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THE INFLUENCE OF PAST BEHAVIOR, FINANCIAL LITERACY, AND SUBJECTIVE NORM ON INVESTMENT DECISIONS IN GENERATION Z WITH PERCEIVED BEHAVIORAL CONTROL AS AN INTERVENING VARIABLE

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Abstract

This study sought to evaluate the impact of Past Behavior, Financial Literacy, and Subjective Norms on investment decisions, both directly and indirectly, via Perceived Behavioral Control. This study employed a causal methodology. The study population includes all individuals of Generation Z in Medan. The sample in this study utilizes sampling adjusted for the numerous variable indicators, consisting of at least 226 individuals. This study utilizes a questionnaire method for data collecting. This study utilized quantitative data analysis strategies, employing statistical techniques including Auter Model Analysis, Inner Model Analysis, and Hypothesis Testing. This research use PLS (Partial Least Squares) software for data analysis. This study illustrates that Past Behavior and Perceived Behavioral Control greatly impact investment decisions, whereas Financial Literacy and Subjective Norms do not effect investment decisions. Financial literacy indirectly affects investment decisions through perceived behavioral control among Generation Z in Medan.

Keywords: Past Behavior, Financial Literacy, Subjective Norm, Investment Decision, Perceived Behavioral Control.

BACKGROUND

Technological advancements enhance corporate productivity in the efficient and rapid marketing of products, leading to an escalation in boundless human requirements and desires, hence rendering individuals unable to meet their expenses with their income. Proficiency in financial management is becoming increasingly essential for addressing these issues (Ainia & Lutfi, 2019). The management of finances via investing is garnering heightened public attention, seen by the surge in single investor identification (SID) registrations in Indonesia during the COVID-19 pandemic.

Substantial investments do not inherently provide substantial profits due to the volatility and uncertainty of the capital market. This unpredictability constitutes the risk that investors must endure. Investors are anticipated to have recognized a positive correlation between return and risk, owing to varying risk profiles, prior to making investment selections. An investment decision constitutes an investor's strategy regarding diverse investment options with the objective of generating profit (Budiarto, 2017). Investment decision-making can be influenced by multiple factors, including financial literacy and behavioral biases, such as risk tolerance, risk perception, overconfidence, and herding (Siahaan & Seno, 2022). Moreover, the

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psychology of individual investors affects investing decisions, namely through attitude, perceived behavioral control, historical behavior, social influences, subjective norms, and personal financial literacy (Ardiyan et al., 2022).. Past behavior refers to actions performed by an individual before, which can serve as a lesson and a consideration for future conduct (Kurniawan et al., 2020). Investors engaged in stock trading frequently seek cognitive biases from prior experiences that validate their beliefs and subsequently influence their current investing choices. Consequently, historical conduct may indicate investor attitudes, which could influence future actions (Raut, 2020).

According to the findings of prior studies by Azhari and Damingun (2021), Kovac et al. (2016), and Sandberg et al. (2016), it was found that Past Behavior influences investing decisions. In contrast, it diverges from the findings of prior studies by Ardiyan et al. (2022) and Raut (2020), which assert that past behavior does not influence the intention to invest in the stock market. Previous studies indicate variability in research outcomes; so, researchers aim to revalidate whether the historical behavior variable in this study can impact investing decisions among Generation Z. Moreover, financial knowledge might impact investment choices. Financial literacy is intricately linked to financial management; a higher level of financial literacy correlates with improved financial management capabilities. Family financial management, influenced by parents' socioeconomic status, including parental education level, occupation type, income level, social standing, and student allowances (Gunawan et al., 2020).

Self-regulation influences investing interest (Herlindawati, 2017; Strömbäck et al., 2017; Iskandar & Saragih, 2018). Self-control does not influence investment interest (Widyatno et al., 2023; Petpairote, 2023). Nonetheless, prior research findings vary, prompting researchers to re-evaluate the impact of the Perceived Behavioural Control variable on investing decisions among Generation Z. The millennial generation, often known as Generation Z, is increasingly dominating the workforce and exhibits distinct financial management practices compared to preceding generations. Millennials exhibit a propensity for wastefulness and provide challenges for savings, with many displaying a lack of concern over future investment requirements. In comparison to the preceding generation, Generation X, significant disparities in characteristics and lifestyles are evident; generally, Generation Z exhibits greater dynamism, creativity, and technological proficiency, contrasting with Generation X's relatively idealistic and conservative approach, particularly in financial management (Wahyuni et al., 2022). Generation Z's disinterest in investing indicates that many individuals within this cohort lack investment accounts and refrain from making investments. Certain members of Generation Z exhibit a lack of excitement for reading articles and engaging in activities related to investment, and some struggle to adapt their lifestyle, aspirations, and financial capabilities. Consequently, the financial resources acquired by Generation Z deplete more rapidly (Putri, 2019).

