses to educate Malaysians who are interested in investing and to improve public financial literacy. Financial institutions can also apply this finding by integrating financial learning tools directly into their applications. For instance, beginner investment tutorials, portfolio simulation tools, and risk tolerance assessments. This is particularly important because many investors rely on simplified financial explanations provided online. Without sufficient financial knowledge,

investors may follow investment trends promoted by influencers without fully understanding the associated risks.

In contrast, the results show that trustworthiness and credibility of finfluencers do not significantly influence digital investment decisions. This suggests that investors may prioritise visibility and repeated exposure of financial content rather than carefully evaluating whether the influencer is qualified to provide financial advice. Social media algorithms often promote trending investment content to a wider audience, which increases exposure even if the content creator does not possess professional financial credentials. Thus, it emphasizes the effect size of finfluencers' exposure on investors. Regulators should improve the quality of finfluencers' content to ensure accurate information provided to investors in the overall finfluencers' environment. These regulatory responses highlight the need for stronger monitoring of financial promotion on social media and clearer disclosure requirements for paid financial endorsements.

The study also shows that financial knowledge mediates all the constructs. This means that investors who gain financial knowledge through exposure to finfluencers, or through recognising trustworthy and credible content, are better equipped to make informed digital investment choices. From a practical perspective, investors benefit by improving their ability to critically evaluate financial content, reducing the risk of following advice based solely on popularity or social influence. Digital investment platforms and financial institutions can leverage this by integrating educational content within their apps and collaborating with finfluencers to provide informative and structured learning, rather than just promotional posts. Regulators can support this by promoting public financial literacy campaigns and issuing guidance on verifying investment information shared online. Overall, financial knowledge serves as a bridge, amplifying the positive impact of finfluencers' exposure, trustworthiness, and credibility on actual investment decisions, ensuring that investor behaviour is both engaged and informed.

The results indicate that AI literacy does not significantly moderate the relationship between financial knowledge and digital investment decisions. In practice, this suggests that even if investors possess higher AI literacy, it does not necessarily enhance the influence of their financial knowledge on investment decisions. Understanding AI tools or algorithms alone is not enough to improve decision-making and financial knowledge remains the primary driver. For digital investment platforms and financial institutions, this finding highlights that simply providing AI-based tools, such as robo-advisors, automated recommendations, or predictive analytics, may not increase the effectiveness of investors' financial knowledge unless accompanied by targeted financial education. Regulators can also interpret this as an indication that promoting AI literacy alone may not directly impact investment behaviour. Instead of focusing on ensuring that investors can apply their financial knowledge effectively, they should also consider the practicality of AI tools. Overall, the finding underscores that financial knowledge continues to play a central role in guiding digital investment decisions, independent of investors' AI literacy.

5.6.2 Theoretical Implications

This study contributes to the theoretical understanding of digital investment behaviour by examining the roles of finfluencers' exposure, trustworthiness, credibility, financial knowledge, and AI literacy. The Theory of Planned Behaviour (TPB) and Social Cognitive Theory (SCT) explain how social influence and cognitive capability shape individuals' investment decisions.

From the perspective of the Theory of Planned Behaviour (TPB), the findings demonstrate that social exposure through finfluencers contributes to digital investment behaviour primarily through knowledge formation rather than direct persuasion. Exposure to financial content increases the visibility and perceived acceptance of digital investing, reflecting the

influence of subjective norms. However, the results show that trustworthiness and credibility do not directly drive investment behaviour, as instead they strengthen financial knowledge, which subsequently supports decision-making. This suggests that individuals rely on their understanding of financial information before translating social influence into action. In this situation, financial knowledge enhances perceived behavioural control, as investors who better understand digital investment concepts feel more capable of evaluating opportunities and making informed decisions. These findings refine TPB by highlighting the importance of knowledge acquisition as a mechanism through which social exposure shapes behavioural outcomes.

From the perspective of Social Cognitive Theory (SCT), the results emphasize the importance of cognitive capability and self-efficacy in transforming external information into behaviour. Finfluencers function as observable sources of financial information that expose individuals to investment concepts and strategies. Through this process, investors gradually internalize financial knowledge, which strengthens their confidence in assessing investment options and participating in digital platforms. Trustworthiness and credibility further support this learning process by ensuring that the information received is perceived as reliable and understandable. This reflects SCT's emphasis on the interaction between environmental influences and personal cognitive development, where knowledge acquisition strengthens an individual's confidence to apply financial concepts in practical situations.

The findings also highlight the mediating role of financial knowledge in connecting finfluencer-related factors with digital investment decisions. Rather than influencing behaviour directly, these three independent variables contribute to the development of financial understanding, which then enables individuals to evaluate risks and opportunities more effectively. This indicates that digital investment behaviour is shaped through a learning-oriented process in which information exposure first improves

knowledge and subsequently strengthens decision-making capability. The results therefore extend theoretical discussions on digital financial behaviour by demonstrating that social influence operates through cognitive absorption of information rather than simple imitation or persuasion.

In contrast, the insignificant moderating effect of AI literacy suggests that technological familiarity alone does not substantially alter the relationship between financial knowledge and digital investment decisions. While AI-based tools may support access to financial platforms, the findings imply that behavioural outcomes depend more strongly on an individual's ability to interpret and apply financial knowledge. This observation contributes to the theoretical understanding of digital financial behaviour by indicating that cognitive readiness remains more influential than technological capability. Consequently, the study highlights that the development of financial understanding and confidence plays a central role in enabling individuals to translate information exposure into actual investment participation.

Overall, the findings demonstrate that digital investment behaviour is influenced more strongly by knowledge development and cognitive capability than by technological proficiency alone. The integration of TPB and SCT highlights how social exposure and credible information contribute to financial understanding, which subsequently strengthens individuals' ability to make investment decisions. These theoretical insights provide a clearer explanation of how social and cognitive factors jointly shape digital investment behaviour in the context of an increasingly digital financial environment.

5.7 Limitations and Recommendations for Future Research

While this study provides valuable insights into the influence of finfluencers' characteristics on the digital investment decisions of Malaysian adults, several limitations must be acknowledged. These limitations relate to the research methodology, sample demographics, and the scope of the conceptual model. Addressing these constraints provides a foundation for future research to build upon and refine the findings of this study.

5.7.1 Limitations

First, the study employed a non-probability convenience sampling technique, where data were collected through an online questionnaire distributed via QR codes and links mainly within the researchers' social networks. While efficient, this method limits the generalizability of the findings. The sample was predominantly Chinese (68.6%), highly educated (66.5% holding a Bachelor's degree), and largely composed of young adults aged 20–29 (67.3%) which does not fully reflect the racial and educational diversity of the Malaysian adult population. In addition, respondents were mainly from Peninsular Malaysia, particularly Johor, Perak, and Selangor, while East Malaysia counted for only 7.8% of the sample which is underrepresented. Therefore, the findings may not fully represent all adult investors in Malaysia.

Additionally, this study specifically examined the mediating role of financial knowledge and the moderating role of AI literacy. The results showed that while financial knowledge significantly mediates the relationships, AI literacy did not moderate the link between financial knowledge and investment decisions. This lack of a moderating effect could be due to the way AI literacy was conceptualized and measured. The

construct measured general AI literacy (understanding, evaluating, and using AI), but it may not have captured the specific type of AI literacy required for making investment decisions, such as the ability to critically assess the recommendations of a robo-advisor or an AI-powered trading signal. Furthermore, AI literacy might function differently in this context, perhaps as a direct antecedent of investment decisions or as a mediator itself, rather than a moderator.

5.7.2 Recommendations

Based on the limitation that is mentioned in 5.7.1, future research suggests to aim for a more representative sample by employing probability sampling techniques, such as stratified random sampling, to ensure that demographic characteristics (race, age, education level, and income) reflect the actual distribution of Malaysian adult investors. This would enhance the external validity and generalizability of the findings. In addition, future studies should include more respondents from underrepresented states, particularly Sabah and Sarawak, to achieve a more geographically balanced sample. Comparative studies could also be conducted to examine potential regional differences in how finfluencers influence investment decisions across Malaysia.

Future studies should refine the measurement of AI literacy to be more context-specific to digital finance. Developing or adapting a scale that measures "AI investment literacy," which captures the competence to understand, trust, and verify AI-generated financial advice, would provide a more precise assessment of its role. Researchers should also explore alternative theoretical roles for AI literacy, such as a direct predictor of digital investment decisions or a mediator in the relationship between finfluencers' exposure and investment outcomes.

Lastly, the study found that trustworthiness and credibility did not have significant direct effects on digital investment decisions but exerted significant indirect effects through financial knowledge, suggesting full mediation. To better explain these relationships, future research could expand the theoretical framework by incorporating psychological and behavioural constructs, such as risk tolerance, herding behaviour, or overconfidence. For instance, investigating whether financial knowledge mediates the relationship between finfluencers' credibility and investment decisions by first reducing susceptibility to herding behaviour could provide a deeper understanding of the underlying psychological mechanisms influencing investment choices.

5.8 Conclusion

This research highlights the impacts of finfluencers criteria, moderator of AI literacy and mediations of financial literacy on digital investment decisions. The findings acknowledged that five out of eight hypotheses were supported whereas three were not supported. Despite its limitations, this study provides a base for future research to examine factors affecting digital investment decisions. Future studies could explore long-term effects of finfluencers exposure, emerging technologies, and contextual variables like regional or demographic differences. Understanding the interaction between financial knowledge, digital skills, and behaviour is key to promoting informed investment decisions.

