An Empirical Study on the Impact of Gen Z Investors' Financial Literacy to Invest in the Indian Stock Market

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Abstract

Purpose : The aim behind conducting this research was to identify the influence of financial literacy (FL) on the stock market investment decisions of individuals belonging to Gen Z in India. Attitude toward investment (AT) and perceived behavioral control (PBC) were considered as the mediating factors related to the same, while social factors (SF) and subjective norms (SN) were considered as independent factors.

Design/ Methodology/Approach : A Google form was used to collect primary data; 401 valid responses were considered for the present research work. G* Power 3.1.9.2 software was applied to determine the sample size. The research applied a non-probability convenient sampling technique for collecting the data through a questionnaire. Initially, convenience sampling was used, followed by snowball sampling. The questionnaire was distributed to our friends and acquaintances in five Indian states (Madhya Pradesh, Chhattisgarh, West Bengal, Gujarat, and Maharashtra). Then, friends and acquaintances were asked to circulate the same survey to their friends and acquaintances in their respective cities, and so on. This research used confirmatory composite analysis to observe linear compound interrelationships. The SmartPLS software was utilized in order to conduct an analysis of partial least square structural equation modeling.

Findings : Financial literacy had the highest positive effect on investment intention (β = 0.435). AT and PBC, which are the mediating variables, had a total positive effect of (β = 0.403) and (β = 0.275) on investment intention, respectively. FL had a total positive effect of (β = 0.358) and (β = 0.614) on AT and PBC, respectively. SF had a total positive effect of (β = 0.118) on AT, and SN had a total positive effect of (β = 0.219) on investment intention.

Originality Value : The current study will undoubtedly aid in the development of an understanding of the most critical aspects impacting the stock market investing intentions of Gen Z.

Keywords : **financial literacy, subjective norms, social factors, perceived behavioral control, attitude toward investment**

JEL Classification Codes : D10, D19, G53, E20, E22

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Investment means placing cash into something with the desire for gain that, upon deep analysis, has high security for the invested principal amount, along with the security of return or gain, within a normal timeframe. In the past few years or decades, India has seen tremendous development. It is the fourth-quickest developing economy on the planet. Changes in the economic policies like demonetization and the introduction of GST in the country have brought a change in the financial behavior of the people of the country, which is reflected by the fact that the gross domestic savings declined to 30.1% in 2019 as compared to 32.4% in 2018 (CEIC, 2020).

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So, in India's current situation, it is very important to study what investors plan to do and how they act, as well as other factors that affect these things.

Recently, individuals have started participating actively in the financial markets. There are numerous purposes behind this ascent in participation: firstly, financial market assets are the ones where chances of profitability are extraordinary, offering the potential outcomes of "making money work" and acquiring returns back from contributed capital. Second, the flexible environment of financial markets provides a great opportunity to convert an asset into cash very quickly, that is, liquidity. Investors can find an opportunity to invest their funds based on their investment objectives outside of the accessible scope of financial assets. The debt private placement offerings, rights issue offerings, preferential equity, overseas capital market offerings, buyback offerings, and further public offerings (FPO) of the capital market pushed the market, and as a result, the Indian capital market experienced positive growth from 2001 to 2019.

Furthermore, these categories indicated a rising market trend, which aided the capital market's growth throughout time (Tulsian & Shrivastav, 2020). Despite the recent changes that have taken place in the financial markets, it has been observed that a significant number of Indian households are still hesitant to participate in them. The current study utilizes the theory of planned behavior (TPB) to analyze investment intention among Indian individual investors belonging to Gen Z. This TPB model has been widely used in past research that measured the investment intention or behavior of individual investors. The theory suggests that an individual's intention is the immediate cause of their conduct, while the intention itself is affected by three essential elements, in particular, attitude, subjective norms, and perceived behavioral control. Furthermore, in this study, there is a brief description of TPB also.

Those born between 1995 and 2012 are considered to be part of Gen Z. It is the first generation of people who have grown up with computers in India, and by the year 2020, the oldest individual in this generation was 25 years old. They filter information by applying filters on Instagram feeds, which means very easily, and their attention span is just 10 seconds. The only constant in their lives is change. There are currently 472 million people in India who belong to the Gen Z demographic, which makes up 32% of the world's total population (Nayyar, 2015).