Historically, the conduct of Generation Z individuals reveals a lack of future financial planning, with few engaging in budgeting or tracking their expenditures. Moreover, the financial literacy deficits within Generation Z are evident in the inability of some millennials to allocate funds for savings or investments, often due to a relatively extravagant lifestyle, resulting in resources that should sustain them for the following month depleting rapidly.

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Generation Z considers money the most important part of life compared to friendship and considers it to elevate their status in life. Furthermore, the phenomenon of Perceived Behavioural Control, including the lack of awareness of Generation Z to learn how to manage personal finances and lack of self-control over needs and wants due to the pressure of a consumptive style. In addition, Generation Z likes traveling and spending time at cafes or restaurants, having minimal savings, a hedon lifestyle, and fulfilling wants more than needs.

THEORETICAL STUDY

Ajzen, in the Theory of Planned Behavior (TPB), incorporates an additional factor: perceived behavioral control. Wikamorys and Rochmach (2017) assert that the Theory of Planned action is a framework for predicting individual action, based on two primary assumptions: attitude toward the conduct and subjective norm, which evaluate a person's intention to act. The notion of planned behavior posits that an individual's actions are influenced by their intention to engage in or refrain from a specific behavior. The belief component is the primary impetus behind actions. This component influences attitudes (behavioral beliefs), specifically the belief in the likelihood of success in an action. Subsequently, regarding subjective norms (normative belief), which pertains to the conviction that an action is either endorsed or disapproved by specific individuals or society, and concerning perceptions of behavioral control (control belief), which refers to the belief that an individual is capable of taking action due to the availability of internal and external resources. The Theory of Planned conduct (TPB) posits that attitudes toward conduct, subjective norms, and beliefs of self-efficacy will culminate in the desire to engage in an action. Actual Behavioral Control will manifest when an individual seeks to execute their intentions.

Investment Decision

Investment entails a present sacrifice to yield enhanced returns and advantages in the future. An investment choice is a measure or strategy implemented to allocate resources into one or more assets with the aim of yielding a lucrative return in the future. Investment decisions are an ongoing process; so, once the performance measurement and assessment phase has concluded with unsatisfactory results, investment decisions may be revisited until optimal outcomes are attained (Tandelilin, 2015). The investment decision assesses the anticipated outlay and revenue generated from the investment in the future. Investment refers to the allocation of resources for the acquisition of capital goods and production equipment to enhance the capacity for producing goods and services (Sukirno, 2014). The investment decision entails allocating capital currently and assessing the future net cash inflow. The future trajectory of funds or net cash inflows is indeterminate.

Past Behaviour

Past behavior refers to actions performed by an individual in the past that might serve as lessons and considerations for future conduct (Kurniawan et al., 2020). Investors engaged in stock investment frequently seek memory biases from prior experiences that validate their beliefs

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and therefore influence their current investment decisions. Consequently, historical conduct may indicate investor views, which can influence future actions (Raut, 2020).

Financial Literacy

Financial literacy is an essential competency that every individual must acquire to enhance their quality of life. It entails comprehending initiatives to strategically plan and distribute financial resources effectively and efficiently (Lusardi & Mitchell, 2014). Financial literacy encompasses the understanding of facts, concepts, principles, and technology instruments that facilitate the prudent management of money (Garman & Forgue, 2010).

Subjective Norms

The Theory of Planned conduct posits that an individual's actions are determined by their intentions and perceived control over specific behaviors, with these intentions shaped by subjective standards, past conduct, and perceived behavioral control (Deviyanti et al., 2017). Sugiyanto (2020) asserts that subjective norms are the standards embraced by an individual that inform their conduct about stock investment. Subjective norms arise from individual judgments of the views of others (Hogg & Vaughan, 2012).

