

# The Decision Making of Cryptocurrency Investment in Digital Literacy and Motivation Among Generation Z Through Investment Interest in Indonesia

Retno Purwani Setyaningrum<sup>1</sup>, Wiyatur<sup>2\*</sup>

<sup>1,2\*</sup> Department of Management, Faculty of Economics and Business, Universitas Pelita Bangsa, Bekasi

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**Email Correspondence :**  
[wiatur49@gmail.com](mailto:wiatur49@gmail.com)

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## ABSTRACT

The growth of cryptocurrency investors in Indonesia has shown a significant increase, especially among Generation Z in 2023. This study focuses on the factors that influence the decision of Generation Z in Indonesia to invest in cryptocurrency. Through a quantitative approach using questionnaires and Structural Equation Modeling (SEM), it was found that digital literacy and investment motivation have a positive effect on cryptocurrency investment decisions. This study, conducted on 160 Generation Z respondents in Indonesia, aims to examine the impact of digital literacy and investment motivation on their interest and decisions in investing in cryptocurrency. The results of this study indicate that digital literacy and investment motivation have a positive influence on Generation Z's cryptocurrency investment decisions. Although investment interest also has a positive effect on cryptocurrency investment decisions, it turns out that digital literacy and investment motivation do not have a significant effect on investment interest. This shows that Generation Z in Indonesia who have high digital literacy and investment motivation will tend to decide to invest in cryptocurrency even though they may not necessarily have an interest in the investment. This finding indicates the need to increase digital literacy and investment motivation in Generation Z so that they can make the right cryptocurrency investment decisions.

## ABSTRAK

Pertumbuhan investor cryptocurrency di Indonesia menunjukkan peningkatan signifikan, terutama di kalangan Generasi Z pada tahun 2023. Penelitian ini berfokus pada faktor-faktor yang mempengaruhi keputusan Generasi Z di Indonesia untuk berinvestasi pada cryptocurrency. Melalui pendekatan kuantitatif dengan menggunakan kuesioner dan Structural Equation Model (SEM), ditemukan bahwa literasi digital dan motivasi investasi berpengaruh positif terhadap keputusan investasi cryptocurrency. Penelitian yang dilakukan terhadap 160 responden Generasi Z di Indonesia ini bertujuan untuk menguji dampak literasi digital dan motivasi investasi terhadap minat dan keputusan mereka dalam berinvestasi cryptocurrency. Hasil penelitian ini menunjukkan bahwa literasi digital dan motivasi investasi memiliki pengaruh positif terhadap keputusan investasi Generasi Z pada cryptocurrency. Walaupun minat investasi juga berpengaruh positif terhadap keputusan investasi cryptocurrency, ternyata literasi digital dan motivasi investasi tidak berpengaruh signifikan terhadap minat investasi. Hal tersebut menunjukkan bahwa Generasi Z di Indonesia yang memiliki literasi digital dan motivasi investasi yang tinggi akan cenderung memutuskan untuk berinvestasi pada cryptocurrency meskipun belum tentu memiliki minat terhadap investasi tersebut. Temuan ini menunjukkan perlunya peningkatan literasi digital dan motivasi investasi pada Generasi Z agar dapat mengambil keputusan investasi cryptocurrency yang tepat.



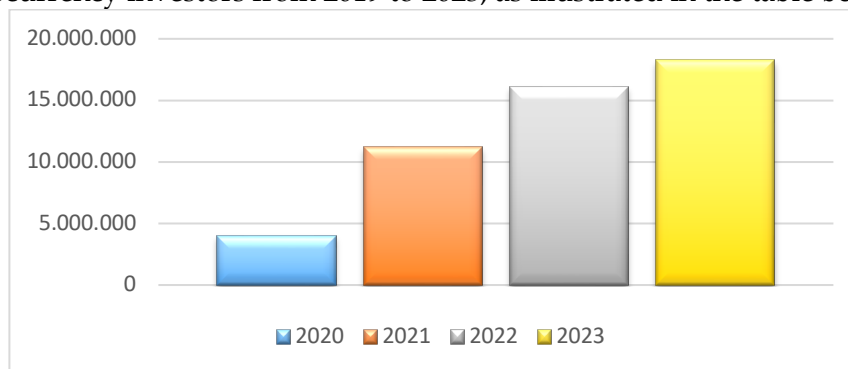
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## INTRODUCTION

The current period of digitalization is an era of information technology, marked by new developments in the collection, use, and dissemination of information. Today, information serves not only as a source of knowledge in the field of education but also as a valuable commodity for trade. This rapid technological advancement has spurred the creation of digital currencies as tools for payment and investment, requiring cautious implementation. Although cryptocurrencies offer numerous benefits, they also present challenges, including high volatility and security risks such as hacking and cyberattacks. Therefore, it is crucial for investors to develop a solid understanding of digital literacy (Afrizal et al., 2021).

