The Influence Of Financial Technology, Financial Literacy, And Risk Perception On Mutual Fund Investment Decisions In Generation Z In Jawa Barat

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Abstract.

Generation Z is a generation that grew up in the digital era, where technology and social media have become an important part of their lives. Based on survey results, most of generation Z have expenses that are greater than their income. This shows that they are less wise in financial management and less able to carry out long-term financial planning. On the other hand, current technological advances present various choices and convenience for making financial investments. There are various types of investment products available for short and long term, which have low risk to high risk. For beginner investors, investing in mutual funds is highly recommended. This is because investing in mutual funds in Indonesia can be started with low fund, diversified funds, managed by professional investment management, thereby providing better return opportunities. This research aims to determine the influence of financial technology, financial literacy, and risk perception on generation Z mutual fund investment decisions in West Java. This research method uses quantitative methods with descriptive and associative approaches. The infinite population in this research is Generation Z in West Java who have invested in mutual funds. Respondents have addresses in various cities in West Java. The sample was determined using simple random sampling with a sample size of 80. The results of this study explain that Financial Technology and Risk Perception do not influence Generation Z's mutual fund investment decisions. On the other hand, financial literacy influences Generation Z's mutual fund investment decisions in West Java.

Keywords: *Financial Technology, Financial Literacy, Risk Perception and Investment Decisions.*

I. INTRODUCTION

Every year, the total investment value in Indonesia is recorded to continue to increase quite well. This happens because everyone can invest efficiently. Various types of investment have varied over time, ranging from short-term to long-term investments. Many investment instruments on the capital market offer their respective advantages and risks, such as shares, bonds, mutual funds, gold, precious metals, and deposits. The increasing number of investors also increases the investment decisions that will be made. According to Sindhu & Kumar (2014), Investment decisions are generally how investors determine the location, time, and amount of funds to invest in various financial products/instruments to generate income or value appreciation.According to data from the Indonesian Central Securities Depository (KSEI), there are around 11.5 million individual investors in the capital market, and 57.04% are aged 30 years and under. This shows that Generation Z and millennial groups dominate investors in the capital market. Generation Z was born between 1997 and 2012, before the millennial generation or Generation Y (Rainer, 2023). Apart from that, based on the results of the "Katadata Insight" survey, generation Z also has more significant expenditures than income, with a percentage of 59.4%. This kind of financial behavior is certainly not healthy for long-term finances. Therefore, Generation Z needs to pay attention to increasing investing awareness. Many different investment products are available, ranging from short-term to long-term, low risk

to high risk. Significant capital, often an obstacle to investing, is no longer a problem because many investment instruments offer investment programs with low capital.

One of them is mutual funds. Mutual funds are investment products managed by investment managers who collect investment funds from many investors to be invested in securities portfolios, such as SBI, bonds, and shares. Mutual funds have product characteristics suitable for investors with limited funds, information, and investment knowledge (OJK, 2022).Nowadays, technological developments are also speedy and rapid. A society that cannot be separated from gadgets and the internet. Financial Technology, or Fintech, results from combining financial services and technology, ultimately changing the business model from conventional to moderate (Riadi, 2022). Previously, in the payment or transaction process, you had to meet face to face and bring a certain amount of cash; now, you can carry out transactions remotely by making payments, which can be done in seconds. Along with this development, it also encourages the financial sector to utilize current technology, better known as Financial Technology, especially robo-advisory, which makes it easier for investors to make transactions easily and quickly. Investors can purchase mutual fund products using financial technology only from their mobile devices. Financial technology like this provides facilities to make it easier to search for company information. It makes it easier for someone to manage finances and determine appropriate financial instruments, increasing interest in investing. (Bowyer, 2022).Financial Services Authority Regulation No. 76 (2016) states, "Financial literacy is knowledge, skills, and beliefs that can influence individual attitudes and behavior to improve the quality of decision-making in financial management to achieve prosperity.