Gen Z has grown up in a different environment where they are surrounded by big corporate houses and dynamic technologies. Technologies are so advanced that every facility is available at their fingertips. The basic purpose of this study is to first determine the factors influencing an individual's (Gen Z) attitude toward investment and investment intention, and then study the impact of these factors on an individual's attitude and investment intention. This investigation means breaking down the impact of social variables on the attitude toward investment and, ultimately, investment intention. The individual's capacity to make decisions may be hampered by a variety of outside influences known as "social factors." It is now more important than ever to disseminate knowledge and ideas through crucial means such as the media, social connections with friends and family, and the internet (Nofsinger, 2005). To study an individual's investment intention, a link is created between investment intention and social factors, which include social interaction and media, Attitude (AT), perceived behavioral control (PBC), subjective norms (SN), and financial literacy (FL). Financial literacy as an intermediary of money-related information has additionally been connected to the AT, PBC, and investment intention. The low degree of financial-related information can prompt data asymmetry (Albaity & Rahman, 2019; Han & Jang, 2013), which may influence the individual's participation in the stock market or other financial instruments. While AT, PBC, and SN are the variables from the theory of planned behavior (TPB), an individual's intention for a specific choice, to a great extent, relies on his/her perception and feelings, which further change according to their social and cultural settings (Matters, 2008). As India has a highly diverse culture and a different degree of social norms, it is very conceivable that Indians may act uniquely in contrast to that of their Western parts.

There has been much research done on the investment intention or investment behavior of households and traders, but there is very limited research on the investment intention of students and youngsters. The oldest member of Gen Z would still be only 25 years old in 2020. So, it is important to explore which factors influence the intention of Gen Z in India while making an investment and how these factors impact their investment intention.

Literature Review

Social Factors and Attitude Toward Investment

Shanmugham and Ramya (2012) conducted research in this area to determine the influence that social factors had on the behavior and intents of individuals throughout the trading process. An individual's decision-making process is influenced by a variety of social factors, which are powers from the outside world. It is now much easier to disseminate information and ideas because of the proliferation of many platforms, including the internet, social networks, and face-to-face encounters with friends and family. Women are nevertheless constrained by several social limitations that have been ingrained in their personalities and attitudes. Aside from these factors, widespread social conventions, religious practices, and cultural values hinder women's ability to contribute to and participate in public life (Kumar & Kumar, 2020). Undoubtedly, investors discuss their finances with their family, friends, and neighbors, and these relationships impact their decision-making (Nofsinger, 2005). Buttle (1998) claimed that word-of-mouth had a great impact on the behavior of an individual when compared to any other source of marketing.

Financial Literacy and Attitude Toward Investment

Raut (2020) mentioned in his study that the attitude (AT) of investors experiences complex factors, for example, ambiguity, risk, and excessive availability of options. In such circumstances, financial literacy (FL) plays a vital role. In the event where an investor has the ability of financial literacy, he/she manages to get himself/herself in a superior situation concerning his/her investment risk, dependent on the signs he/she gets and the capacity to process it in a better manner.

Financial Literacy and Perceived Behavioral Control

In the previous research, FL was recognized as both one of the most common and a critical variable influencing people's ability to settle on financial choices (Mouna & Anis, 2017 ; Sivaramakrishnan et al., 2017 ; Thomas & Spataro, 2018). Furthermore, it has been reported that a lack of FL contributes to latency and problematic financial decision-making. Investor sentiment levels are significantly influenced by current market returns when they are in a favorable direction (George & Srinivasa Suresh, 2018).

Attitude Toward Investment and Investment Intention

In TPB, an individual's intention is the most critical factor in determining his/her behavior. On the other hand, an individual's AT is the primary factor in determining their behavior (Norman et al., 2019). According to Schmidt (2010), antisocial behavior (AT) can serve both as a negative and a positive basis for future actions or behaviors that may be rewarding or joyful (Akhtar & Das, 2019). According to O'Connor and White (2010), when a person has a favorable attitude toward a certain behavior, there is a greater likelihood that he/she will develop a productive intention to engage in the behavior in question.

Financial Literacy and Investment Intention

Raut et al. (2021) referenced that financial literacy and awareness are considered essential for settling on a knowledgeable and sound investment decision. Individuals with financial ability have a superior capacity to comprehend money and to make money-related decisions (Hogarth & Hilgert, 2002).

Perceived Behavioral Control and Investment Intention

Shanmugham and Ramya (2012) mentioned in their study that the accessibility of essential opportunities and assets highlighted individuals' real command over the behavior 'perceived behavioral control' (PBC). TPB has been generally utilized and effectively applied to foresee individuals' intentions and subsequent behavior. As Chen and Liu (2004) indicated, attitude is a primary factor affecting behavioral intention. Healthy financial behaviors, such as an inclination to save and financial literacy, influence a person's financial well-being (Shobha & Chakraborty, 2017). Returns, capital appreciation, safety, liquidity, tax benefits, and other considerations all impact an investor's investment selection. The investment pattern varies from investor to investor and is impacted by a variety of circumstances.