The Influence of Historical Conduct on Investment Choices

The influence of historical behavior on attitudes and intentions on investing decisions the critique of the behavior theory model is that it fails to encompass the entirety of individual behavior, hence constraining its applicability (Kim, 2017). Investors rely on their previous conditions or experiences. Behavioral finance is a psychology-based approach that aims to elucidate how emotions and cognitive biases influence investment behavior. The impact of historical financial behavior on investment choices indicates that financial habits foster a mindset oriented towards resolving future financial challenges, which is crucial for effective decision-making. This begins with the practice of saving a portion of income, prioritizing expenditures based on necessity rather than desire, and postponing the acquisition of luxury goods (Bebasari & Istikomah, 2020). Studies conducted by Azhari and Damingun (2020), Raut (2020), and Newham et al. (2016) indicate that historical behavior positively influences investment decision-making. The study was performed by Husin and Alrazi (2017) and Donald et al. (2014). Demonstrates that historical behavior positively influences investment decision-making. An individual exhibiting a specific behavior is inclined to draw from prior experiences of that conduct to execute the current action. Consequently, in the realm of investment behavior, the choice to engage in the capital market and investor perceptions of investing may be shaped by the insights acquired from prior investment decisions (Ardiyan et al., 2022).

The Influence of Financial Literacy on Investment Decisions

Financial literacy is intrinsically linked to financial management; an individual's level of financial literacy directly correlates with their financial management proficiency. Family financial management, influenced by parents' socioeconomic status, including parents' educational attainment, occupational type, income level, social standing, and students' allowance (Gunawan et al., 2020).

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The influence of financial literacy on investment decisions indicates that possessing financial literacy in decision-making can mitigate investment-related risks, as individuals with a high level of financial literacy will make judicious investment choices (Bebasari & Istikomah, 2020). According to the findings of prior studies by Putra et al. (2016), Wardani and Lutfi (2016), Sivaramakrishnan et al. (2017), Mouna & Anis (2017), and Thomas & Spataro (2018), it was found that financial literacy significantly influences investing decisions. Research by Wan and Ovami (2021) demonstrates that financial literacy influences individual attitudes toward stock market investment. Financial literacy is widely regarded as a crucial aspect affecting individuals' capacity to make financial decisions. Deficiencies in Financial Literacy are demonstrated to contribute to lethargy and inefficient financial decision-making. A greater comprehension of financial management enhances an individual's propensity and eagerness to invest.

The Influence of Subjective Norms on Investment Decisions

Social pressure can influence individuals to engage in specific activities while disregarding their choices (Raut, 2020). The choice to invest addresses a future necessity rather than the impact of lifestyle requirements. An individual or group will be driven to engage in an activity if it receives approval from others or social endorsements. Social referrals cited by investors encompass the perspectives of friends, the assessments of analysts, and the rumors or matters disseminated in the media. Personal interpretationSubjective norms are the primary determinant of investors' intentions to invest in equities. Potential investors regard the perspectives of their immediate associates as a mechanism for decision-making, irrespective of the associated dangers (Prasetyo & Manongga, 2019).

Prior study by Septyanto (2015), Sriatun and Indarto (2017), Lewis et al. (2003), Fu et al. (2006), Phan and Zhou (2014), and Venkatesh and Davis (2000) demonstrates that the subjective norm variable strongly influences investment interest. Research done by Akhtar and Das (2019), Ibrahim and Arshad (2017), Mulyono (2021), Rahadjeng and Fiandari (2020), Raut (2020), and Raut et al. (2018) indicates that subjective norms positively influence the intention to invest in the stock market. The subjective norm is a dimension of the Theory of Planned Behavior model, serving as a critical determinant in shaping individual behavior. Consequently, societal pressure inside subjective norms influences individuals to foster the intention to undertake specified actions, specifically the goal to invest.

The Influence of Perceived Behavioral Control on Investment Choices

In the notion of planned behavior, perceived behavioral control significantly impacts an individual's decision or action. Perceived behavioral control is influenced by an individual's view about whether a factor facilitates or obstructs the development of specific behaviors. Both supportive and prohibitive elements may originate inside or externally, so the acquired information will profoundly reinforce and impact the activities undertaken. Consequently, locus of control significantly influences investment decisions among young entrepreneurs (Mahwan & Herawati, 2021).