REFERENCES

- Abidin, G. R., Tubastuvi, N., Haryanto, E., & Rachmawati, E. (2024). The role of financial knowledge, income level, financial behavior, and regret experience in shaping investment decisions: A study of SME business owners with locus of control as a mediator. *Sentralisasi*, 13(2), 220-236. <https://doi.org/10.33506/sl.v13i2.3074>
- Adil, M., Singh, Y., & Ansari, M. S. (2022). How financial literacy moderate the association between behaviour biases and investment decision? *Asian Journal of Accounting Research*, 7(1), 17-30. <https://doi.org/10.1108/AJAR-09-2020-0086>
- Aishwaryalaxmi, N. S., Rathod, P., & Arokiyswamy C. M. (2024). Artificial Intelligence (AI) as a moderating variable in the relationship between financial inclusion, digital adoption, and financial literacy in developing economies. *ITM Web of Conferences*, 68, 01034. <https://doi.org/10.1051/itmconf/20246801034>
- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
- Alrawashedh, N. H. (2023). Management accounting methods for financial decisions: Case of industrial companies in Jordan. *Investment Management & Financial Innovations*, 20(4), 60. [http://dx.doi.org/10.21511/imfi.20\(4\).2023.06](http://dx.doi.org/10.21511/imfi.20(4).2023.06)
- Amritha, P. S. (2024). Finfluencer credibility on investment behaviour of social media users: Moderating role of financial literacy [Doctoral dissertation, University of Calicut]. [https://dspace.mesasmabicollege.edu.in/bitstream/123456789/614/1/Amrit ha%20sudheer%20%20Project%202024.pdf](https://dspace.mesasmabicollege.edu.in/bitstream/123456789/614/1/Amrit%20ha%20sudheer%20%20Project%202024.pdf)
- Andrian, D., Rachmawati, L., & Ilmi, M. (2025). The influence of investment knowledge, financial literacy, investment risk, social media influencers, and technological sophistication on investment interest in the Indonesian capital market. *ARTOKULO : Journal of Accounting, Economic and Management*,

- 2(1), 56-64.
<https://ejournal.mediakunkun.com/index.php/artokulo/article/view/200>
- Anshori, S., Makaryanawati, & Restuningdiah, N. (2024). The influence of investors' perceptions of stock influencer credibility on herding behavior with financial literacy as a moderating variable. *International Journal of Business and Applied Economics*, 3(1), 199–210.
<https://doi.org/10.55927/ijbae.v3i1.8017>
- Anwar, S. (2025a). *Smarter investors: The impact of robo-advisors on financial literacy and decision-making*. Preprints.org.
<https://doi.org/10.20944/preprints202504.1153.v1>
- Anwar, S. (2025b). The role of Robo-advisors in enhancing investor literacy and financial decision-making. *International Journal of Innovative Research and Scientific Studies*, 8(4), 2747–2754.
<https://doi.org/10.53894/ijirss.v8i4.8552>
- Atmaningrum, S., Kanto, D. S., & Kisman, Z. (2021). Investment decisions: The results of knowledge, income, and self-control. *Journal of Economics and Business*, 4(1). <https://doi.org/10.31014/aior.1992.04.01.324>
- Atoom, S. A., Alafi, K. K., & Al-Fedawi, M. M. (2021). The effect of social media on making investment decisions for investors in Amman financial market. *International Journal of Innovation, Creativity and Change*, 15(6), 934-960.
https://www.ijicc.net/images/Vol_15/Iss_6/15655_Atoom_2021_E2_R1.pdf
- Awad, A., Aziz, A. F., & Shma, T. R. (2025). Investment behavior in the Egyptian stock market: The impact of social media on investor decision-making. *Investment Management and Financial Innovations*, 22(1), 203–212.
[https://doi.org/10.21511/imfi.22\(1\).2025.16](https://doi.org/10.21511/imfi.22(1).2025.16)
- Aziz, A. A. A., Azhar, S. B. H. J., Yatim, A. I. A., Hamid, A. A. A., Nordin, N. A., Zabidin, N. S., & Asmawi, A. (2021). Modelling the language of cyber scammers: A forensic linguistics analysis of Malaysian illegal investment scheme. *International Journal of Academic Research in Business and Social Sciences*, 11(6), 1612–1621.
<https://doi.org/10.6007/IJARBS/v11-i6/10388>

- Baihaqqy, M. R. I., Disman, N., Sari, M., & Ikhsan, S. (2020). The effect of financial literacy on the investment decision. *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)*, 3(4), 3073-3083. <https://doi.org/10.33258/birci.v3i4.1333>
- Bank Negara Malaysia. (2024). Financial capability and inclusion demand side survey 2024 (Box 4). In *Annual report 2024*. https://www.bnm.gov.my/documents/20124/17493532/ar2024_en_box4.pdf
- Barroga, E., & Matanguihan, G. J. (2022). A practical guide to writing quantitative and qualitative research questions and hypotheses in scholarly articles. *Journal of Korean medical science*, 37(16), e121. <https://doi.org/10.3346/jkms.2022.37.e121>
- Barroso, M., & Laborda, J. (2022). Digital transformation and the emergence of the Fintech sector: Systematic literature review. *Digital Business*, 2(2), 100028. <https://doi.org/10.1016/j.digbus.2022.100028>
- Batool, K., Hayee, R., & Abbas, A. (2026). From screens to stocks how finfluencer opinions and credibility drive investment decisions in a digital world. *The Regional Tribune*, 5(1), 112-124. <https://doi.org/10.55737/trt/v-i.207>
- Baveja, G. S., & Verma, A. (2024). Impact of financial literacy on investment decisions and stock market participation using extreme learning machines. *arXiv*. <https://doi.org/10.48550/arXiv.2407.03498>
- Bećirović, S., Polz, E., & Tinkel, I. (2025). Exploring students' AI literacy and its effects on their AI output quality, self-efficacy, and academic performance. *Smart Learning Environments*, 12(1). <https://doi.org/10.1186/s40561-025-00384-3>
- Becker, J.-M., Ringle, C. M., Sarstedt, M., & Völckner, F. (2014). How collinearity affects mixture regression results. *Marketing Letters*, 26(4), 643–659. <https://doi.org/10.1007/s11002-014-9299-9>
- Ben-Shmuel, A. T., Hayes, A., & Drach, V. (2024). The gendered language of financial advice: Finfluencers, framing, and subconscious preferences. *Socius Sociological Research for a Dynamic World*, 10. <https://doi.org/10.1177/23780231241267131>

- Bhatt, P., & Bhatt, K. (2025). Finfluencers and financial futures: A study on social media's role in shaping financial decisions of young adults in Gujarat. *International Journal of Environmental Sciences*, 11(5s), 1140–1146. <https://doi.org/10.64252/2s3mr098>
- Biagini, G. (2025). Towards an AI-literate future: A systematic literature review exploring education, ethics, and applications. *International Journal of Artificial Intelligence in Education*, 1-51. <https://doi.org/10.1007/s40593-025-00466-w>
- Billari, F., Gentile, M., Linciano, N., & Saita, F. (2019). Who intends to become financially literate? Insights from the theory of planned behaviour [SSRN Working Paper No. 3494984]. <https://doi.org/10.2139/ssrn.3494984>
- Borde, A., Borgave, S., & Chugh, P. (2024). Finfluencers: Exploring the rise, risk and regulations. *Humanities and Social Science Studies*, 13(2), 110–117. https://www.researchgate.net/publication/382639778_FINFLUENCERS-_EXPLORING_THE_RISE_RISK_AND_REGULATIONS
- Brown, J. (2002). The Cronbach alpha reliability estimate The Cronbach alpha reliability estimate How should we interpret Cronbach alpha?. *JALT Testing & Evaluation SIG Newsletter*, 6(1), 17–18. <https://teval.jalt.org/test/PDF/Brown13.pdf>
- Bujang, M. A., Omar, E. D., Foo, D. H. P., & Hon, Y. K. (2024). Sample size determination for conducting a pilot study to assess reliability of a questionnaire. *Restorative Dentistry and Endodontics*, 49(1). <https://doi.org/10.5395/rde.2024.49.e3>
- Burgess, M. (2023, October 27). *Investors flock to loudest, least skilled voices on social media, finds research*. Advisor.ca. <https://www.advisor.ca/practice/planning-and-advice/investors-flock-to-loudest-least-skilled-voices-on-social-media-finds-research/>
- Cambridge University Press. (n.d.). *Literacy*. In Cambridge Dictionary. Retrieved March 24, 2026, from <https://dictionary.cambridge.org/dictionary/english/literacy>
- Cardoso, A., Pereira, M. S., Silva, A., Souza, A., Oliveira, I., & Figueiredo, J. (2024). The influence of digital influencers on Generation Y's adoption of