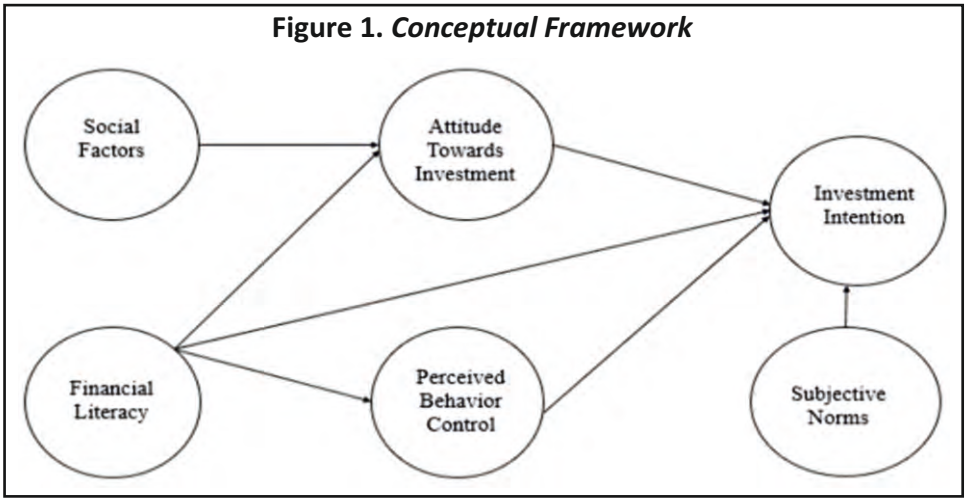
Subjective Norms and Investment Intention

Ajzen and Fishbein described “attitude” and “subjective norms” as factors determining a person's intention to engage in a certain behavior (Ajzen & Fishbein, 1980; Fishbein & Ajzen, 1975). Ashraf and Baig (2019) believed that budget is an important event for the Indian stock market, at least in the short term. Shanmugham and Ramya (2012) noted that accepted practices, relatives, and companions might significantly influence individuals' goals.

Conceptual Framework

Based on previous empirical studies and some relevant theories like TPB, we developed a new conceptual framework. This study's conceptual framework examines Gen Z's investment intentions in India. In Figure 1, social factors, financial literacy, and subjective norms are the independent variables, while attitude toward investment and perceived behavioral control are the intervening variables. Attitudes toward investment play a

Figure 1. ***Conceptual Framework***



dual mediating role, first between social factors and investment intention, and secondly between financial literacy and investment intention. Perceived behavioral control plays a mediating role between financial literacy and investment intention. The dependent variable is investment intention (Figure 1).

Research Hypotheses

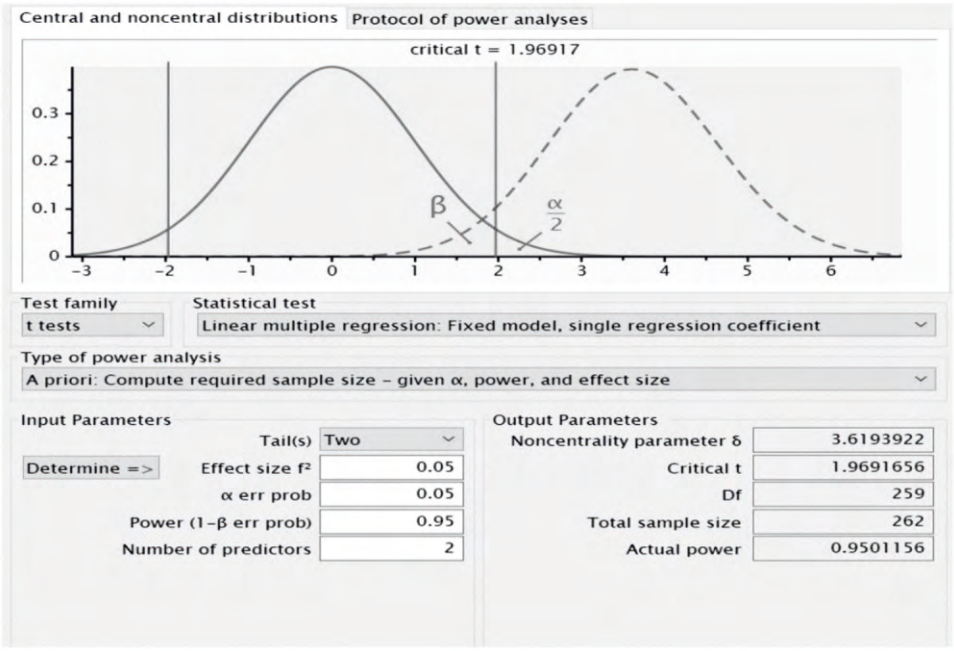
The following hypotheses were developed for this research work :