" Financial literacy refers to the ability or level of understanding/knowledge of a person or society about how money works(Arianti, 2021). Financial literacy is essential for Generation Z today because they will face increasingly complex financial challenges in the future. However, of the entire population in Indonesia, based on data from the Financial Services Authority, Generation Z's literacy level is 44.04%, which is 3.94% lower than that of the Millennial generation. A low level of financial literacy shows that knowledge and skills regarding savings and loans, insurance, and investment are still low. With sound financial literacy, Generation Z can avoid uncontrolled debt, manage money wisely, prepare themselves for a more stable future, and avoid unethical and transparent financial practices.In making investment decisions, other factors can influence a person, namely the individual's perception of internal psychological factors. Each individual cannot be separated from the influence of perceptions or thoughts regarding the risks and profits obtained when investing. Sindhu & Kumar (2014)say that risk is an inherent characteristic of all types of financial investments. Perception of risk in investment is related to an individual's subjective view of the investment risk they will receive. Risk perception means how investors view financial asset risks based on attention and experience. Risk perception is critical in making investment decisions because if an investor knows the benefits and risks of an investment, that person will be able to perceive an investment well. Therefore, it can be said that different investor perceptions regarding investment risk affect investors in making investment decisions.(Sindhu & Kumar, 2014); (Rosyidah & Lestari, 2013).

II. LITERATURE REVIEW

2.1. Investment decision

Investment decisions are how financial managers must determine the location and time to allocate funds into forms of investment that will be able to bring profits in the future (Sindhu & Kumar, 2014). This investment decision also includes what alternative investments aim to minimize losses, how to evaluate investments, and the selection process to get future results. The results of investment decisions that investors hope will produce profits and profits in the long term (Masdupi & Tasman, 2014). According to Tandelilin in Marsis (2013), investment decisions have three indicators: the rate of return, the level of risk, and the time factor (time).

2.2. Mutual Funds

Mutual Funds are defined as a vehicle used to collect funds from the investing public to then be invested in a Securities portfolio by an Investment Manager. (Paramita, 2015). Referring to Capital Market

Law no. 8 of 1995, article 1 paragraph (27) defines that Mutual Funds are a forum used to collect funds from the investing public to then be invested in securities portfolios by investment managers.Mutual Funds are an investment alternative for the investing community, especially small investors and investors who do not have much time and expertise to calculate the risks of their investments. Mutual Funds are designed as a means to collect funds from people who have capital, have the desire to invest, but only have limited time and knowledge. Apart from that, Mutual Funds are also expected to increase the role of local investors in investing in the Indonesian capital market. (Paramita, et. all., 2018); (Singh, 2012).

Quoting the opinion of Paramita et. all (2017), the types of mutual funds referring to their investment portfolio are divided into:

1. Money Market Mutual Funds (Money Market Funds)
   This type of Mutual Fund only invests in Debt Securities with a maturity of less than 1 (one) year. The aim is to maintain liquidity and capital preservation.
2. Fixed Income Mutual Funds (Fixed Income Funds)
   This type of Mutual Fund invests at least 80% of its assets in the form of debt securities. This Mutual Fund has relatively greater risk than Money Market Mutual Funds. The goal is to generate a stable rate of return.
3. Equity Funds (Equity Funds)
   Mutual funds that invest at least 80% of their assets in the form of Equity Securities. Because the investment is made in shares, the risk is higher than the previous two types of mutual funds but produces a high rate of return.
4. Mixed Mutual Funds (Discretionary Funds)
   This type of Mutual Fund invests in Equity Securities and Debt Securities.

2.3. Financial Technology

Fintech is an abbreviation of Financial Technology, which can be interpreted as financial technology in Indonesian. In simple terms, Financial Technology, or what is usually called Fintech, is an innovation in the financial sector that refers to modern technology that changes the original conventional business model to a moderate one. (Bank Indonesia, 2018). Fintech products usually take the form of a system built to carry out specific financial mechanisms. The development of financial technology also provides speed services in transactions, making it easier for investors to carry out transactions (Kusumahadi & Utami, 2022). Fintech presents a new paradigm where information technology drives innovation in the financial industry. Fintech is said to be a disruptive innovation capable of changing traditional financial markets. (Lee & Shin, 2018).