- fintech banking services in Brazil. *Sustainability*, 16(21), 9604.
<https://doi.org/10.3390/su16219604>
- CelerData. (2024). *Top 7 benefits of implementing real-time analytics*.
<https://celerddata.com/glossary/top-7-benefits-of-implementing-real-time-analytics>
- CFA Institute. (2023, May 24). *New research shows Gen Z are immersing themselves in the world of investing*.
<https://www.cfainstitute.org/about/press-room/2023/finra-cfa-institute-gen-z-research>
- CFA Institute. (2024a, June 26). *How TikTok is transforming financial advice*.
<https://www.cfainstitute.org/insights/articles/how-tiktok-transforming-financial-advice>
- CFA Institute. (2024b, January). *The finfluencer appeal: Investing in the age of social media*.
<https://rpc.cfainstitute.org/sites/default/files/-/media/documents/article/industry-research/finfluencer-report.pdf>
- Chairunnisa, A., & Dalimunthe, Z. (2021). Indonesian stock's influencer phenomenon: Did financial literacy on millennial age reduce herding behavior? *Jurnal Akuntansi Dan Keuangan*, 23(2), 62-68.
<https://doi.org/10.9744/jak.23.2.62-68>
- Chiu, T. K. F. (2024a). The impact of generative AI (GenAI) on practices, policies and research direction in education: A case of ChatGPT and midjourney. *Interactive Learning Environments*, 32(10), 6187–6203.
<https://doi.org/10.1080/10494820.2023.2253861>
- Chiu, T. K. F. (2024b). *Empowering K-12 education with AI: Preparing for the future of education and work* (1st ed.). Routledge.
<https://doi.org/10.4324/9781003498377>
- Choudhary, G. S., & Yamuna, G. (2025). The social media factor: Assessing influencer impact on investment risk perception and decision-making. *The Review of Finance and Banking*, 17(1), 7–24. <http://dx.doi.org/10.24818/rfb.25.17.01.01>

- Chuan, C. L. (2006). Sample size estimation using Krejcie and Morgan and Cohen statistical power analysis: A comparison. *Jurnal Penyelidikan IPBL*, 7(1), 78-86.
- Dalimunthe, Z., Chairunnisa, A., & Triono, R. A. (2023). Are social media users blindly following influencers' recommendations on investing? *Indonesian capital market review*, 15(1), 1. <https://doi.org/10.21002/icmr.v15i1.1165>
- Dare, S. E., van Dijk, W. W., van Dijk, E., van Dillen, L. F., Gallucci, M., & Simonse, O. (2022). How executive functioning and financial self-efficacy predict subjective financial well-Being via positive financial behaviors. *Journal of Family and Economic Issues*, 44. <https://doi.org/10.1007/s10834-022-09845-0>
- Darvishan, S. (2024). Effects of investment knowledge on investment decision: Mediating role of financial literacy. *Research Journal of Management Reviews*, 9(2), 9-17. https://www.researchgate.net/profile/Sima-Darvishan/publication/387318818_Effects_of_Investment_Knowledge_on_Investment_Decision_Mediating_Role_of_Financial_Literacy/links/67687e00117f340ec3d283cf/Effects-of-Investment-Knowledge-on-Investment-Decision-Mediating-Role-of-Financial-Literacy.pdf
- Das, M., Jain, P., Singh, G., Saini, D., & Khattar, E. (2025). Assessing the role of financial influencers in environmental, social, and governance (ESG) investment decisions among Gen Z. *Corporate Governance Insight*, 7(1), 1–26. <https://doi.org/10.58426/cgi.v7.i1.2025.1-26>
- Department of Statistics Malaysia. (2024). Malaysia digital economy 2024. https://storage.dosm.gov.my/gdp/digitaleconomy_2023.pdf
- Department of Statistics Malaysia. (2025). Population table : Malaysia. OpenDOSM. https://open.dosm.gov.my/data-catalogue/population_malaysia
- Dharma, I. B. S., Hengky., Lim, L. C., Lim, S. N., Lim, S. Z., Lim, Z. Y., Nsobundu, U. B., Ilyas, S. S., Teoh, K. B., Odebunmi, A. T., Liem, G. S., Edeh, F. O., & Sinha, R. K. (2024). The effect of influencer marketing on Gen Z purchasing intentions in emerging economies. *Education*, 7, 221-240. <https://doi.org/10.32535/apjme.v7i3.3540>

- Dinh, T. C. T., Wang, M., & Lee, Y. (2023). How does the fear of missing out moderate the effect of social media influencers on their followers' purchase intention? *SAGE Open*, 13(3). <https://doi.org/10.1177/21582440231197259>
- Eichler, K. S., & Schwab, E. (2024). Evaluating robo-advisors through behavioral finance: A critical review of technology potential, rationality, and investor expectations. *Frontiers in Behavioral Economics*, 3, 1489159. <https://doi.org/10.3389/frbhe.2024.1489159>
- Emplifi. (2024, May 29). *Financial influencers saw double the follower growth versus peers on Instagram and YouTube over the past 12 months*. <https://emplifi.io/press/financial-influencers-saw-double-the-follower-growth-versus-peers/>
- FINRA Foundation & CFA Institute. (2023, May 24). *Gen Z and investing: Social media, crypto, FOMO, and family*. https://rpc.cfainstitute.org/-/media/documents/article/industry-research/Gen_Z_and_Investing.pdf
- Firmansyah, D., & Saepuloh, D. (2022). Social learning theory: Cognitive and behavioral approaches. *Jurnal Ilmiah Pendidikan Holistik (JIPH)*, 1(3), 297–324. <https://doi.org/10.55927/jiph.v1i3.2317>
- Furinto, A., Tamara, D., Yenni, & Rahman, N. J. (2023). Financial and digital literacy effects on digital investment decision mediated by perceived socio-economic status. *E3S Web of Conferences*, 426, 02076. <https://doi.org/10.1051/e3sconf/202342602076>
- Geenen, S. (2023). *The impact of financial influencers on social media on the financial literacy of young adults* [Unpublished Masters thesis]. Tilburg University. <https://arno.uvt.nl/show.cgi?fid=162727>
- Gerlich, M. (2025). The Shifting Influence: Comparing AI tools and human influencers in Consumer Decision-Making. *AI*, 6(1), 11. <https://doi.org/10.3390/ai6010011>
- Gerritsen, D., & de Regt, A. (2025). Influencers and consumer financial decision-making. *International Journal of Consumer Studies*, 49(2), <https://doi.org/10.1111/ijcs.70037>

- Ghanad, A. (2023). An overview of quantitative research methods. *International journal of multidisciplinary research and analysis*, 6(08), 3794-3803. <https://doi.org/10.47191/ijmra/v6-i8-52>
- Gomstyn, A., & Jonker, A. (2024). *AI literacy: Closing the artificial intelligence skills gap*. IBM Think. <https://www.ibm.com/think/insights/ai-literacy>
- Gothe, R., & Mishra, J. (2023). Role of herd behavior on investment decision of mutual fund investors in India-An empirical study. *Tuijin Jishu/Journal of Propulsion Technology*, 44(4), 2023. <https://doi.org/10.52783/tjjpt.v44.i4.1440>
- Grand View Research. (2025). *Artificial intelligence market size, share & trends analysis report — global forecasts (2026–2033)*. Grand View Research. <https://www.grandviewresearch.com/industry-analysis/artificial-intelligence-ai-market>
- Guo, X., Huang, Y., Sun, Q., & Yeung, B. Y. (2025). Digital transmission of financial knowledge: Evidence from stock market investment. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.5094789>
- Gürsoy, S. (2025). Artificial intelligence literacy and the digital divide: Implications for financial investors. *Journal of Business and Econometrics Studies*, 2(1), 1-9. <https://doi.org/10.61440/JBES.2025.v2.52>
- Hagger, M. S., Cheung, M. W. L., Ajzen, I., & Hamilton, K. (2022). Perceived behavioral control moderating effects in the theory of planned behavior: A meta-analysis. *Health Psychology*, 41(2), 155. <https://doi.org/10.1037/hea0001153>
- Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, 31(1), 2–24. <https://doi.org/10.1108/EBR-11-2018-0203>
- Hamamci, H. N., & Aren, S. (2024). The direct and indirect effects of financial influencer credibility on investment intention. *Croatian Review of Economic, Business and Social Statistics*, 10(1), 57-69. <https://doi.org/10.62366/crebss.2024.1.005>
- Hasan, M. K. H., & Kumar, L. K. (2024). Determining adequate sample size for social survey research: Sample size for social survey research. *Journal of*