- **H01 :** Social factors have no significant influence on attitude toward investment.
- **Ha1 :** Social factors have a significant influence on attitude toward investment.
- **H02 :** Financial literacy has no significant influence on attitude toward investment.
- **Ha2 :** Financial literacy has a significant influence on attitude toward investment.
- **H03 :** Financial literacy has no significant influence on perceived behavioral control.
- **Ha3 :** Financial literacy has a significant influence on perceived behavioral control.
- **H04 :** Attitude toward investment has no significant influence on investment intention.
- **Ha4 :** Attitude toward investment has a significant influence on investment intention.
- **H05 :** Financial literacy has no significant influence on investment intention.
- **Ha5 :** Financial literacy has a significant influence on investment intention.
- **H06 :** Perceived behavioral control has no significant influence on investment intention.
- **Ha6 :** Perceived behavioral control has a significant influence on investment intention.
- **H07 :** Subjective norms have no significant influence on investment intention.
- **Ha7 :** Subjective norms have a significant influence on investment intention.

Research Methodology

The research applied a non-probability convenient sampling technique for collecting the data through a questionnaire. A Likert scale with 5 points, ranging from *strongly disagree* to *strongly agree*, was used to collect the data. The questionnaire was floated to the researchers' friends and acquaintances from five Indian states (Madhya Pradesh, Chhattisgarh, West Bengal, Gujarat, and Maharashtra) in October 2020. Then, friends and acquaintances were asked to circulate the same survey to their friends and acquaintances in their respective cities, and so on. Data were collected online through the circulation of Google Forms. Responses were received from 401 respondents. G* Power 3.1.9.2 software was applied to determine the sample size. The sample size determined by the software was 262. Therefore, the responses of all 401 respondents were considered for this research work. The estimation of the minimum required sample size is depicted in Figure 2. SmartPLS software was used to analyze the data using partial least square structural equation modeling. The software provides extreme flexibility, especially when the model is complex, and therefore, due consideration was given to this software for this particular research work.

Figure 2. ***G* Power Analysis***



Analysis and Results

Reliability Analysis

Cronbach's alpha was applied to the questionnaire in order to evaluate the reliability of the assertions included within its various variables. A preliminary test was carried out on 50 different respondents for the purpose of determining reliability. Table 1 demonstrates both the results of the pre-test.

The present value of all six variables is greater than 0.6, indicating that they are dependable and acceptable for use in a questionnaire survey (Morgan et al., 2004).

Table 2 shows that there were 237 (59.1%) male respondents out of a total of 401 respondents. At the same time, there were 164 (40.9%) female respondents out of a total of 401 respondents. The majority of the

Table 1. ***Results of Reliability of Measurement (n* = 50*)***

Variables	No. of Items	Pre-test Cronbach's Alpha (50)	Results
Social factors	04	0.611	Pass
Attitude toward investment	03	0.899	Pass
Financial literacy	04	0.888	Pass
Perceived behavioral control	03	0.857	Pass
Subjective norms	03	0.692	Pass
Investment intention	03	0.795	Pass

Table 2. ***Analysis of the Demographic Characteristics Based on Frequency, Percentage, and Cumulative Percentage***

Demographic Factors	Frequency	Percent	Cumulative Percent
Gender			
Male	237	59.1	59.1
Female	164	40.9	100
Total	**401**	**100**	
Age			
Under 18	11	2.7	2.7
18 – 21	113	28.2	30.9
22 – 25	277	69.1	100
Total	**401**	**100**	
Educational Level			
High school or less	11	2.7	2.7
Senior secondary school	18	4.5	7.2
College graduate	260	64.8	72
Advanced degree	107	26.7	98.7
Other	5	1.3	100
Total	**401**	**100**	
Professional Experience			
Freshman	202	50.4	50.4
Job experience	87	21.7	72.1
Self-employed	87	21.7	93.8
Other	25	6.2	100
Total	**401**	**100**	

respondents belonged to the age group of 22–25 years, which comes out to be 277 people (69.1%), followed by an age group of 18–21 years, which is 113 people (28.2%). The smallest group is of people aged under 18 years, which is 11 people (2.7%). The majority of the respondents were college graduates, which is 260 people (64.8%). Respondents having an advanced degree were 107, which is 26.7% of the total sample size. Respondents with an educational level of senior secondary school were 18, which is 4.5% of the total sample size. Respondents belonging to a high school or less were 11, which is 2.7% of the total sample size. The smallest group comprised those who were 5 in number and made up 1.3% of the sample size. The majority of the respondents were freshmen, which means they did not have any professional experience. These people were 202 in number and formed 50.2% of the total sample size; 87 people had work experience and formed 21.7% of the total sample size; 87 people were self-employed, which again formed 21.7% of the sample size. The remaining people had 'other' experience. These people were 25 in number and comprised 6.2% of the total sample size.