Investment decisions involve the process by which individuals or groups decide to allocate their capital to specific investment instruments with the aim of achieving financial returns (Sumitra et al., 2024). The phenomenon of investment decision-making in cryptocurrency highlights the significant challenges faced by individuals in choosing investments in the digital era. Many investors, particularly Generation Z, often make decisions without thorough consideration due to a lack of technical understanding and adequate risk evaluation. These decisions are frequently influenced by market euphoria, social trends, or unreliable information, increasing the risk of financial losses. Furthermore, low levels of digital literacy and investment motivation can hinder the ability to make rational and strategic decisions. This underscores an urgent need for education focused on strengthening digital literacy, risk comprehension, and motivation to enhance the quality of investment decisions in cryptocurrency, particularly among the younger generation.

Digital literacy is crucial in making investment decisions, as mastering digital literacy enables individuals to understand, use, and navigate digital technology effectively and safely. In an increasingly interconnected world, digital literacy encompasses not only basic computer skills but also digital investments like bitcoin (Ulya et al., 2024). Indonesia has experienced growth in the number of cryptocurrency investors from 2019 to 2023, as illustrated in the table below.



**Figure 1** Growth of Cryptocurrency Investors in Indonesia in 2020-2023  
Source: katadata (2024)

Based on the data, it can be seen that the number of cryptocurrency investors in Indonesia has significantly increased from 2020 to 2023. In 2020, the number of investors was recorded at 4 million, then increased to 11.2 million in 2021, and continued to grow to 16.1 million in 2022, reaching 18.25 million in 2023. This increase of 356.25% within just 4 years indicates that public interest in cryptocurrency investments is very high, motivated by high profits despite the lack of digital literacy, high market volatility, and security risks. According to (Hayashi & Routh, 2024)). High investment motivation driven by the potential for large profits is often the main factor attracting investors.

Previous research shows that digital literacy has a significant influence on investment decisions (Furinto et al., 2023; Shintawati & Budidarma, 2023), finding that digital literacy can increase investor confidence, thus positively impacting investment decision-making. However, other studies, such as those by (Briere, 2023; Kristian & Setyawan, 2024), reveal that digital literacy can also create bias in decision-making, especially through "echo chambers" on social media, where the information received is often subjective. Investment motivation is also considered to have an influence on investment decisions. Research such as that conducted by (Pratama et al., 2022; Ratna Gumilang et al., 2023) shows that strong motivation, especially the drive to gain profit, has a positive impact on investment decisions. However, different results were found by (Jasmine, 2022; Matrutry et al., 2021), which stated that motivation does not always significantly influence investment decisions, especially if not supported by adequate literacy or understanding of investment instruments. Based on the findings of these studies, a research gap indicates that there are other variables or factors beyond digital literacy and investment motivation that can influence investment decisions. One of these is the role of investment interest as a mediating variable that can clarify how digital literacy and investment motivation impact individual investment decisions, thus this study highlights the importance of including investment interest as a mediating factor to provide a more comprehensive understanding of investment decision-making in the digital era.

Investment interest influences an individual's decision to engage in investment activities, including in the context of cryptocurrency (Missy et al., 2024). This interest arises when someone feels driven to invest based on the knowledge they have as well as the motivation to gain financial profits (Yuliani et al., 2020). Digital literacy plays a significant role in shaping investment interest because the better one understands digital technology and investment risks, the greater their interest in engaging in such activities (Saputra et al., 2021).