Based on previous research conducted by Solihudin et al. (2023), and Junianto et al. (2020) state that Financial Technology significantly influences investment decisions. Utilizing financial technology makes it easier to understand and interpret investment information better as a reference in making investment decisions. On the other hand, the results of research (Fadila et al., 2022) show that Financial Technology does not influence investment decisions. Based on this explanation, hypothesis 1 of this research is:

H1: Financial technology influences mutual fund investment decisions among Generation Z in West Java

2.4. Financial Literacy

According to the provisions of the Financial Services Authority (OJK), financial literacy is a series of activities as an effort to achieve and increase insight or knowledge, skills and self-confidence of users, customers and the wider community so that they are able to manage finances. better and optimal. Financial literacy is also a vital thing that requires a person to have the skills and knowledge to make the right and effective decisions with their financial resources in order to have a prosperous and quality life.A good understanding of financial literacy encourages a person to make financial plans, not only for now but for the future. This will motivate people to make investments. (Awais et. all, 2016; Jappeli & Padula, 2013). The higher the level of financial literacy, the wiser a person is in forming wise financial behavior and effective financial management (Choerudin et al., 2023; Kristanto & Gusaptono, 2021; Selvi, 2018).Based on research by Bagus et al. (2021), financial literacy has a positive effect on investment decisions. The research results of

Fachrudin & Fachrudin (2016) show that investors with a high level of education have better financial literacy which influences investment decision making. On the other hand, there are differences in research results (Fadhil et al. (2023) which show that financial literacy does not have a significant effect on investment decisions. Based on this explanation, hypothesis 2 of this research is:

H2: Financial literacy influences mutual fund investment decisions among Generation Z in West Java

2.5. Risk Perception

Risk perception is defined as a person's subjective assessment of risky situations related to investment risk, where this assessment depends on a person's psychological characteristics and circumstances Cho & Lee (2016). The way a person views risk is an important consideration when making investment decisions. Wherever someone invests, potential risks will occur, both short term and long term, big or small. One must always accept the risk. Risk perception also means how an investor views the risk of a financial asset based on his attention and experience (Sindhu & Kumar, 2014). The important thing to understand is the extent to which investors are willing to accept risk. Investments that have the potential to bring high returns will of course be accompanied by high risks, and vice versa. This will influence investors' strategies in making investment decisions. (Awais, et. all (2016).Research regarding risk perception on investment decisions has been previously researched by Arrifqi & Putri (2022) who stated that risk perception has a positive effect on investment decisions. Another thing is research conducted by Fahila et al (2022) which shows that this risk perception has no significant effect on investment decisions. investment decisions. Based on this explanation, research hypothesis 3 is:

H3: Risk perception influences mutual fund investment decisions among Generation Z in Jawa Barat

Finally, this research will test whether financial technology, financial literacy, and risk perception simultaneously influence mutual fund investment decisions in Generation Z in West Java with research hypothesis 4 is:

H4: Financial technology, financial literacy, and risk perception simultaneously influence Generation Z mutual fund investment decisions in Jawa Barat

III. METHODS

The research method used in this research is a quantitative research method with a descriptive and associative approach. The population in this study is Generation Z, born between 1997 and 2012, who invest in mutual funds in the West Java region. Their number is unknown and can be considered unlimited (infinite population). The sample was determined using a purposive sampling technique with 80 respondents. The data source for this research is primary data obtained from the questionnaire results distributed via the Google Form link. Data analysis techniques use multiple linear regression, classical assumption, and hypothesis testing. The data was processed using IBM SPSS 26 software.

IV. RESULT AND DISCUSSION

In this research, the respondents are Generation Z, who already have mutual funds on various platforms. Generation Z aged 17-22 is 87.4%, and those aged 23-26 are 12%. With jobs as students/students 84.6%, employees 11.3%, self-employed 2.3%, and civil servants 1.3%. Generation Z lives and comes from cities or districts in West Java. This explanation is essential to convey because it relates to the answers given by respondents to all statements submitted in the questionnaire, which reflect demographic characteristics.

4.1. Validity and Reliability Test

The first data test tests the research instrument and is divided into validity and reliability tests. Validity test is a test used to test whether the instrument used in research has high validity or not. A valid instrument is an instrument that can measure what is being measured. The validity test in this research used the Statistical Program of Social Science (SPSS) 26 program with Pearson Correlation, where the validity results can be seen if the R table is smaller than the calculated R or can be seen if the sig value is <0.05.