Confirmatory Composite Analysis

In the course of this investigation, confirmatory composite analysis was utilized so that an examination of the interrelationship could be carried out in terms of linear compounds. As part of the process of convergent

validation, both the composite reliability (CR) and the average variance extracted (AVE) were considered while evaluating the measurement model. Moreover, composite reliability (CR) is considered better than Cronbach's alpha for establishing reliability as it is less biased than Cronbach's alpha. The minimum required threshold for CR is 0.70. The average variance extracted will help identify the variance apprehended by a construct in comparison to the incorporated errors. The minimum required threshold for AVE is 0.50. However, values above 0.70 are presumed to be extremely good.

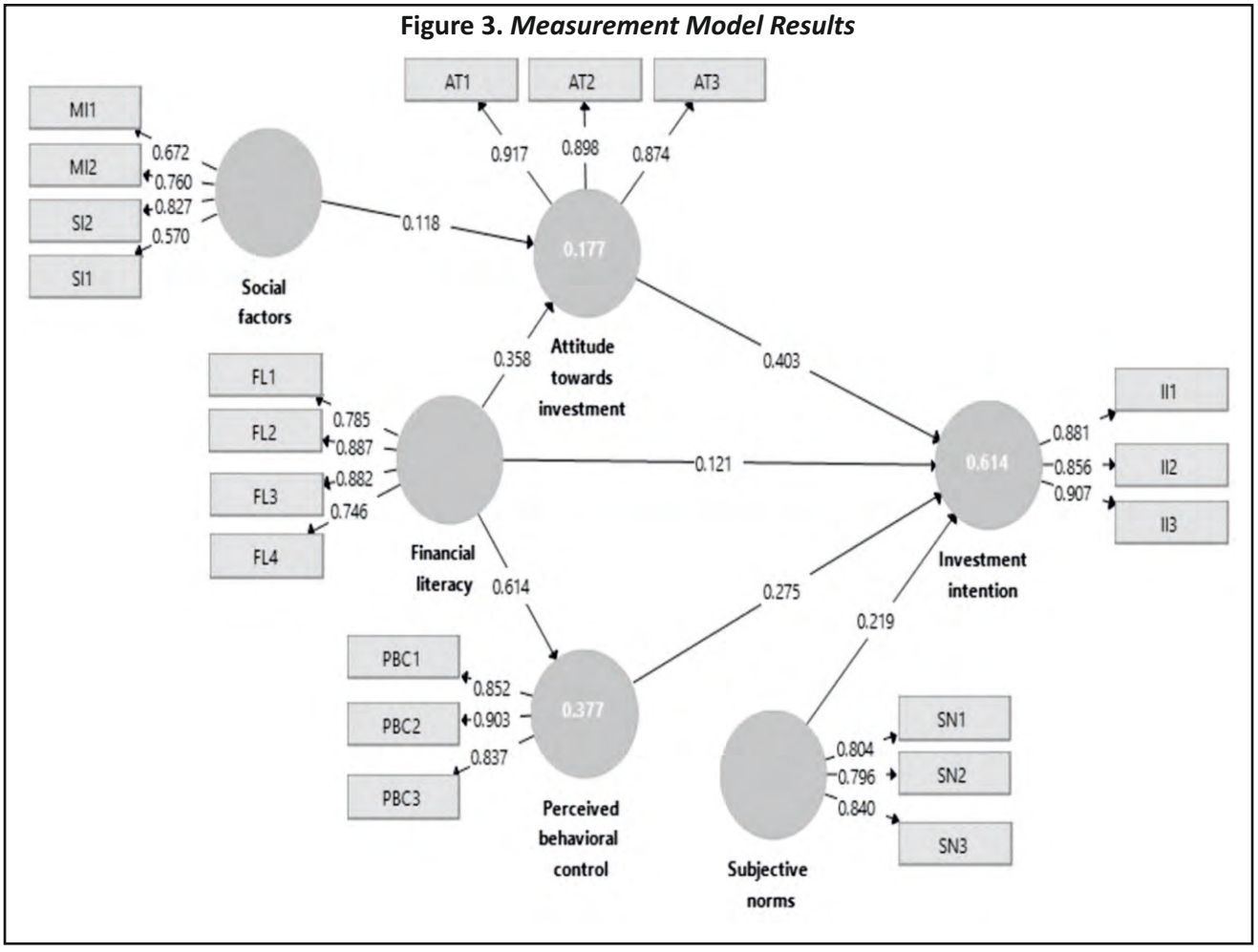
The results of the confirmatory composite analysis (Table 3 and Figure 3) reported that all the constructs are reliable, consistent, and fit with the measurement model. The majority of the factor loadings are above the minimum required threshold of 0.70, except in the case of social factors - MI1 (Media and Internet, i.e., I would use the internet as a source of information before investing in the stock market [0.672<0.70]), and SI1 (Social Interaction, i.e., I would consider family or friends' opinions when making an investment [0.570<0.70]). The analysis of AVE reports that each exceeded the minimum required threshold of 0.50, establishing the fact that variance is apprehended by a construct in comparison to the incorporated errors. Composite reliability (CR) is also above the threshold limit of 0.70, establishing that all constructs are theoretically connected.