- the Bangladesh Agricultural University*, 22(2), 146–157.
<https://doi.org/10.3329/jbau.v22i2.74547>
- Hasanah, E. N., Koesrindartoto, D. P., Wiryono, S. K., & Angelica, A. E. (2025). Who deserves to be the finfluencer? *Journal of Open Innovation: Technology, Market, and Complexity*, 11(2), 100553.
<https://doi.org/10.1016/j.joitmc.2025.100553>
- Hassan, Z. A., Schattner, P., & Mazza, D. (2006). Doing a pilot study: Why is it essential? *Malaysian Family Physician*, 1(2-3), 70–73.
<https://pmc.ncbi.nlm.nih.gov/articles/PMC4453116/>
- Hayes, A. S., & Ben-Shmuel, A. T. (2024). Under the finfluence: Financial influencers, economic meaning-making and the financialization of digital life. *Economy and Society*, 53(3), 478–503.
<https://doi.org/10.1080/03085147.2024.2381980>
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, 43(1), 115–135.
<https://link.springer.com/article/10.1007/s11747-014-0403-8>
- Hong Leong Bank. (2024, February 15). *Hong Leong bank wealth perception survey: Only 12% of Malaysians consider themselves wealthy, yet most do not have a documented financial plan.* <https://www.hlb.com.my/en/personal-banking/news-updates/hlb-wealth-perception-survey.html>
- Ibrahim, K. M., Abdullahi, S. R., & Friday, A. (2022). Information content of annual financial reports and equities performance in Nigerian financial firms. *Journal of Accounting and Management Sciences*, 3(1), 159–173.
- Inkpen, K., Shreya Chappidi, Mallari, K., Besmira Nushi, Ramesh, D., Pietro Michelucci, Mandava, V., Libuše Hannah Vepřek, & Quinn, G. (2023). Advancing human-AI complementarity: The impact of user expertise and algorithmic tuning on joint decision making. *ACM Transactions on Computer-Human Interaction*, 30(5), 1–29.
<https://doi.org/10.1145/3534561>
- Ionescu, S. A., & Diaconita, V. (2023). Transforming financial decision-making: the interplay of AI, cloud computing and advanced data management

- technologies. *International Journal of Computers Communications & Control*, 18(6). <https://doi.org/10.15837/ijccc.2023.6.5735>
- International Organization of Securities Commissions. (2025, May 8). *Final report: Finfluencer*. <https://www.iosco.org/library/pubdocs/pdf/IOSCOPD795.pdf>
- Isaia, E., & Oggero, N. (2022). The potential use of robo-advisors among the young generation: Evidence from Italy. *Finance Research Letters*, 48, 103046. <https://doi.org/10.1016/j.frl.2022.103046>
- Jamal, S., Zeb, A., & Mustafa, S. N. (2025). Artificial intelligence in financial decision-making: Unveiling the mediating role of financial literacy and the moderating influence of risk perception on investment outcomes. *Advance Journal of Econometrics and Finance*, 3(4), 56–67. <https://doi.org/10.63075/xm23j910>
- Jha, S., & Jose, S. (2025). The influence of finfluencers on financial behaviour among Gen Z and millennials: The mediating role of financial literacy. *International Journal For Multidisciplinary Research*, 7(2). <https://doi.org/10.36948/ijfmr.2025.v07i02.38469>
- Jones, B. (2024, March 7). *What is AI Literacy?*. Data Literacy. <https://dataliteracy.com/what-is-ai-literacy/>
- Junaidi, J., & Nurhidayah, N. (2023). Social media impact on trading behavior: An examination among Indonesian young adult investors with capital market literacy as a mediator. *JEMA: Jurnal Ilmiah Bidang Akuntansi dan Manajemen*, 20(1), 136–155. <https://doi.org/10.31106/jema.v20i1.19687>
- Juned, A. M., Abd Aziz, A., Mohd Sharif, N. A., Md Shah, N. K., Yatim, A. I. A., & Wan Fakhrudin, W. F. W. (2024). The language of lies: An analysis of deceptive linguistic cues on Malaysian investors' decision making. *International Journal of Research and Innovation in Social Science*, 8(10), 668–673. <https://dx.doi.org/10.47772/IJRISS.2024.8100056>
- Kawamura, T., Mori, T., Motonishi, T., & Ogawa, K. (2021). Is financial literacy dangerous? Financial literacy, behavioral factors, and financial choices of households. *Journal of the Japanese and International Economies*, 60, 101131. <https://doi.org/10.1016/j.jjie.2021.101131>

- Kemp, S. (2024a, February 22). *Digital 2024: The United States of America*. DataReportal. <https://datareportal.com/reports/digital-2024-united-states-of-america>
- Kemp, S. (2024b, February 21). *Digital 2024: The United Kingdom*. DataReportal. <https://datareportal.com/reports/digital-2024-united-kingdom>
- Kemp, S. (2024c, February 21). *Digital 2024: Australia*. DataReportal. <https://datareportal.com/reports/digital-2024-australia>
- Kemp, S. (2024d, February 21). *Digital 2024: Singapore*. DataReportal. <https://datareportal.com/reports/digital-2024-singapore>
- Kemp, S. (2024e, February 21). *Digital 2024: Japan*. DataReportal. <https://datareportal.com/reports/digital-2024-japan>
- Kemp, S. (2024f, February 21). *Digital 2024: Indonesia*. DataReportal. <https://datareportal.com/reports/digital-2024-indonesia>
- Kemp, S. (2024g, February 21). *Digital 2024: India*. DataReportal. <https://datareportal.com/reports/digital-2024-india>
- Kemp, S. (2024h, February 23). *Digital 2024: Malaysia*. DataReportal. <https://datareportal.com/reports/digital-2024-malaysia>
- Khambholja, M. (2025). AI in investing: Transforming how we manage and grow wealth. *OpenXcell*. <https://www.openxcell.com/blog/ai-in-investing/>
- Khan, N. S., Rehman, U. S., Raza, K., Aslam, A., & Iqbal, A. (2023). The Cost-Benefit analysis and big data analytics of adopting Solar microgrids in Jordan's Rural areas: Implications for energy policy and sustainable management. *Journal of Excellence in Management Sciences*, 2(2), 52-56. https://www.researchgate.net/publication/375692287_The_Cost-Benefit_Analysis_and_Big_Data_Analytics_of_Adopting_Solar_Microgrids_in_Jordan's_Rural_Areas_Implications_for_Energy_Policy_and_Sustainable_Management
- Khoury, C. (2022). *Influencers credibility on Instagram and its impacts on generation z's purchase intention* [Doctoral dissertation, Notre Dame University-Louaize]. <http://ir.ndu.edu.lb/123456789/1545>

- Krejcie, R. V., & Morgan, D. W. (1970). Determining sample size for research activities. *Educational and Psychological Measurement*, 30, 607-610. <https://doi.org/10.1177/001316447003000308>
- Kulal, A., Rahiman, H., Riha Parvin, S. M., Kambali, U., & Panakaje, N. (2024). Impact of trust-building strategies on investment decisions: Mediating role of the financial advisor-client relationship. *Investment Management and Financial Innovations*, 21(4), 254-266. [http://dx.doi.org/10.21511/imfi.21\(4\).2024.20](http://dx.doi.org/10.21511/imfi.21(4).2024.20)
- Kumar, N. (2024). *Strategies for effective personal finance planning* [SSRN Working Paper No. 4844941] <https://doi.org/10.2139/ssrn.4844941>
- Kusmaryono, I., Wijayanti, D., & Maharani, H. R. (2022). Number of response options, reliability, validity, and potential bias in the use of the Likert scale education and social science research: A literature review. *International Journal of Educational Methodology*, 8(4), 625-637. <https://doi.org/10.12973/ijem.8.4.625>
- Kustitik, K., Pratikto, H., Wahyono, H., & Wulandari, D. (2025). Family financial socialization and social media: Their impact on educational investment decision among worker students, mediated by financial literacy and internal locus of control. *Al-Ishlah: Jurnal Pendidikan*, 17(1), 1051–1064. <https://doi.org/10.35445/alishlah.v17i1.6482>
- Latikka, R., Savela, N., Koivula, A., & Oksanen, A. (2021). Perceived robot attitudes of other people and perceived robot use self-efficacy as determinants of attitudes toward robots. *Lecture Notes in Computer Science*, 262–274. https://doi.org/10.1007/978-3-030-78465-2_20
- Lazarony, L. (2025, June 27). *Is the finfluencer you're watching a crook? Here's how to know*. Investopedia. <https://www.investopedia.com/is-the-finfluencer-youre-watching-a-crook-heres-how-to-know-11739982>
- Lim, W. M. (2024). What is quantitative research? An overview and guidelines. *Australasian Marketing Journal*, 33(3), 325-348. <https://doi.org/10.1177/14413582241264622>
- Liu, X., Zhang, L., & Wei, X. (2025). Generative artificial intelligence literacy: Scale development and its effect on job performance. *Behavioral Sciences*, 15(6), 811. <https://doi.org/10.3390/bs15060811>

- Luan, C. C., Chen, K. L., Ko, C. Y., Lin, P. M., & Phan, T. A. (2024). Effects of finance knowledge influencer qualities on investment willingness and the moderation of followers' risk tolerance. *Journal of Consumer Behaviour*, 23(4), 1979-1994. <https://doi.org/10.1002/cb.2319>
- Lunn, E. (2025, June 23). *Investors turning to finfluencers and AI for advice*. Your Money. <https://www.yourmoney.com/investing/investors-turning-to-finfluencers-and-ai-for-advice/>
- Manikandan.C. & Aravind.J. (2025). From influence to investment: The role of finfluencers in shaping retail investor behaviour in Kerala. *Indian Journal of Economics and Research*,14(2). <https://dspace.nsscologegemanjeri.ac.in/xmlui/bitstream/handle/123456789/98/Arthshastra%20-%201%20-%20Dr.Aravind.J.pdf?sequence=1&isAllo wed=y>
- Manlapaz, M. A., Quendangan, E., & Leyba, C. J. H. (2024). Impact of digital banking on broadening investment access: Basis for enhanced financial decision-making plan. *Sibatik Journal: Jurnal Ilmiah Bidang Sosial, Ekonomi, Budaya, Teknologi, dan Pendidikan*, 3(9), 1093-1110. <https://doi.org/10.54443/sibatik.v3i9.2315>
- Martaningrat, N. W. S., & Kurniawan, Y. (2024). The impact of financial influencers, social influencers, and FOMO economy on the decision-making of investment on millennial generation and Gen Z of Indonesia. *Journal of Ecohumanism*, 3(3), 1319-1335. <https://doi.org/10.62754/joe.v3i3.3604>
- Masithoh, F. N. (2024). The impact of social media influencers on personal finance and investment decisions: Case study of students of the IAI Uluwiyah Mojokerto Sharia Economics Program. *Jurnal At-Tamwil: Kajian Ekonomi Syariah*, 6(2), 196-214. <https://doi.org/10.33367/at-tamwil.v6i2.5825>
- Md Husin, M., Aziz, S., & Bhatti, T. (2023). The impact of brand familiarity, perceived trust and attitude on investors' decision-making in Islamic stock market. *Journal of Islamic Marketing*, 14(8), 2009-2026. <https://doi.org/10.1108/JIMA-04-2020-0093>
- Meesook, K., Imjai, N., Usman, B., Vongchavalitkul, B., & Aujiरणongpan, S. (2025). The influence of AI literacy on risk management skills and the roles