Instrument		Sig Value	Information
Financial Technology	FT1	0,000	VALID
	FT2	0,000	VALID
	FT3	0,000	VALID
	FT4	0,000	VALID
	FT5	0,000	VALID
Financial Literacy	LK1	0,007	VALID
	LK2	0,001	VALID
	LK3	0,000	VALID
	LK4	0,000	VALID
	LK5	0,023	VALID
	LK6	0,004	VALID
	LK7	0,000	VALID
	LK8	0,000	VALID
Risk Perception	PR1	0,000	VALID
	PR2	0,000	VALID
	PR3	0,003	VALID
	PR4	0,000	VALID
	PR5	0,003	VALID
	PR6	0,027	VALID
Investment Decisions	KI1	0,001	VALID
	KI2	0,030	VALID
	KI3	0,009	VALID
	KI4	0,000	VALID

Tabel 1. Result Validity Test

Source: Data Processing Results, 2023

Based on the results of the validity test on all independent and dependent variable items, the result was that the significance value for all questionnaire items was <0.05. So, it can be concluded that the statements in the financial technology, financial literacy, and risk perception variables are valid. Reliability test is used to test whether the instrument used is reliable. It is said to be reliable if the measurement results of the instrument are the same if carried out at different times. The reliability test results showed that the Cronbach Alpha value was > 0.60, so the questionnaire could be said to be reliable or consistent.

Table 2. Result Reliability Test

Variabel	*Cronbach Alpha*	Keterangan
Financial Technology	0,705	Reliabel
Financial Literacy	0,748	Reliabel
Risk Perception	0,601	Reliabel
Investment Decisions	0,651	Reliabel

Source: Data Processing Results, 2023

Based on the reliability test, the Cronbach Alpha value for the financial technology variable was 0.705, the Cronbach Alpha value for the financial literacy variable was 0.748, the Cronbach Alpha value for the risk perception variable was 0.601, and the Cronbach Alpha value for the investment decision variable was 0.651. So, it can be concluded that all variable instruments are declared reliable or consistent.

4.2. Classic Assumption Test

4.2.1 Normality Test

The first classical assumption test carried out is the normality test. The normality test is used to test whether the regression model for the dependent variable and the independent variable is normally distributed or not. The normality test in this study was carried out using the Kolmogorov Smirnov test. The criteria for testing normality are if the significant number (sig) ≥ 0.05 then the data is normally distributed, conversely if the significant number (sig) ≤ 0.05 then the data is not normally distributed. Normality test results can be seen in the table 1. Based on table 1, it can be concluded that this research has a normal distribution. Because the significance value is 0.200 > 0.05, which means the data in this study is normally distributed.

Table 2. Normality Test Result

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		80
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1640.50828582
Most Extreme Differences	Absolute	.061
	Positive	.048
	Negative	-.061
Test Statistic		.061
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

Source: Data Processing Results, 2023

4.2. Multicollinearity Test Result

The multicollinearity test aims to determine whether or not there is a correlation between independent variables. To identify whether there is multicollinearity or not, you need to look at the VIF (Variance Inflation Factor) value and also the tolerance value for each variable using SPSS 26 software. If the tolerance value is >0.10 and the VIF value is <10, then there are no symptoms of multicollinearity and if the tolerance value is <0.10 and the VIF value is 10, it means that symptoms of multicollinearity are occurring.

Table 3. Multicollinearity Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
		B	Std. Error	Beta	t	Sig.	Tolerance	VIF
1	(Constant)	3142.342	1385.017		2.269	.026		
	X1	.036	.104	.045	.344	.732	.449	2.226
	X2	.362	.086	.612	4.217	.000	.357	2.799
	X3	.008	.080	.013	.106	.916	.512	1.953

a. Dependent Variable: Y

Source: Data Processing Results, 2023

The test results show that the financial technology variable has a tolerance value of 0.449 and a VIF of 2.226, the financial literacy variable has a tolerance value of 0.357 and a VIF of 2.799, the risk perception variable has a tolerance value of 0.512 and a VIF of 1.952. These results indicate that there are no symptoms of multicollinearity.