Table 3. ***Confirmatory Composite Analysis Outcomes, Average Variance Extracted, and Construct Reliability***

Constructs and Variables	Codes	Factor Loadings	Composite Reliability	Average Variance Extracted
Social Factors				
Before making any kind of investment in the stock market, I would do some research on several companies using the internet.	*MI1*	0.672	**0.925**	**0.804**
Financial information on the Internet and other forms of media would help me while investing.	*MI2*	0.760		
When deciding on an investment, I would take the advice of family or friends into consideration.	*SI1*	0.570		
When it comes to making decisions on investments, I would take the advice of professionals/ experts into consideration.	*SI2*	0.827		
Attitude Toward Investment				
It's a good idea to invest money into the stock market.	*AT1*	0.917	**0.896**	**0.684**
The stock market is a sensible investment option.	*AT2*	0.898		
I like the idea of investing money into stocks.	*AT3*	0.874		
Financial Literacy				
I have a good understanding of investment.	*FL1*	0.785	**0.913**	**0.777**
I am knowledgeable enough about investment instruments/tools.	*FL2*	0.887		
I have an adequate understanding of market trends.	*FL3*	0.882		
I feel that my stock market knowledge and expertise will enable me to outperform the market.	*FL4*	0.746		
Perceived Behavioral Control				
I am aware of where to buy stocks.	*PBC1*	0.852	**0.899**	**0.747**

I'm good at spotting high-yielding investments/stocks.	*PBC2*	0.903		
I have the ability to invest quickly and easily in profitable stocks.	*PBC3*	0.837		
Subjective Norms				
If my colleagues and friends invest in the stock market, it will encourage me to do the same.	*SN1*	0.804	**0.803**	**0.510**
Those who have a significant influence on me think that I should invest in the stock market.	*SN2*	0.796		
People whose opinions I value and respect think I should invest in the stock market.	*SN3*	0.840		
Investment Intention				
I intend to make frequent investments in the stock market.	*II1*	0.881	**0.854**	**0.662**
I will encourage my relatives and friends to invest in the stock market.	*II2*	0.856		
I will make stock market investments in the near future.	*II3*	0.907		

Figure 3. ***Measurement Model Results***



Discriminant Validity

For the purpose of determining the discriminant validity, the Fornell – Larcker criterion (1981) is utilized. The Fornell – Larcker criterion is a useful tool for determining the extent to which the latent variables do, in fact, share a portion of their respective variances.

According to the findings presented in Table 4, the square root of the average variance extracted (AVE) has a value that is greater than that of all the cross-construct correlation values. This suggests that the investigation can proceed with the conduction of the final analysis.

Heterotrait - Monotrait Ratio (HTMT)

In addition to the traditional method of assessing discriminant validity, a new method, the heterotrait - monotrait ratio (HTMT), is also used to establish discriminant validity. HTMT is particularly used in PLS-SEM for building blocks for model assessment.

Table 5 shows that all values are less than one, showing that the correlation between the two constructs differs and hence meets the validation criteria (Kline, 2011). Henseler et al. (2015) suggested a threshold of 0.85 and 0.90 (Gold et al., 2001; Teo et al., 2008).

Table 4. ***Discriminant Validity***

	Fornell – Larcker Criterion					
	Central Government	**Corona Virus Experiences**	**Corona Virus Impacts**	**Local Government**	**Perceived Corona Virus Threats**	**State Government**
Attitude toward investment	**0.896**					
Financial literacy	0.407	**0.827**				
Investment intention	0.671	0.537	**0.881**			
Perceived behavioral control	0.478	0.614	0.607	**0.864**		
Social factors	0.265	0.413	0.369	0.236	**0.714**	
Subjective norms	0.399	0.377	0.507	0.294	0.378	**0.814**

Note. The figures that are highlighted in bold reflect the square root of the average variance extracted (AVE), which is an indicator of discriminant validity. The other numbers are correlation coefficients.

Table 5. ***Heterotrait - Monotrait Ratio (HTMT)***

	Attitude toward investment	**Financial literacy**	**Investment intention**	**Perceived behavioral control**	**Social factors**
Financial literacy	0.462				
Investment intention	0.771	0.627			
Perceived behavioral control	0.558	0.725	0.716		
Social factors	0.323	0.517	0.453	0.326	
Subjective norms	0.485	0.478	0.626	0.366	0.502

Structural Model Assessment

To determine whether there is a connection between the constructs and the significance they have for the prognosis, a structural equation model is utilized. Without making any adjustments to the sign, the bootstrapping method is carried out with a total of 500 bootstraps. This procedure helps determine the *p* - values for the hypotheses framed for this research (Table 6).