- of diagnostic capabilities and prognostic capabilities: Empirical insight from Thai gen Z accounting students. *International Journal of Information Management Data Insights*, 5(1), 100341. <https://doi.org/10.1016/j.jjime.2025.100341>
- Memon, M. A., Ramayah, T., Cheah, J. H., Ting, H., Chuah, F., & Cham, T. H. (2021). PLS-SEM statistical programs: a review. *Journal of Applied Structural Equation Modeling*, 5(1), 1-14. [https://doi.org/10.47263/JASEM.5\(1\)06](https://doi.org/10.47263/JASEM.5(1)06)
- Mishra, S., Suganthiya, M. S., & Sharma, B. (2025). The financial fallout of influencer culture: How social media drives investment trends and market manipulation. *Journal of Engineering and Technology Management*, 76, 349–364. https://www.researchgate.net/profile/Suganthiya-Ms/publication/392562831_THE_FINANCIAL_FALLOUT_OF_INFLUENCER_CULTURE_HOW_SOCIAL_MEDIA_DRIVES_INVESTMENT_TRENDS_AND_MARKET_MANIPULATION/links/68490feec33afe388acb45d1/THE-FINANCIAL-FALLOUT-OF-INFLUENCER-CULTURE-HOW-SOCIAL-MEDIA-DRIVES-INVESTMENT-TRENDS-AND-MARKET-MANIPULATION.pdf
- Mölders, M., Bock, L., Barrantes, E., & Zülch, H. (2025). Understanding finfluencers: Roles and strategic partnerships in retail investor engagement. *Journal of Business Research*, 198, 115462. <https://doi.org/10.1016/j.jbusres.2025.115462>
- Morasch, C. P., Ahlf, H., & Sadrieh, K. (2026). “*The Finfluencer Effect*”: *The Role of Source Credibility, Parasocial Relationships, and Brand Trust in Financial Decision-Making* [SSRN Working Paper No. 6049363]. <http://dx.doi.org/10.2139/ssrn.6049363>
- Mu’awiyah, S., & Jurana, J. (2025). Financial behavior patterns of Generation Z: Netnographic analysis of the Fear of Missing Out (FoMO) phenomenon. *Journal of Tourism Economics and Policy*, 5(1), 23–34. <https://doi.org/10.38142/jtep.v5i1.1215>
- Mubaraq, M. R., Anshori, M., & Trihatmoko, H. (2021). The influence of financial knowledge and risk tolerance on investment decision making. *Jurnal*

- Ekonomi Bisnis Dan Kewirausahaan*, 10(2), 140.
<https://doi.org/10.26418/jebik.v10i2.47089>
- Musialik-Chmiel, A., Jerzy Gołuchowski, & Agata Berdowska. (2025). Credibility of financial influencers and its affect on Generation Z investors' behaviors and decisions. *Routledge EBooks*, 213–222.
<https://doi.org/10.4324/9781003534280-21>
- Nadhila, A., Roy Sembel, R. S., & Malau, M. (2024). The Influence of Overconfidence and Risk Perception on Investment Decisions: The Moderating Effect of Financial Literacy on Individual Millennial Generation Investors. *Eduvest - Journal of Universal Studies*, 4(6), 5280–5299. <https://doi.org/10.59188/eduvest.v4i6.1219>
- Nartallo, V. P. (2021, October 8). 'Finfluencers': Financial education and regulator surveillance. BBVA.
<https://www.bbva.com/en/innovation/finfluencers-financial-education-and-regulator-surveillance/>
- Natahadi, H., Makaryanawati, M., & Keliwon, K. B. (2024). Impact of influencer trustworthiness and financial literacy on herding behavior with risk perception mediating variables of Indonesian millennial investors. *International Journal of Social Service and Research*, 4(01), 15-30.
<https://doi.org/10.46799/ijssr.v4i01.648>
- Ngamchuea, S. (2021). *The impact of financial literacy, human behaviour, and influencer credibility factors toward financial behaviour* [Unpublished manuscript]. Bangkok University's DSpace Repository.
<http://dspace.bu.ac.th/bitstream/123456789/5460/1/siwada.ngam.pdf>
- Ningtyas, M. N., Fikriah, N. L., & Pradana, A. W. S. (2024). Muslim Gen Z investment decision: An analysis using social media factors. *Journal of Islamic Economic and Business Research*, 4(1), 108–125.
<https://doi.org/10.18196/jiebr.v4i1.292>
- Nourallah, M., Öhman, P., & Amin, M. (2023). No trust, no use: how young retail investors build initial trust in financial robo-advisors. *Journal of Financial Reporting and Accounting*, 21(1), 60-82. <https://doi.org/10.1108/JFRA-12-2021-0451>

- Nugraha, R. K., Eksanti, A. P., & Haloho, Y. O. (2022). The influence of financial literacy and financial behavior on investment decision. *Jurnal Ilmiah Manajemen Dan Bisnis*, 8(1), 68. <http://dx.doi.org/10.22441/jimb.v8i1.13535>
- Oliveira, L. P., & Silva, C. A. T. (2025). The opinion of a digital influencer and the investment decision when accounting information is available. *SAGE Open*, 15(3). <https://doi.org/10.1177/21582440251369597>
- Organisation for Economic Co-operation and Development. (2023, December 13). *OECD/INFE 2023 international survey of adult financial literacy*. <https://doi.org/10.1787/56003a32-en>
- Organisation for Economic Co-operation and Development. (2024). *Regulatory approaches to Artificial Intelligence in finance*. <https://doi.org/10.1787/f1498c02-en>
- Pande, D. (2025). Role of finfluencers: Impact on investment choices and the necessity for regulation. *Academy of Marketing Studies Journal*, 29(S5), 1–19. <https://www.abacademies.org/articles/role-of-finfluencers-impact-on-investment-choices-and-the-necessity-for-regulation.pdf>
- Pandey, L. K., Singh, R., Baker, H. K., & Laskar, H. R. (2025). Beyond the screen: How YouTube influencers shape equity investment decisions. *Journal of Theoretical and Applied Electronic Commerce Research*, 20(1), 15. <https://doi.org/10.3390/jtaer20010015>
- Pandey, S. (2025). The role of behavioural finance in investment decision-making. *International Journal of Research Publication and Reviews*, 6(6), 6699-6705. <https://doi.org/10.1109/AUTOCOM64127.2025.10956259>
- Parsai, P., & Chandok, A. K. (2025). The role of financial literacy in investment decision-making: a review. *International Journal of Innovations in Science, Engineering And Management*, 296-301. <https://doi.org/10.69968/ijisem.2025v4i1296-301>
- Piacentino, L. (2025). *The transformative role of artificial intelligence in financial decision-making: Main applications in corporate and personal finance, impacts and future prospects* [Doctoral dissertation, Politecnico di Torino]. <https://webthesis.biblio.polito.it/secure/35631/1/tesi.pdf>