4.3. Heteroscedasticity Test Result

The heteroscedasticity test is used to determine whether there is an inequality of variance in the regression model from the residuals of one observation to another. Heteroscedasticity testing can be tested using the Glejser Test, namely by regressing the absolute value of the residual and the estimated model on the independent variables. To find out whether the data contains heteroscedasticity or not, it can be based on the following assumptions If the significant value of the independent variable for the residual absolute value is > the specified significance level (0.05), then it can be said that it does not contain heteroscedasticity. And if the significance value of the independent variable for the absolute value of the residual is < the specified significance level (0.05), then it can be said to contain heteroscedasticity.

Table 4. Heteroscedasticity Test Result

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	2209.461	840.218		2.630	.010
	X1	.015	.063	.040	.235	.815
	X2	-.030	.052	-.111	-.582	.562
	X3	-.020	.049	-.067	-.420	.676

a. Dependent Variable: ABS_TEST

Source: Data Processing Results, 2023

The results of the heteroscedasticity test in this study show that the significance value for the financial technology variable has a significance value of 0.815, the financial literacy variable has a significance value of 0.562, and the risk perception variable has a significance value of 0.676. So, it can be concluded that the regression model in this study does not have heteroscedasticity.

4.3. Multiple Linear Regression Analysis

Multiple linear regression analysis is an analysis that uses more than one independent variable in a study. This technique is used to answer what factors contribute to the relationship between independent variables, namely financial technology (X1), financial literacy (X2), risk perception (X3), and investment decisions (Y). The table of results of multiple linear regression analysis is as follows:

Table 5. Results of Multiple Linear Analysis

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	3142.342	1385.017		2.269	.026
	X1	.036	.104	.045	.344	.732
	X2	.362	.086	.612	4.217	.000
	X3	.008	.080	.013	.106	.916

a. Dependent Variable: Y

Source: Data Processing Results, 2023

As can be seen from table 1 above, the regresion equation in this study is as follow:

$$\boldsymbol{KI = 3.142 + 0,036\,FT + 0,362\,LK + 0,008\,PR + 1.385}$$

Based on the multiple linear regression analysis results, the regression equation above can be seen by looking at the constant and beta coefficient values. The conclusion can be drawn that the constant of 3.142 states that if the variables Financial Technology, Financial Literacy and Risk Perception are assumed to not change (constant), then the Y value, namely Investment Decision, is 3.142.

4.4. Result of T-Test and F-Test

The t-test is a regression analysis tool used to determine the influence of each independent variable used on the dependent variable. T-test in research using SPSS 26 software. As for the decisions making criteria in partial hypothesis testing, if the p-value is greater than the 5% significance level (> 0.05), then H0 is accepted and HA is rejected. This means that the independent variable has no effect on the dependent variable. And conversely, if the p-value is smaller than the 5% significance level (<0.05) then H0 is rejected and H1 is accepted. This means that the independent variable has an effect on the dependent variable.

4.4.1 Result of t-Test

From the T test results in the table 5 e it can be seen that - The fintech variable has a significance value of 0.732 < 0.05, so H0 is accepted and H1 is rejected. Which means that fintech has no influence on investment decisions. - The litkeu variable has a sig value of 0.000 < 0.05, then H1 is accepted and H0 is rejected. Which means that the litkeu variable influences investment decisions. And - The risk perception variable has a significance value of 0.916 <0.05, so H0 is accepted and H1 is rejected. Which means the perrisk variable has no effect on investment decisions

Table 5. T-Test Results

Variable		t Count Coefficients[a]		Sig.	Information
Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	3142.342	1385.017		2.269	.026
	X1	.036	.104	.045	.344	.732
	X2	.362	.086	.612	4.217	.000
	X3	.008	.080	.013	.106	.916
a. Dependent Variable: Y						
Financial Technology		**0.344**		**0.732**		**No effect**
Financial Literacy		4,217		0,000		Influential
Risk Perception		0.106		0.916		No effect