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Research by Sriatun and Indarto (2017), Raut (2020), Shih and Fang (2004), Fu and Juan (2016), Phan and Zhou (2014), and Raut & Das (2017) indicates that behavioral control influences investment intentions in the stock market. The findings of this study align with the research conducted by Mulyono (2021), Rahadjeng and Fiandari (2020), Raut (2020), and Raut et al. (2018), which indicate that perceived behavioral control positively influences investment intention, as a heightened level of perceived behavioral control can enhance individual effort and determination to undertake the desired action. Consequently, numerous research have examined the degree of Behavioral Control exhibited by individuals, as it significantly influences Investment Intention in the stock market and emphasizes investors' predominant thoughts regarding opportunities and hazards in the market.

The Influence of Financial Literacy on Investment Choices via Perceived Behavioral Control

PBC investors encounter intricate issues like risk, uncertainty, and an excess of options. In these circumstances, FL assumes a significant role. A financially literate investor is better equipped to assess investment risks by effectively interpreting and processing available information. FL also affects individuals' AT decisions by evaluating their optimal short-term and long-term interests (Mandell, 2008). Numerous research support the influence of FL on observable behavior, namely Grohmann (2018), Tustin (2010), Landerretche and Martinez (2013), and Hastings & Tejeda-Ashton (2008).

These studies have demonstrated the significance of financial literacy and underscored its role in enhancing financial decision-making across socio-economic categories. Individuals with a superior comprehension of finance can optimally position themselves in assessing investment risks based on the acquired data. Research findings by Mulyono (2021) and Raut (2020) indicate that financial literacy (FL) influences investment intentions in the stock market and perceived behavioral control.

The hypothesis in this study is:

1) Previous conduct influences investing decisions.
2) Financial literacy influences investment choices.
3) The subjective norm influences investing decisions.
4) Perceived behavioral control influences investment decisions.
5) Financial literacy influences investing decisions via perceived behavioral control.

RESEARCH METHODS

This study was performed on Generation Z in Medan City. The sample was established by non-probability sampling and purposive judgment sampling. The study would involve 90 genetic Z individuals in Medan City, selected by purposive sampling. The data will undergo examination through a quantitative methodology and statistical evaluation, specifically employing the partial least squares structural equation model (PLS-SEM).

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RESULTS AND DISCUSSION

Figure 1 indicates that all loadings exceed 0.7, hence no exclusions are necessary. Consequently, each indication is crucial for elucidating each hidden variable: historical behavior, financial literacy, subjective norm, investment decisions, and perceived behavioral control. The bulk of respondents, totaling 91 individuals or 40.3%, indicated "disagree" on their intention to frequently invest in the stock market. The majority of respondents, totaling 80 individuals or 35.4%, expressed disagreement on encouraging friends and relatives to engage in the stock market. The majority of respondents, totaling 77 individuals or 34.1%, expressed disagreement over investing in the stock market in the near term.