- Pinski, M., & Benlian, A. (2023). AI Literacy – Towards measuring human competency in artificial intelligence. *Proceedings of the 56th Hawaii International Conference on System Sciences (HICSS)*, 165–174. <https://doi.org/10.24251/HICSS.2023.021>
- Prasad, T. K. (2025). Micro-influencers and money: Assessing the impact of social media micro-influencers on the personal financial behaviors of young adults. *International Journal for Multidisciplinary Research*, 7(3). <https://doi.org/10.36948/ijfmr.2025.v07i03.44476>
- Praveen, R., Vemuri, H. K., Peri, S. S. S. R. G., Sista, S., Saxena, D. V., & Saxena, D. P. (2025). Enhancing financial literacy and personal investment decisions through AI and machine learning. *Journal of Marketing & Social Research*, 2(4), 268–280. <https://doi.org/10.61336/jmsr/25-04-36>
- Priscilla, F., & Saleh, M. (2023). Effect influencer, P2P reputation and risk perception towards investment decisions of millennial in P2P lending: Financial Literacy as a mediation variable. *Jurnal Dimensi*, 12(2), 364–387. https://www.researchgate.net/publication/377313895_EFFECT_INFLUENCER_P2P_REPUTATION_AND_RISK_PERCEPTION_TOWARDS_INVESTMENT_DECISIONS_OF_MILLENNIAL_IN_P2P_LENDING_FINANCIAL_LITERACY_AS_A_MEDIATION_VARIABLE
- Puntoni, S., Reczek, R. W., Giesler, M., & Botti, S. (2021). Consumers and artificial intelligence: An experiential perspective. *Journal of marketing*, 85(1), 131–151. <https://doi.org/10.1177/0022242920953847>
- Qadoos, A., AbouGrad, H., Wall, J., & Sharif, M. S. (2025). AI investment advisory: Examining robo-advisor adoption using financial literacy and investment experience variables. *Applied and Computational Engineering*, 125(1), 201–207. <https://doi.org/10.54254/2755-2721/2025.21287>
- Rajput, A., & Gandhi, A. (2024). Finfluencer: Exploring the untapped influence of financial influencers. In *Proceedings of the 2024 14th International Conference on Advanced Computer Information Technologies (ACIT)* (pp. 190–196). IEEE. <https://doi.org/10.1109/ACIT62333.2024.10712618>
- Raut, R. K. (2020). Past behaviour, financial literacy, and investment decision-making process of individual investors. *International Journal of Emerging Markets*, 15(6), 1243–1263. <https://doi.org/10.1108/IJOEM-07-2018-0379>

- Ravimalar,R. (2024, September 3). Cover Story: Rise of the finfluencer. *The Edge Malaysia*. <https://theedgemalaysia.com/node/724870>
- Riaz, S., Khan, H. H., Sarwar, B., Ahmed, W., Muhammad, N., Reza, S., & Ul Haq, S. M. N. (2022). Influence of financial social agents and attitude toward money on financial literacy: The mediating role of financial self-efficacy and moderating role of mindfulness. *SAGE Open*, 12(3), 215824402211171. <https://doi.org/10.1177/21582440221117140>
- Ricciardelli, A. & Parhizkari, P. (2024, May 16). The power of clicks, likes, and shares: promote the right kind of financial content. *CFA Institute*. <https://blogs.cfainstitute.org/investor/2024/05/16/the-power-of-clicks-likes-and-shares-promote-the-right-kind-of-financial-content/>
- Rijanto, B. P., & Utami, N. (2024). Financial technology, social media influencers, and experience of cryptocurrency investment decisions: Financial literacy's role. *Jurnal Manajemen Maranatha*, 23(2), 201-216. <https://doi.org/10.28932/jmm.v23i2.8717>
- Ringle, C. M., da Silva, D., & Bido, D. de S. (2014). Structural equation modeling with the SmartPLS. *Brazilian Journal of Marketing*, 13(2), 56–73. <https://doi.org/10.5585/remark.v13i2.2717>
- Rohania, N., & Yazdanianb, N. (2021). The Effects of Financial Knowledge and Financial Socialization on Financial Satisfaction: The Role of Attitude towards Financial Risk and Financial Behavior. *International Journal of Finance and Managerial Accounting*, 6(23), 169-179. http://www.ijfma.ir/article_17865_5f7983895ec97d07229eef8bbef9a5bf.pdf
- Rosa, W. D. R., & Bechler, C. J. (2024). Unveiling the adverse effects of artificial intelligence on financial decisions via the AI-IMPACT model. *Current Opinion in Psychology*, 58, 101843. <https://doi.org/10.1016/j.copsyc.2024.101843>
- Sabrina, S., Haliah, H., & Ferdiansah, M. I. (2025). Determinants of investment decisions in capital markets with trust as a moderator. In *Proceedings of the 9th International Conference on Accounting, Management, and Economics 2024 (ICAME 2024)*. Atlantis Press. https://doi.org/10.2991/978-94-6463-758-8_105

- Safitri, N. W. N., Saputri, L. G. E. A., & Siagian, R. A. (2025, June 25). Investment decisions among Millennials and Generation Z: The role of education, financial literacy, and Instagram content. *Jurnal Ilmiah Akuntansi dan Bisnis*, 10(1), 37–49. <https://doi.org/10.38043/jiab.v10i1.6741>
- Saima, & Khan, M. A. (2020). Effect of social media influencer marketing on consumers' purchase intention and the mediating role of credibility. *Journal of Promotion Management*, 27(4), 503-523. <https://doi.org/10.1080/10496491.2020.1851847>
- Saliha, S., & Samia, S. (2024). Understanding self-efficacy: The foundation for personal and academic success. *Ziglobitha*, 2(9), 93–110 <https://doi.org/10.60632/ziglobitha.n009.07.2024.vol3>
- Sarah, M., & Palavi, I. J. (2025). Impact of financial literacy on young adults' spending habits. *International Journal for Multidisciplinary Research*, 7(3). <https://doi.org/10.36948/ijfmr.2025.v07i03.44950>
- Schock, L. (n.d.). *Finfluencers, celebrities, social media: Should you listen to them?* Investor.gov. <https://www.investor.gov/additional-resources/spotlight/directors-take/finfluencers-celebrities-social-media>
- Schouten, A. P., Janssen, L., & Verspaget, M. (2021). Celebrity vs. Influencer endorsements in advertising: the role of identification, credibility, and Product-Endorser fit. In *Leveraged marketing communications* (pp. 208-231). Routledge. <https://www.taylorfrancis.com/reader/read-online/786cf569-0ef2-4eaa-815b-9716af30d8f4/chapter/pdf?context=ubx>
- Scribbr. (2023). *Bhandari P. Population vs. Sample | Definitions, differences & examples*. Retrieved May 31, 2023, from <https://www.scribbr.com/methodology/population-vs-sample/>
- Securities and Exchange Commission Thailand. (2024). *The Rise of Finfluencers: Mapping the landscape on Thailand's capital market*. https://www.sec.or.th/TH/Documents/SEC_Symposium_2024/SEC_Symposium_2024-08.pdf
- Securities Commission Malaysia. (2024, July 18). *SC issues guidance for finfluencers*. Securities Commission Malaysia. <https://www.sc.com.my/resources/media/media-release/sc-issues-guidance-for-finfluencers>

- Securities Commission Malaysia. (2025, 20 March). *Annual Report 2024*. Securities Commission Malaysia. <https://www.sc.com.my/api/documentms/download.ashx?id=528bda89-833b-42ef-8535-b2a751435ae1>
- Setthajit, R. & Sompang, A. (2025). Digital influence: Media exposure, risk perception, and investment decisions of young investors in Bangkok. *Asian Administration and Management Review*, 8(2), 19-19. <https://doi.org/10.14456/aamr.2025.44>
- Sianipar, G. J., Simanjuntak, S. I. R., Hasugian, C., & Tanjung, R. C. (2024). Improving investment decisions through financial knowledge. *JURISMA: Jurnal Riset Bisnis & Manajemen*, 14(2), 305-316. <https://doi.org/10.34010/jurisma.v14i2.13892>
- Sihombing, R. D., & Usman, O. (2025). Influence of influencers and capital on Gen Z stock decisions via risk. *International Student Conference on Business, Education, Economics, Accounting, and Management (ISC-BEAM)*, 3(1), 2571–2591. <https://doi.org/10.21009/isc-beam.013.186>
- Sinaga, A. J. N., & Usman, O. (2025). Influence of FOMO, information, and influencers on crypto investment decisions. *International Student Conference on Business, Education, Economics, Accounting, and Management (ISC-BEAM)*, 3(1), 2001–2018. <https://doi.org/10.21009/isc-beam.013.150>
- Singh, S., & Sarva, M. (2024). The rise of finfluencers: A digital transformation in investment advice. *Australasian Accounting, Business and Finance Journal*, 18(3), 269–286. <https://doi.org/10.14453/aabfj.v18i3.14>
- SmartAsset Team. (2024, October 17). *Pros and cons of micro investing*. Nasdaq. <https://www.nasdaq.com/articles/pros-and-cons-micro-investing>
- Social Cat. (2025, August 25). *Exposure: Your shortcut to brand visibility*. The Social Cat. <https://thesocialcat.com/glossary/exposure>
- Sokolova, K., & Kefi, H. (2020). Instagram and YouTube bloggers promote it, why should I buy? How credibility and parasocial interaction influence purchase intentions. *Journal of retailing and consumer services*, 53, 101742. <https://doi.org/10.1016/j.jretconser.2019.01.011>