Source: Data Processing Results, 2023

From the T test results in the table 5, it can be seen that - The fintech variable has a significance value of 0.732 < 0.05, so H0 is accepted and H1 is rejected. Which means that fintech has no influence on investment decisions. - The litkeu variable has a sig value of 0.000 < 0.05, then H1 is accepted and H0 is rejected. Which means that the litkeu variable influences investment decisions. And - The risk perception variable has a significance value of 0.916 <0.05, so H0 is accepted and H1 is rejected. Which means the perrisk variable has no effect on investment decisions

4.4.2 Result of F Test

Simultaneous Test (F Test) is a statistical test used to show whether all independent variables in the research have a simultaneous influence on the dependent variable. The F test (simultaneous) in this study used the SPSS 26 software application. With the criteria if F_count ≥ F_table and the p-value of the F test < 0.05 then H0 is rejected and H1 is accepted, which means that the independent variable simultaneously influences the dependent variable. and if F_count ≤ F_table and p-value of F test > 0.05 then H0 is accepted and H1 is rejected, which means that the independent variables simultaneously have no effect on investment decisions.

Table 6. F Test Results

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	159146434.118	3	53048811.373	18.963	.000[b]
	Residual	212610127.432	76	2797501.677		
	Total	371756561.550	79			

a. Dependent Variable: Y

b. Predictors: (Constant), X3, X1, X2.

Source: Data Processing Results, 2023

Tabel 7. Coefficient of Determination

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.660[a]	.436	.414	1359.64900

a. Predictors: (Constant), X3_PR, X1_FT, X2_LK

Source: Data Processing Results, 2023

The F test is used to determine whether or not there is a relationship between the independent variable and the dependent variable simultaneously. Based on the results of the F test, it shows a significance value of 0.000 <0.05.

4.5. The Influence of Financial Technology on Investment Decisions

Table 2 above shows the significance value of financial technology of 0.732 > 0.05, which means that financial technology has no effect on investment decisions. This means that the first research hypothesis is rejected. This shows that generation Z in West Java is accustomed to using technology and social media to support various activities, including investing. They have good knowledge regarding the use and benefits of financial technology. They have no difficulty investing using financial technology. They realize that the development of financial technology supports the speed of transactions and investing. This can support their interest in investing. However, mastery of financial technology apparently does not influence investment decisions in mutual funds.It is surprising that their lifestyle tends towards hedonism, more focused on seeking unlimited pleasure and satisfaction, making it difficult for them to set aside funds to invest.

They are less wise in managing finances and think less about financial planning for the future.On the other hand, if you look at the characteristics of the respondents, 87.3% of whom are still in high school or studying at university, it is reasonable to suspect that they have not made investment activities the main focus in long-term financial management. Limited investment funds also support weak investment decisions.The results of this research support the research of Fadila et al. (2022) which shows that financial technology does not influence investment decisions, although it is not specific to mutual fund investments.However, the results of this study contradict the results of research by Kusumahadi & Utami (2022), Solihun et. al. (2023) and Juniarto et. al. (2020) which shows that financial technology has an influence on investment decisions. By utilizing financial technology, investors find it easier to understand and interpret information as a basis for investment decisions.

4.6. The Influence of Financial Literacy on Mutual Fund Investment Decisions

Table 2 above shows that the significance value of financial literacy is 0.000 <0.05, which means that there is an influence of financial literacy on investment decisions. This means that the second research hypothesis is accepted. The regression coefficient value of 0.362 indicates that financial literacy has an influence on investment decisions of 0.362. If financial literacy increases by 1 unit, then investment decisions in mutual funds increase by 0.362 units.Financial literacy is a series of activities as an effort to gain and increase insight or understanding of knowledge, skills, confidence in better and optimal financial management (Choerudin et al., 2023).Financial literacy is a basic need for everyone to avoid financial problems. Financial literacy is also a vital thing that requires a person to have a set of skills and knowledge to make appropriate and effective decisions regarding financial resources. This is so that they can get a quality and prosperous life in the long term. The higher the level of financial literacy a person has, the morewise financial behavior he will produce in effective financial management (Choerudin et al., 2023; Kristanto & Gusaptono, 2021; Selvi, 2018).