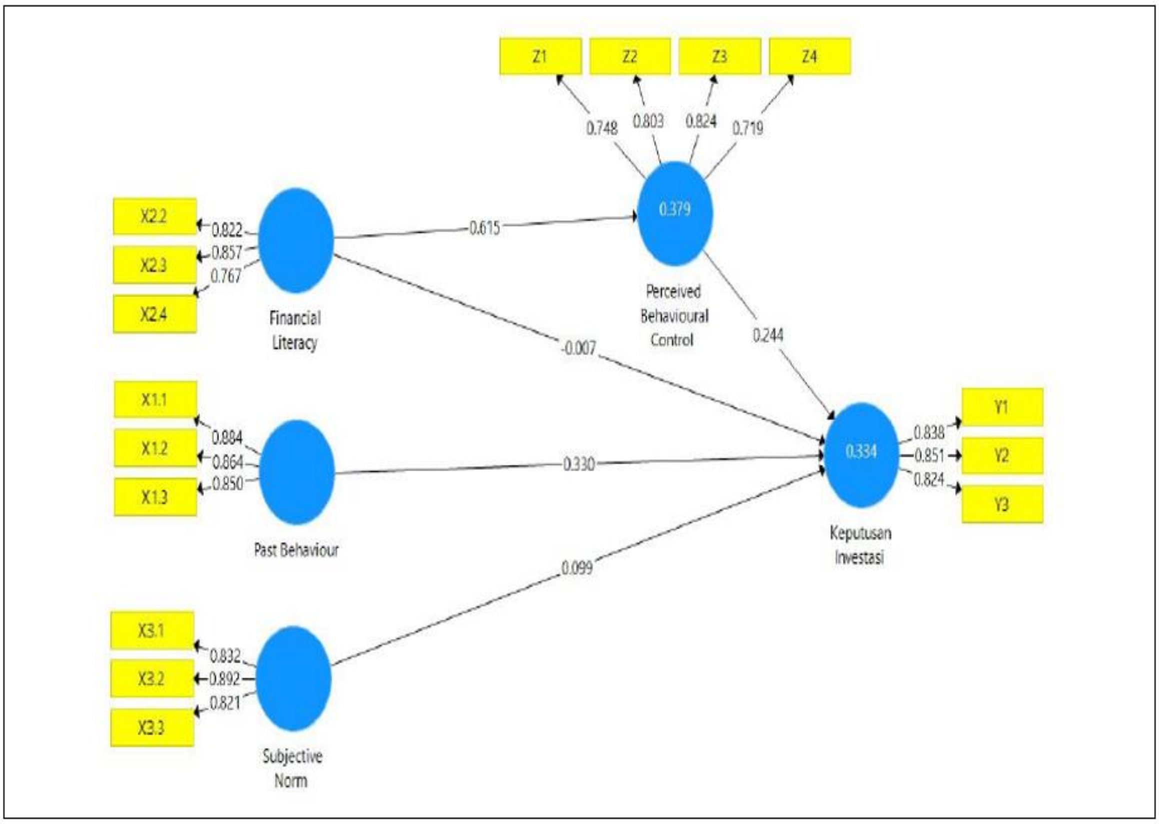

Figure 1: Standardized Loading Factor Inner dan Outer Model

Table 1: Result *Composite Reliability*

	Composite Reliability
Financial Literacy	0.857
Decision Investment	0.876
Past Behaviour	0.900
Perceived Behavioural Control	0.857
Subjective Norm	0.885

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The composite reliability values are as follows: Financial Literacy - 0.857, Investment Decision - 0.876, Past Behavior - 0.900, Perceived Behavioral Control - 0.857, and Subjective Norm - 0.885. The five patents had a composite reliability rating over 0.6, indicating that all factors possess enough reliability as a measurement instrument. Average Variance Extracted (AVE) quantifies the proportion of variance explained by items relative to the variance attributable to measurement error. The criterion for establishing good convergent validity of the construct is an AVE value exceeding 0.5. This indicates that the hidden variable can account for, on average, over fifty percent of the variance of its indicators.

Table 2: Hasil *Average Variance Extracted (AVE)*

	Average Variance Extracted (AVE)
Financial Literacy	0.667
Decision Investment	0.702
Past Behaviour	0.750
Perceived Behavioural Control	0.600
Subjective Norm	0.721

The AVE value for Financial Literacy is 0.667; investment decision is 0.702; Past Behavior is 0.750; Perceived Behavioural Control is 0.600; and Subjective Norm is 0.721. The five variables possess an AVE over 0.5, indicating that the concept demonstrates strong convergent validity, since the latent variable accounts for over half the variation of its indicators on average.

Table 3: *Discriminant Validity*

	Financial Literacy	*Keputusan Investasi*	*Past Behaviour*	*Perceived Behavioural Control*	*Subjective Norm*
X1.1	0.552	0.474	0.884	0.533	0.487
X1.2	0.554	0.418	0.864	0.538	0.471
X1.3	0.502	0.470	0.850	0.501	0.426
X2.2	0.822	0.325	0.520	0.520	0.357
X2.3	0.857	0.315	0.502	0.530	0.526
X2.4	0.767	0.342	0.492	0.455	0.425
X3.1	0.477	0.352	0.526	0.493	0.832
X3.2	0.464	0.361	0.437	0.516	0.892
X3.3	0.419	0.349	0.393	0.516	0.821
Y1	0.281	0.838	0.421	0.423	0.312
Y2	0.344	0.851	0.461	0.412	0.390
Y3	0.379	0.824	0.440	0.420	0.344
Z1	0.439	0.374	0.463	0.748	0.486
Z2	0.428	0.408	0.440	0.803	0.555
Z3	0.577	0.397	0.490	0.824	0.477
Z4	0.446	0.367	0.479	0.719	0.336

The discriminant validity value or loading factor of each variable correlates more strongly with itself than with other variables and their indicators. This indicates that the positioning of indicators on each variable is accurate.