- Sparks, J. R., Ober, T. M., Tenison, C., Arslan, B., Roll, I., Deane, P., Zapata-Rivera, D., & Gooch, R. (2024). *Opportunities and challenges for assessing digital and AI literacies*. Educational Testing Service. <https://www.ets.org/pdfs/rd/ets-digital-literacy-ai-full-report.pdf>
- Spohn, D. (2024). Financial resilience and innovation among Generation Z. *European Journal of Management, Economics and Business*, 1(3). [https://doi.org/10.59324/ejmeb.2024.1\(3\).04](https://doi.org/10.59324/ejmeb.2024.1(3).04)
- Stajkovic, A. D., & Luthans, F. (2002). *Social cognitive theory and self-efficacy: Implications for motivation theory and practice*. https://www.researchgate.net/publication/258995495_Social_cognitive_theory_and_self-efficacy_Implications_for_motivation_theory_and_practice
- Stajkovic, A. D., & Sergent, K. (2019). Social cognitive theory. *Oxford Bibliographies in Management*. <https://doi.org/10.1093/obo/9780199846740-0169>
- Statista (2023). *Digital Investment - User by Segment* [Chart].
- Statista. (2023). *Digital Investment - User by Age (25-34 years)* [Chart].
- Statista. (2023). *Digital Investment - User by Age (Malaysia)* [Chart].
- Subhaktiyasa, P. G. (2024). PLS-SEM for multivariate analysis: A practical guide to educational research using SmartPLS. *Journal of Education and Learning Innovation*, 4(3), 353-365. <https://doi.org/10.35877/454RI.eduline2861>
- Subramanian, S., & Sherene, A. (2023). The breed of finfluencer: Catalysts in shaping investment choices. *European Economic Letters*, 14(1). <https://doi.org/10.52783/eel.v14i1.1291>
- Sumra, H. (2025, January 15). Countries around the world ranked by average screen time. *Ooma*. <https://www.ooma.com/blog/countries-around-the-world-ranked-by-average-screen-time/>
- Sunarko, C., & Sutrisno, S. (2025). The effect of financial literacy, financial self-efficacy, financial technology literacy, and risk perception on stock investment decisions: Millennials preferences. *Asian Management and Business Review*, 19–34. <https://doi.org/10.20885/ambr.vol5.iss1.art2>

- Taherdoost, H. (2022). Designing a questionnaire for a research paper: A comprehensive guide to design and develop an effective questionnaire. *Asian Journal of Managerial Science*, 11(1), 8-16. <https://doi.org/10.51983/ajms-2022.11.1.3087>
- Tamara, D., Rafly, R., & Mersi, A. (2021). Attractiveness, trustworthiness and purchase intention in social media Instagram: The moderating role of the number of followers. *Syntax Idea*, 3(8), 1824–1833. <https://doi.org/10.46799/syntax-idea.v3i8.1453>
- Tavakol, M., & Dennick, R. (2011). *Making sense of Cronbach's alpha*. *International Journal of Medical Education*, 2, 53–55. <https://doi.org/10.5116/ijme.4dfb.8dfd>
- Tazkia, A., & Wijayanti, R. (2022). Pengaruh influencer keuangan dan literasi keuangan terhadap minat investasi generasi milenial di pasar modal. *Jurnal Management Risiko dan Keuangan*, 1(2), 112–127. <https://doi.org/10.21776/jmrk.2022.01.2.05>
- Thukral, A., & Mascarenhas, C. (2025). *Digital influence on money matters: The role of finfluencers in shaping financial behaviour in India*. Financial Planning Standards Board India. https://india.fpsb.org/wp-content/uploads/2025/08/Whitepaper_V1.pdf
- Tran, H. N. B., An, L. N. B., & Vinh, V. M. (2025). The influence of finfluencer authenticity and trust on Gen Z's investment intention: The moderating role of financial literacy. *Journal of Economics, Finance and Management Studies*, 8(10), 6633–6645. <https://doi.org/10.5281/zenodo.17255297>
- Tripathi, V. V. R., Jaiswal, R., Srivastava, M. K., & Srivastava, A. K. (2025). Leveraging finfluencer credibility for enhanced client engagement and investment decisions: insights from PLS-SEM. *International Journal of Global Business and Competitiveness*, 20(2), 155-162. <https://doi.org/10.1007/s42943-025-00123-y>
- Trisno, B., & Vidayana, V. (2023). Understanding herding behavior among Indonesian stock market investors. *E3S Web of Conferences*, 426. EDP Sciences. <https://doi.org/10.1051/e3sconf/202342601088>
- Uddin, M., Ali, M. A., Alhumoudi, H., Habib, S., Vivek, V., & Khan, M. A. (2024). The effect of financial literacy on investment decision making in Kingdom

- of Saudi Arabia: An empirical study. *Journal of Infrastructure, Policy and Development*, 8(10), 1-22. <https://doi.org/10.24294/jipd.v8i10.6732>
- Umakanth, S., Kochar, R., Gandhi, H. D., Charan, G., Jain, M., & Jain, R. R. (2024). Analysis on impact of financial influencers on Gen Z investing in India. *International Journal for Multidisciplinary Research (IJFMR)*, 6(2), 1–18. <https://www.ijfmr.com/papers/2024/2/15677.pdf>
- Usha, S., & Magesh, P. (2025). Impact of social media and finfluencers on investment behavior. *International Advanced Research Journal in Science, Engineering and Technology*, 12(7), 22. <https://iarjset.com/papers/impact-of-social-media-and-finfluencers-on-investment-behavior/>
- Utami, N., Sitanggang, M. L., & Sitanggang, M. L. (2021). The analysis of financial literacy and its impact on investment decisions: A study on Generation Z In Jakarta. *Inovbiz: Jurnal Inovasi Bisnis*, 9(1), 33–40. <https://doi.org/10.35314/inovbiz.v9i1.1840>
- Van Teijlingen, E., & Hundley, V. (2002). The importance of pilot studies. *Nursing Standard (through 2013)*, 16(40), 33. <https://www.proquest.com/openview/e1c79ecc86d8b228530d189b81b25f63/1?pq-origsite=gscholar&cbl=30130>
- Wafula, P. S. (2022, April 15). Financial literacy around the world. *SMMC News & Events Blog*. <https://blogs.illinois.edu/view/7550/558591870>
- Wang, B., Rau, P.-L. P., & Yuan, T. (2022). Measuring user competence in using artificial intelligence: validity and reliability of artificial intelligence literacy scale. *Behaviour & Information Technology*, 42(9), 1–14. <https://doi.org/10.1080/0144929x.2022.2072768>
- Wangi, L. A. L. G. C., & Baskara, I. G. K. (2021). The effect of financial attitude, financial behavior, financial knowledge, and sociodemographic factors on individual investment decision behavior. *American Journal of Humanities and Social Sciences Research (AJHSSR)*, 5(2), 519-527. <https://www.ajhssr.com/wp-content/uploads/2021/02/ZZI2152519527.pdf>
- Wangzhou, K., Khan, M., Hussain, S., Ishfaq, M., & Farooqi, R. (2021). Effect of regret aversion and information cascade on investment decisions in the real estate sector: The mediating role of risk perception and the moderating

- effect of financial literacy. *Frontiers in Psychology*, 12. <https://doi.org/10.3389/fpsyg.2021.736753>
- Wardropper, C. B., Dayer, A. A., Goebel, M. S., & Martin, V. Y. (2021). Conducting conservation social science surveys online. *Conservation Biology*, 35(5), 1650–1658. <https://doi.org/10.1111/cobi.13747>
- Warje, K. (n.d.). *Social cognitive theory (SCT)*. The Decision Lab. Retrieved March 24, 2026, from <https://thedecisionlab.com/reference-guide/psychology/social-cognitive-theory>
- Warkar, A. D., & Durai, T. (2025). Behavioural biases in Gen Z's investment decisions: Influence of finfluencer narratives. *IOSR Journal of Business and Management*, 27(6, Ser.-9), 37–43. <https://doi.org/10.9790/487X-2706093743>
- Widjaja, S. S. (2020). *The effect of investor personality traits on investment intention of Indonesia EdTech startup with mediating role of financial self-efficacy* [Master's thesis]. Sekolah Tinggi Manajemen IPMI. <http://repository.ipmi.ac.id/id/eprint/1051>
- Wijaya, L., Kusuma, I. G. W. A., & Khourouh, U. (2024). Peran influencer dalam investasi cryptocurrency: Literasi keuangan digital mediator ataukah moderator? *Business Management Research*, 3(2), 99–109. <https://doi.org/10.26905/bismar.v3i2.14050>
- Willie, M. M. (2024). Population and target population in research methodology. *Golden Ratio of Social Science and Education*, 4(1), 75–79. <https://doi.org/10.52970/grsse.v4i1.405>
- Yanti, F., & Endri, E. (2024). Financial behavior, overconfidence, risk perception and investment decisions: The mediating role of financial literacy. *International Journal of Economics and Financial Issues*, 14(5), 289. <https://doi.org/10.32479/ijefi.16811>
- Yanto, H., Ismail, N., Kiswanto, K., Rahim, N. M., & Baroroh, N. (2021). The roles of peers and social media in building financial literacy among the millennial generation: A case of Indonesian economics and business students. *Cogent Social Sciences*, 7(1), 1947579. <https://doi.org/10.1080/23311886.2021.1947579>

- Youssef, N., Saleeb, M., Gebreal, A., & Ghazy, R. M. (2023). The internal reliability and construct validity of the Evidence-Based Practice Questionnaire (EBPQ): Evidence from healthcare professionals in the Eastern Mediterranean Region. *Healthcare*, 11(15), 2168. <https://doi.org/10.3390/healthcare11152168>
- Zainordin, N. A., Lee, S. A., Kho, Y. X., Rosli, N. A. I. M., & Annuar, N. (2025). The role of financial literacy in shaping stock market investment behaviour of Generation Z in Klang Valley. *Jurnal Intelek*, 20(1), 163-171. <https://doi.org/10.24191/ji.v20i1.3810>
- Zaman, U. (2025). Nexus of consumer trust in FinTok influencers, consumer engagement, data privacy concern, financial literacy and travel scam avoidance. *Pakistan Journal of Commerce and Social Sciences (PJCSS)*, 19(1), 1-27. <https://doi.org/10.64534/Comm.2025.001>
- Zega, S. H., & Satato, Y. (2025). Exploring factors influencing millennial generation investment decisions in Indonesian Capital Market: A phenomenological study approach. *Accounting and Finance Studies*, 5(1), 067-081. <https://doi.org/10.47153/afs51.13992025>

APPENDIX



Wholly owned by UTAR Education Foundation

UNIVERSITI TUNKU ABDUL RAHMAN

Teh Hong Pow Faculty of Business and Finance

Bachelor of Finance (Hons)

Title of topic: Finfluencer and Digital Investment Decision: The Mechanism of Financial Knowledge and Artificial Intelligence Literacy

Survey Questionnaire

We are final year undergraduate students pursuing Bachelor of Finance (Hons) from University Tunku Abdul Rahman (UTAR) Kampar Campus.