Based on previous research and the identified research gap, it is evident that low digital literacy and lack of investment motivation are the main barriers to making cryptocurrency investment decisions among Gen Z. To complement the existing research findings, this study includes investment interest as a mediating variable to further explain how digital literacy and investment motivation can influence investment decisions. Because some researchers state that digital literacy positively affects investment interest, as in the research Kumanireng & Utomo, (2023), and similarly in the study (Wulandari, 2021), motivation positively influences investment interest, as well as in the research (Hasanudin et al., 2021), which also states that investment interest positively affects investment decisions, this study offers an interesting novelty to examine, namely: (1) the integration of investment interest as a mediating variable, (2) a focus on Gen Z as a demographic group with diverse levels of digital literacy and investment motivation, and (3) a comprehensive analysis of digital literacy, investment motivation, and investment interest in shaping cryptocurrency investment decisions.

## LITERATURE REVIEW

### *The Influence Between Digital Literacy and Investment Decisions*

Digital literacy is the ability to effectively use digital technology, which can influence investment decisions (Annisa et al., 2023)). With good digital literacy, individuals can access financial information in real-time, utilize digital platforms, and better manage risks, enabling investors to make more informed decisions, reduce the risk of losses, and optimize portfolio performance (Sujenthirai et al., 2023). Digital literacy also promotes financial inclusion by opening investment access to various segments of society. Challenges such as dependence on technology and the digital divide can limit its impact (Furinto et al., 2023). H1: Digital literacy is hypothesized to have an influence on investment decisions.

### *The Influence Between Investment Motivation and Investment Decisions*

Investment motivation plays an important role in influencing investment decisions. (Bebasari & Istikomah, 2020) stated that intrinsic and extrinsic motivation determines investment strategies, such as risk tolerance and portfolio diversification. This motivation helps investors align their decisions with long-term financial goals. (Zainal et al., 2024) showed that motivated investors are more likely to make decisions based on data and market trends. (Wiryakusuma & Angga, 2023) also highlighted the influence of emotions, such as confidence, in strengthening decision-making consistency. Based on this evidence, this study proposes the hypothesis:

H2: Investment motivation is hypothesized to have an influence on investment decisions.

### *The Influence Between Investment interest and Investment Decisions*

Investment interest and investment decisions has been the focus of various studies, given its critical role as a mediator among factors such as financial literacy, investment motivation, and risk perception in influencing investment decisions. Research reveals that investment interest is greatly influenced by financial literacy and income levels, which directly affect investment preferences among the people of Surakarta. Similar findings were reported by (Susanti, 2024), showing that investment interest bridges the relationship between motivation investment knowledge, and risk perception with investment decisions, where higher investment interest drives active participation in the capital market to achieve optimal investment outcomes (Sarumaha & Sugiyanto, 2023). Studies confirm that higher financial literacy can enhance investment interest, which subsequently contributes to more focused and quality investment decisions (Yutama et al., 2022). Based on these findings, investment interest can be considered a strategic factor influencing the effectiveness of investment decision-making and long-term success. Therefore, the hypothesis proposed in this study is:

H3: Investment interest is hypothesized to have an influence on investment decisions.

### *The Influence Between Digital Literacy and Investment interest*

The development of digital technology has drawn attention to the relationship between digital literacy and investment interest, as digital literacy is believed to enhance individuals' ability to understand investment opportunities and risks in the modern era (Mentari et al., 2022). Digital literacy provides easier access to market information, enables effective use of digital investment platforms, and supports more informed investment decision-making (Wartoyo et al., 2024). Research by (Gaol et al., 2023) indicates that

individuals with good digital literacy have higher confidence in managing investments, thereby fostering greater interest in engaging in investment activities. With adequate technological understanding, prospective investors can more easily identify investment opportunities while reducing concerns about risks, making digital literacy a crucial factor in increasing investment interest in an era increasingly integrated with technology. Therefore, the hypothesis proposed in this study is:

H4: Digital literacy is hypothesized to have an influence on investment interest.

*The Influence Between Investment Motivation and Investment interest*

Investment interest often stems from fundamental motivations that drive individuals to explore opportunities in the investment world. Investment motivation, whether intrinsic, such as the desire to achieve financial independence, or extrinsic, such as the drive to gain profits, serves as a primary factor shaping an individual's interest in investment activities (Auliana, 2024). Research indicates that the stronger the motivation, the greater the tendency for individuals to be interested in learning investment mechanisms, understanding risks, and taking initial steps in investing (Gultom et al., 2024). Motivation can also enhance interest in investments as a tool for achieving long-term financial goals, making it a crucial element in fostering interest and engagement in investment activities (Romadon, 2023). Therefore, the hypothesis proposed in this study is:

H5: Investment motivation is hypothesized to have an influence on investment interest.