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Table 4: Hasil *Average Communalities Index*

Variabel	AVE	R Square
Financial Literacy	0.667	
Keputusan Investasi	0.702	0.334
Past Behaviour	0.750	
Perceived Behavioural Control	0.600	0.379
Subjective Norm	0.721	
Rata-rata	0.628	0.357
GOF	0.473	

The mean communality value is 0.628. This value is subsequently multiplied by R2 and square-rooted. The calculation findings indicate that the GoF value of 0.473 exceeds 0.36, categorizing it as a significant GoF, which signifies that the model is exemplary in elucidating empirical facts.

Table 5: Hasil R2

	R Square	R Square Adjusted
Investment Decision	0.334	0.322
Perceived Behavioural Control	0.379	0.376

The influence of Past Behaviour, Financial Literacy, Subjective Norm, and Perceived Behavioural Control on investment decisions, evidenced by an r-square value of 0.334, suggests that changes in Past Behaviour and Financial Literacy account for the variability in investment decisions.

Table 6: Nilai *F-Square*

	Investment Decision	Investment Decision
Financial Literacy	0.000	0.610
Investment Decision		
Past Behaviour	0.085	
Perceived Behavioural Control	0.043	
Subjective Norm	0.008	

The effect of Past Behavior on investment decisions has an F2 value of 0.085, indicating a small effect (weak). The effect of financial literacy on investment decisions has an F2 value of 0.000, indicating a small effect (weak). The effect of subjective norm on investment decisions has an F2 value of 0.08, indicating a small effect (weak). The effect of Perceived Behavioural Control on investment decisions has an F2 value of 0, 043, indicating a small effect (weak). The effect of Past Behavior on Perceived Behavioural Control has an F2 value of 0.610, indicating a significant effect (strong).

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Table 7: Path Coefficient

	T Statistics	P Value
Financial Literacy -> Investment Decision	0.108	0.067
Financial Literacy -> Perceived Behaviural Control	0.052	11.834
Past Behaviour -> Investment Decision	0.083	3.997
Perceived Behaviural Control -> Investment Decision	0.088	2.783
Subjective Norm -> Investment Decision	0.086	1.153

The influence of previous behavior on investing choices has a path coefficient of 0.330. The effect has a probability value (p-value) of 0.000 <0.05, indicating that historical behavior significantly influences investment decisions among Generation Z in Medan City. The path coefficient for the impact of financial literacy on investing decisions is -0.007. The impact has a probability value (p-value) of 0.946, which above 0.05, indicating that prior behavior does not influence investment decisions among Generation Z in Medan City. The influence of subjective norms on investment decisions exhibits a path coefficient of 0.099. The influence has a p-value of 0.249, which above 0.05, indicating that the subjective norm does not impact investment decisions among Generation Z in Medan City. The influence of perceived behavioral control on investment decisions has a path coefficient of 0.244. The impact has a probability value (p-value) of 0.006, which is less than 0.05, indicating that perceived behavioral control significantly influences investment decisions among Generation Z in Medan City.

Table 8: Specific Indirect Effects

	T Statistics	P Value
Financial Literacy -> Perceived Behaviural Control -> Investment Decision	2.685	0.007

The hypothesis posits that financial literacy influences investment decisions via perceived behavioral control, with a path coefficient of 0.150. The effect has a probability value (p-value) of 0.007, which is less than 0.05, indicating that prior conduct strongly influences investment decisions via perceived behavioral control among Generation Z in Medan City.

CONCLUSIONS AND RECOMMENDATIONS

Studies conducted by Azhari and Damingun (2020), Raut (2020), and Newham et al. (2007) indicate that historical behavior positively influences investment decision-making. Donald et al. (2014). Previous conduct favorably influences investment decision-making (Donald et al., 2014).