The results of this research support the research results of Bagus et. al. (2021); (Awais et. all. (2016) and Fachrudin & Fachrudin (2016) which states that financial literacy has a positive effect on investment decisions. The results of this research are in line with the research results of Firgayanda & Jumhur (2022), Rasuma Putri & Rahyuda (2017) and Al-Aziz & Rinofah (2021) stating that financial literacy has an influence on investment decisions. The better a person's level of financial literacy, the better their understanding, knowledge and skills in investment decisions. Referring to the Financial Services Authority criteria which states that there are four types of levels of financial literacy, namely: 1) Well Literate; 2) Sufficient Literate; 3) Less Literate, and 4) Not Literate, it seems that the majority of respondents are still at the less literate and not literate levels. This is considering the characteristics of the respondents which show that 87.3% of them are still in high school and university students.At the "less literate" level, they only have insight and knowledge but do not yet know how to manage and utilize financial services and products well. Meanwhile, at level the "not literate" level, a person does not have sufficient insight, knowledge and skills and does not capable in managing finances.

4.7. The Influence of Risk Perception on Investment Decisions

The table above shows the significance value of risk perception of 0.916 > 0.05, which means that risk perception has no influence on investment decisions. This means that the third research hypothesis is rejected.Risk perception is defined as a person's subjective assessment of risky situations related to

investment risk, where this assessment depends on the person's psychological characteristics and circumstances. Cho & Lee (2016). Risk perception also means the way an investor views the risk of financial assets based on their attention and experience (Sindhu & Kumar (2014). Thus, the results of this study show that generation Z in West Java does not consider risk perception when deciding to invest in mutual funds.
This is considering that most respondents are novice investors who entrust the management of their investment funds to mutual fund managers. They entrust risk and return considerations as well as diversification of their investment portfolio to mutual fund managers.

The risk perception factor is only their consideration when deciding on the type of mutual fund. Risk averse investors will choose money market mutual funds, moderate investors will choose fixed income mutual funds and high risk investors will choose stock mutual funds.This is in line with the opinion of Virgineni and Rao (2017) who state that financial decisions are influenced by financial, psychological and sociological factors, causing differences in a person's view of risk. Investors' attitudes in responding to profitable risks will be different from their attitudes in responding to adverse risks. Risk perception will have an impact on a person's ability to take investment risks. This is in accordance with the prospect theory developed by Kahneman and Tversky (1979) in Arrifqi & Putri (2022).The results of this research are in line with research by Fadila et al. (2022) which shows that risk perception has no influence on investment decisions. However, the results of this research do not support the research results of Arrifqi & Putri (2022), Yolanda & Tasman (2020) and Adnantara & Asana (2017) which stated that risk perception has a positive effect on investment decisions.

4.8. Financial Technology, Financial Literacy, Risk Perception on Investment Decisions

The F test results in table 6 show a significance value of 0,000 < 0.005. indicating that financial technology, financial literacy, and risk perception influence investment decisions. Therefore, H4 is accepted, which means that financial technology, financial literacy, and risk perception have a simultaneous influence on Generation Z mutual fund investment decisions in West Java by 41,4% (table 7). Meanwhile, the remaining 48.6% was influenced by other variables not examined in this research

V. CONCLUSION

The research results show that the financial technology variable does not significantly influence investment decisions. This is because, in Generation Z, fintech has not been appropriately utilized with all the conveniences and benefits of this financial technology. Fintech has limitations as an innovation in the financial services industry that utilizes technology. Meanwhile, the financial literacy variable has a significant influence on investment decisions. The better a person's level of financial literacy, the better their understanding, knowledge, and skills in investment decisions. High financial literacy also leads to sound investment decisions and good financial behavior.

The risk perception variable does not have a significant influence on investment decisions. This can be explained by the fact that the risk profile has not been a consideration in Generation Z. If someone has a high level of risk perception, they will be careful in making investment decisions. In contrast, someone with a low level of risk perception will be braver in making decisions because they have much experience regarding these investments. Moreover, financial technology, financial literacy, and risk perception simultaneously influence Generation Z mutual fund investment decisions in West Java.

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