You are invited to participate in a research study on **FINFLUENCER AND DIGITAL INVESTMENT DECISION: THE MECHANISM OF FINANCIAL KNOWLEDGE AND ARTIFICIAL INTELLIGENCE LITERACY**. This study aims to explore how characteristics of finfluencers' exposure, credibility, and trustworthiness affect investment decision-making in the digital environment. By doing so, the study aims to provide deeper insights into the mechanisms that shape investor behavior in the era of digital finance.

The survey will take approximately **15 minutes** to complete. You will be asked to answer questions about your experiences with finfluencers, your perceptions of their trustworthiness, credibility, and your digital financial literacy and AI literacy. We aim to recruit approximately **385 respondents** for this research.

Your participation is completely voluntary. You may skip any question you do not wish to answer, and you may withdraw from the study at any point without any penalty. If you do not wish to continue, simply close your browser window.

All responses will be kept strictly confidential. Data will only be analyzed in aggregate form, and no identifying information (such as IP addresses) will be collected. Your responses will remain completely anonymous. Findings may be shared through **academic publications, conference presentations, or university reports**. While there may be no direct personal benefit, your participation will help improve understanding of how finfluencers and digital literacy affect investment

decisions in today's digital environment, which may benefit society by informing financial education and policy.

There are **no known risks** to participating in this study beyond those encountered in everyday life.

If you have any questions about this project, you may contact:

Chan Sze Min: csm1006@utar.my

Koay Zhi Xuan: koaynicole@utar.my

Lin Lai Kee: laikeelin00@utar.my

Yap Wan Yi: yapwany040422@utar.my

Instructions:

1) There are SEVEN (7) sections in this questionnaire. Please answer ALL questions in ALL sections.

2) Please be informed that in accordance with Personal Data Protection Act 2010 ("PDPA") which came into force on 15 November 2013, Universiti Tunku Abdul Rahman ("UTAR") is hereby bound to make notice and require consent in relation to collection, recording, storage, usage and retention of personal information.

Acknowledgment of Notice

☐	I have been notified by you and that I hereby understood, consented and agreed per UTAR notice.
☐	I disagree, my personal data will not be processed.

Section A: Demographic

This section presents the demographic profile of the respondents. It includes information on gender, age, race, state of residence, and level of education.

Gender:

☐	Male
☐	Female

Race:

☐	Malay
☐	Chinese
☐	Indian

Age:

☐	20 - 29 years old
☐	30 - 39 years old
☐	40 - 59 years old

State:

☐	Johor
☐	Kedah
☐	Kelantan
☐	Melaka (Malacca)
☐	Negeri Sembilan
☐	Pahang
☐	Penang (Pulau Pinang)
☐	Perak
☐	Perlis
☐	Sabah
☐	Sarawak
☐	Selangor
☐	Terengganu

Highest level of education:

☐	Primary or Secondary Education
☐	Pre-U or Diploma / Advance diploma
☐	Bachelor's degree / Professional qualification
☐	Master or PhD

Employment Status:

☐	Full time employment
☐	Part time employment
☐	Unemployment

Income Level:

☐	RM 2,000 and below
☐	RM 2,001 to RM 4,000
☐	RM4,001 to RM6,000
☐	RM6,001 and above

Section B: Research Variables

This section will cover questions related to the audience's exposure to influencers, as well as their perceived credibility and trustworthiness. In addition, it will also address digital financial literacy, AI literacy, and digital investment decision-making.

Dimension 1: Exposure to finfluencers

Statement		Strongly Disagree	Disagree	Somewhat Disagree	Neither Disagree nor Agree	Somewhat Agree	Agree	Strongly Agree
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
EPS 1	I am aware of "finfluencers," social media influencers who provide financial advice and investment tips.	☐	☐	☐	☐	☐	☐	☐
EPS 2	I actively follow several finfluencers on social media platforms.	☐	☐	☐	☐	☐	☐	☐
EPS 3	I regularly watch, read, or listen to content related to investments shared by finfluencers.	☐	☐	☐	☐	☐	☐	☐
EPS 4	I often seek out financial information or advice from content created by finfluencers.	☐	☐	☐	☐	☐	☐	☐

EPS 5	I feel disconnected when I do not engage with finfluencers on social media for a day.	☐	☐	☐	☐	☐	☐	☐
----------	---	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

Dimension 2: Trustworthiness of Finfluencers

Statement		Strongly Disagree	Disagree	Somewhat Disagree	Neither Disagree nor Agree	Somewhat Agree	Agree	Strongly Agree
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
TW 1	I follow finfluencers because I find them trustworthy, not simply because of their appearance.	☐	☐	☐	☐	☐	☐	☐
TW 2	I am confident to the statement made by the finfluencers I followed.	☐	☐	☐	☐	☐	☐	☐
TW 3	I avoid following finfluencers whose credibility I doubt.	☐	☐	☐	☐	☐	☐	☐
TW 4	I prefer finfluencers who remain consistent in their advice and opinions.	☐	☐	☐	☐	☐	☐	☐
TW 5	I prefer to follow finfluencers whom I consider reliable and trustworthy.	☐	☐	☐	☐	☐	☐	☐

Dimension 3: Credibility of finfluencers

Statement		Strongly Disagree	Disagree	Somewhat Disagree	Neither Disagree nor Agree	Somewhat Agree	Agree	Strongly Agree
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
CD 1	My favorite finfluencer is well educated in finance.	☐	☐	☐	☐	☐	☐	☐
CD 2	My favorite finfluencer demonstrates extensive financial knowledge.	☐	☐	☐	☐	☐	☐	☐
CD 3	My favorite finfluencer has extensive practical experience in finance.	☐	☐	☐	☐	☐	☐	☐
CD 4	My favorite finfluencer is competent in providing reliable financial advice.	☐	☐	☐	☐	☐	☐	☐
CD 5	I am confident in my favorite finfluencer's financial skills.	☐	☐	☐	☐	☐	☐	☐

Dimension 4: Financial Knowledge

Statement		Strongly Disagree	Disagree	Somewhat Disagree	Neither Disagree nor Agree	Somewhat Agree	Agree	Strongly Agree
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
FK 1	My financial knowledge enables me to avoid money-related fraud.	☐	☐	☐	☐	☐	☐	☐
FK 2	I am confident in my understanding of financial jargon in investing in the future.	☐	☐	☐	☐	☐	☐	☐
FK 3	An investment with a high return is likely to involve high risk.	☐	☐	☐	☐	☐	☐	☐
FK 4	High inflation means that the purchasing power of money decreases rapidly	☐	☐	☐	☐	☐	☐	☐
FK 5	Investing in a wide range of stocks and shares usually reduces the overall risk.	☐	☐	☐	☐	☐	☐	☐

Dimension 5: AI Literacy

Statement		Strongly Disagree	Disagree	Somewhat Disagree	Neither Disagree nor Agree	Somewhat Agree	Agree	Strongly Agree
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
AI 1	I have a clear understanding of the steps involved in AI decision-making.	☐	☐	☐	☐	☐	☐	☐
AI 2	I can recognize the AI technologies used in the applications and products I interact with.	☐	☐	☐	☐	☐	☐	☐
AI 3	I am capable of assessing the strengths and limitations of an AI application or product after using it for some time.	☐	☐	☐	☐	☐	☐	☐
AI 4	I consistently follow ethical principles when using AI applications or products.	☐	☐	☐	☐	☐	☐	☐
AI 5	I am able to select the most suitable AI application or product for a	☐	☐	☐	☐	☐	☐	☐

	specific task from a range of available options.							
--	--	--	--	--	--	--	--	--

Dimension 6: Digital Financial Decision

Statement		Strongly Disagree	Disagree	Somewhat Disagree	Neither Disagree nor Agree	Somewhat Agree	Agree	Strongly Agree
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
DID 1	I feel that investing through digital applications is safe, including the security of money, personal data, and transactions	☐	☐	☐	☐	☐	☐	☐
DID 2	I believe I can obtain optimal benefits by investing through digital investment applications.	☐	☐	☐	☐	☐	☐	☐
DID 3	I dare to take risks.	☐	☐	☐	☐	☐	☐	☐
DID 4	I invest to fulfill my future needs.	☐	☐	☐	☐	☐	☐	☐
DID 5	A considerable proportion of my monthly income is allocated to digital investments decisions.	☐	☐	☐	☐	☐	☐	☐