The effects of various constructs on the dependent variable (investment intention) are determined in Table 7, keeping in mind both direct and indirect effects of all the independent variables, such as social factors, attitude toward investment, financial literacy, perceived behavioral control, and subjective norms. Attitude toward investment has the highest direct effect on investment intention (β = 0.403) followed by perceived behavioral control (β = 0.275), subjective norms (β = 0.219), and financial literacy (β = 0.121). Financial literacy has the highest direct effect on perceived behavioral control (β = 0.614), and social factors have the least direct effect on attitude toward investment (β = 0.118). Social factors also have an indirect effect on investment intention (β = 0.047), and financial literacy has the highest indirect effect on investment intention (β = 0.314). So, financial literacy has the highest total effect on investment intention (β = 0.435).

Table 6. ***Hypotheses Testing Results of the Structural Model***

Hypotheses	*t*-value	*p*-value	Results
H01 : Social factors have no significant influence on attitude toward investment.	8.814	0.000	Rejected
H02 : Financial literacy has no significant influence on attitude toward investment.	6.600	0.000	Rejected
H03 : Financial literacy has no significant influence on perceived behavioral control.	2.706	0.007	Rejected
H04 : Attitude toward investment has no significant influence on investment intention.	21.134	0.000	Rejected
H05 : Financial literacy has no significant influence on investment intention.	5.793	0.000	Rejected
H06 : Perceived behavioral control has no significant influence on investment intention.	2.212	0.027	Rejected
H07 : Subjective norms have no significant influence on investment intention.	5.209	0.000	Rejected

Table 7. ***Standardized Direct, Indirect, and Total Effects of Various Constructs***

		Independent Variables↓				
Dependent Variables ↓		**Social Factors**	**Financial Literacy**	**Subjective Norms**	**Attitude Toward Investment**	**Perceived Behavioral Control**
Attitude toward investment	DE	0.118	0.358		–	–
	IE	–	–	–	–	–
	TE	**0.118**	**0.358**	–	–	–
Perceived behavioral control	DE	–	0.614	–	–	–
	IE	–	–	–	–	–
	TE	–	**0.614**	–	–	–
Investment intention	DE	–	0.121	0.219	0.403	0.275
	IE	0.047	0.314	–	–	–
	TE	**0.047**	**0.435**	**0.219**	**0.403**	**0.275**

Note. DE: Direct Effects, IE: Indirect Effects, and TE : Total Effects.

Table 8. ***Specific Indirect Effects***

	Specific Indirect Effects
Social factors -> Attitude toward investment -> Investment intention	0.047
Financial literacy -> Attitude toward investment -> Investment intention	0.144
Financial literacy -> Perceived behavioral control -> Investment intention	0.169

Table 8 shows that local financial literacy has the highest indirect effect on investment intention ($\beta = 0.313$). When AT and PBC are the mediating factors between FL and investment intention, then the indirect effect is $\beta = 0.144$ and $\beta = 0.169$, respectively. Social factors also have an indirect effect on investment intention ($\beta = 0.047$), when AT is the mediating factor.

Discussion

The current study aims to investigate the role of financial literacy in influencing stock market investment decisions among India's Generation Z. A total of five independent variables were considered, and one dependent variable, which is investment intention. The five independent variables include social factors, attitudes toward investment, financial literacy, perceived behavioral control, and subjective norms. Attitude toward investment plays a dual-mediating role between social factors and investment intention; another between financial literacy and investment intention. Perceived behavioral control also plays a mediating role between financial literacy and investment intention.

Social factors have a significant positive influence on attitudes toward investment. The degree of correlation is weak (positive). The reason for the weak relationship is the change in the thinking of Gen Zers. Gen Z people do not want to follow their friends or other important people blindly. So, when it comes to investment decisions, they prefer to talk with friends and family and use the media and the internet, but alone, these factors are not enough to motivate them to invest. Most people would prefer the advice of an expert when making an investment decision, which has the highest mean out of all the statements in a questionnaire (4.32).

Attitude toward investment has a significant influence on financial literacy. Although financial literacy has a positive influence on attitudes toward investment, the degree of influence is weak. Thus, attitude toward investment is not only affected by social factors and financial literacy, but also by various factors. Due to this, financial literacy alone has a weak influence on attitudes toward investment. So, it is not necessary that every Gen Zer who has sufficient financial literacy would hold a positive attitude toward investment and vice versa.

Perceived behavioral control (PBC) is very similar to self-efficacy, but PBC is measured more based on ease of doing a particular behavior, while self-efficacy is measured on confidence. A person with sufficient financial literacy would find investing easy compared to a less financially literate person. Therefore, financial literacy has a strong positive relationship with perceived behavioral control. As per the study, a financially literate person would know where to buy stocks, identify profitable stocks, and invest conveniently in favorable ones.