Past behavior can increase investment decisions in Generation Z in Medan City. In contrast, with past behavior owned by Generation Z in Medan City being able to manage finances well, generation Z will invest. A person who performs a particular behavior is likely to use the previous experience of that behavior to perform the current behavior. Thus, in the context of investment behavior, the decision to invest in the capital market and the investor's attitude towards investment can be influenced by the experience gained from previous investment decisions.

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The impact of past behavior on attitudes and intentions for investment decisions is a criticism of the behavior theory model. It does not cover the complete pattern of individual behavior and thus limits the scope of its use (Han et al., 2017). Investors rely on prior situations or experiences.

Past behavioral finance is a psychology-based theory that seeks to understand how emotions and cognitive deviations affect investor behavior. The influence of past financial behavior on investment decisions shows that financial habits lead to thinking about solutions to future financial problems is the key to success in decision making, starting with the habit of setting aside some of the money to save, choosing to spend money based on needs and not wants and delaying buying luxury items (Bebasari & Istikomah, 2020).

Financial literacy profoundly influences investment decisions. Putra et al. (2016); Wardani and Lutfi (2016); Sivaramakrishnan et al. (2017); Mouna and Anis (2017); Thomas and Spataro (2018). Financial literacy does not enhance investment decisions among Generation Z in Medan City, as their insufficient understanding of financial management leads to a consumptive tendency, resulting in diminished interest in investing.

Financial literacy is intricately linked to financial management; a higher degree of financial literacy correlates with superior financial management capabilities. Family financial management, influenced by parents' socioeconomic status, including parents' educational attainment, occupational type, income level, social standing, and students' allowances (Gunawan et al., 2020).

Subjective norms are proven to significantly affect investment interest (Septyanto, 2015; Sriatun & Indarto, 2017; Lewis et al., 2003; Fu et al., 2006; Phan and Zhou, 2014 Venkatesh and Davis, 2000; Fu et al., 2006). Subjective norms positively influence the intention to engage in the stock market (Akhtar and Das, 2019; Ibrahim & Arshad, 2017; Mulyono, 2021; Rahadjeng & Fiandari, 2020; Raut, 2020; Raut et al., 2018). Subjective norms do not enhance investment decisions among Generation Z in Medan City, since social pressure within these norms influences individuals to discourage the inclination to invest. Subjective norms are the primary predictors of investors' intentions to invest in equities. Prospective investors will recognize that the perspectives of their immediate circle serve as a mechanism for decision-making, irrespective of the associated dangers. Prasetyo and Manong.

Behavioral control influences investment intentions in the stock market (Sriatun & Indarto, 2017; Raut, 2020; Shih & Fang, 2004; Fu et al., 2006; Phan & Zhou, 2014; Raut & Das, 2017). The findings of this study align with the studies undertaken by Mulyono (2021), Rahadjeng and Fiandari (2020), Raut (2020), and Raut et al. (2018), indicating that perceived behavioral control positively influences investment intention.

Perceived behavioral control can enhance investment decisions among Generation Z in Medan City. Conversely, Generation Z in Medan City, exhibiting self-control, effectively manages finances and engages in investment. A substantial level of Perceived Behavioural Control might enhance individual effort and persistence in pursuing the intended action. Consequently, numerous research have examined the degree of Behavioral Control exhibited by individuals,

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as it significantly influences Investment Intention in the stock market, emphasizing the investor's predominant thoughts regarding opportunities and hazards in the market.

Financial literacy can improve investment decisions through perceived behavioral control in Generation Z in Medan City. With Generation Z in Medan City understanding of managing their finances properly and better self-connection, interest in investing will be higher. Individuals who better understand finance can find their best position in analyzing investment risks based on the data received. Financial literacy affects intention to invest in the stock market and perceived behavioral control (Mulyono, 2021; Raut, 2020).

Generation Z Medan City will be better able to manage their finances by looking at previous behavior so that the intention to invest arises. Generation Z in Medan City must enhance its financial literacy by emphasizing more systematic behaviors beyond mere theoretical knowledge. Because financial literacy is about using funds and taking advantage of what we have, generation Z Medan City should be more able to control themselves and manage their finances carefully.

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