Attitude Toward Investment. Attitude is an individual's outlook toward things, which can be both positive and negative. If an individual holds a positive attitude toward certain behaviors, then there are greater chances of the individual engaging in such behavior. Attitude toward investment has a strong influence on investment intention when compared individually. Attitude toward investment has the highest correlation coefficient with investment intention, which is 0.672.

Financial Literacy. An individual with less knowledge of and ability to participate in the stock market would hesitate to participate in the market. According to the results, FL positively influences investment intention, which

means that a financially literate person would have a greater chance of having an intention to invest in the stock market.

Perceived Behavioral Control. Relates to the perception of one's own ability to perform a particular behavior. PBC has a strong influence on investment intention. When calculated individually, PBC has a correlation coefficient value of 0.605 with investment intention, whereas the unstandardized beta value is 0.291. Thus, if a Gen Zer feels that he/she can invest in the stock market with some ease based on his/her knowledge and ability, then there are greater chances that he/she intends to invest in the stock market.

Lastly, ***subjective norms*** are the approval of specific behaviors by a significant person or group of people. Subjective norms have a positive influence on investment intention. When calculated individually, SN has a correlation coefficient value of 0.502 with an investment intention, while the unstandardized beta value is 0.276. When we talk about Gen Zers, they are still very young, and the oldest person would be 25 years old in the year 2020. The majority of young people regard their parents, teachers, and friends as the most important people in their lives. When it comes to investment decisions, most individuals would desire their approval. If such important people motivate individuals to invest in the stock market, then there is a greater possibility that it would lead to the formation of a positive intention to invest.

Recommendations

Due to the fact that financial literacy has the highest total effect on investment intention, most of the recommendations are based on enhancing financial literacy within the country. The first one is proposed to a Gen Zer (an individual belonging to Gen Z). Individuals must share their knowledge and experience of the stock market with their friends, colleagues, and whoever else is possible. This will not only help in the sharing of financial literacy; even social interaction has a positive influence on investment intention. Secondly, parents must also motivate their children to invest in the stock market from a young age. If parents can instill the habit of investing in their children at a young age, they will be able to reap the benefits long before they begin earning on their own.

Moreover, due to upcoming platforms for investment, the role of sub-brokers has gradually decreased. People have started investing on their own using mobile applications. Still, many people invest in stock markets through sub-brokers. Stock market sub-brokers must not force an individual to invest a huge amount during the initial period. Due to the greed for more profits, an individual might be ready to invest huge amounts. The stock market never guarantees profits and can also lead to huge losses. So, without considerable experience, an investment of a huge amount must be avoided.

Furthermore, teachers can share their stock market stories and knowledge with their students. This will help in the sharing of financial literacy among people, and social interaction will create a positive attitude toward investment intentions in the stock markets. Finally, investment experts can collaborate with social media influencers to spread their knowledge among people. Knowledge from the experts must be welcomed at any point in time, although every person does not have access to such knowledge from experts. This is where social media influencers can collaborate with investment experts. It could be a win-win situation for both of them. Social media influencers have a great reach in terms of their audience, and this kind of content would be very useful for people. Sixth, as proposed to the education minister, an optional introductory course related to the stock market must be added to the senior secondary school curriculum. This would help students gain fundamental insights into the stock market from a young age.

Managerial Implications

This research is beneficial for the citizens of India, particularly members of Generation Z, as they are the ones who have just started earning or will start earning in the near future. Therefore, they have an urgent need to increase their level of financial literacy. If Generation Z members begin investing even a small amount of their salary in the stock market, it will be beneficial not only for them, but also for the country in the long term.

Limitations of the Study and Scope for Further Research

The target group for the present research was Gen Z from India. It might be possible that the thinking of Gen Z members is different in other parts of the world. Further studies can be conducted on other specific categories like school students, university students, Gen Y, Gen X, etc. Furthermore, in this study, only those respondents who have an online presence were considered. Further studies could also focus on individuals who are not active on these platforms. Moreover, a wider scope of investment could be covered than just the stock market. More independent or other variables could also be considered.

Authors' Contribution

Both authors contributed equally to this research paper. Janil Shah conceived the idea for this research, while Dr. Amit Kumar Nag conceived the conceptual framework and constructed the quantitative design to carry out this study. Dr. Amit Kumar Nag used statistical software packages, including G*Power, Jamovi, and SmartPLS, to perform the study's numerical computations. Janil Shah contributed to the scripting process in consultation with Dr. Amit Kumar Nag.

Conflict of Interest

The authors certify that they have no affiliations with or involvement in any organization or entity with any financial interest or non-financial interest in the subject matter or materials discussed in this manuscript.

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