*Investment Interest Mediates The Influence Digital Literacy On Investment Decisions.*

An individual's interest in investment is often influenced by their level of digital literacy, especially in the modern era where technology plays a significant role in investment activities (Kumanireng & Utomo, 2023). Digital literacy provides the ability to efficiently access market information, understand investment risks, and use digital platforms for transactions (Nasrullah et al., 2024). Research by (Hidayah & Asroi, 2022) revealed that individuals with higher levels of digital literacy tend to have greater interest in investments because they are more confident in making decisions supported by accurate information. Good digital understanding also encourages openness to new investment opportunities, making digital literacy one of the key factors in increasing interest and participation in the investment world. Therefore, the hypothesis proposed in this study is:

H6: Digital literacy is hypothesized to have an indirect influence on cryptocurrency investment decisions through investment interest.

*Investment Interest Mediates The influence Investment Motivation On Investment Decisions.*

Investment interest plays an important role in bridging the relationship between investment motivation and investment decisions. This aligns with the theory of planned behavior, which states that an individual's motivation can influence their behavioral intentions, in this case, investment interest. Research conducted by (Susanti, 2024) shows that investment interest mediates the relationship between investment motivation and investment decisions. Additionally, a study by (Fortunatus & Pamungkas, 2023) revealed that strong motivation can increase interest in investments, which subsequently positively influences decisions. Similar results were found by (Romadon, 2023), who stated that investment interest serves as a significant mediating variable in the relationship between



psychological factors and investment decisions. Based on these research findings and in line with the theory of planned behavior, the proposed hypothesis is:

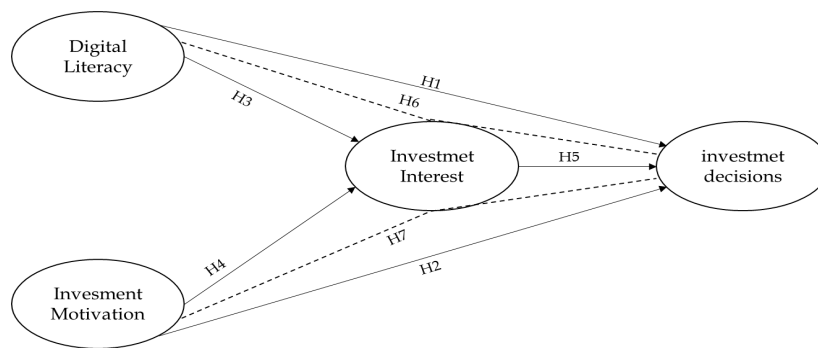
H7: Investment motivation is hypothesized to have an indirect influence on cryptocurrency investment decisions through investment interest.

## RESEARCH METHOD

This research is based on a correlational quantitative research technique, which assumes that the primary objective of this study is to observe and analyze (collect data on) certain phenomena, often through a cross-sectional survey approach (Ghozali et al., 2015). To address the research hypotheses, this study employs a descriptive approach and survey tools to understand how digital literacy, investment motivation, and investment interest influence cryptocurrency investment decisions among Generation Z. The survey statements focus on measuring the levels of digital literacy, investment motivation, investment interest, and cryptocurrency-related investment decision-making. The determination of the minimum sample size is calculated based on the following formula (Hair et al., 2017)  $N = \{5 \text{ to } 10 \times \text{the number of indicators used}\} = 5 \times 32 = 160$ . From the above calculation, the number of samples to be studied is 160 respondents.

The dimensions of digital literacy include: a) Access to technology, b) The ability to evaluate online information, c) Understanding digital risks, and d) The ability to use digital platforms for investment (Kumanireng & Bayu Utomo, 2023). Investment motivation is measured through four dimensions: a) The desire for financial gain, b) Intrinsic interest in cryptocurrency, c) Social influence, and d) Perception of opportunities (Bebasari & Istikomah, 2020). Investment interest is measured based on: a) Interest in investing, b) Engagement in investment platforms, c) Readiness to invest, and d) Curiosity (Missy et al., 2024). Investment decisions are evaluated through four aspects: a) Rationality in decision-making, b) Investment frequency, c) Risk management, and d) Portfolio diversification (Hasanudin et al., 2021).

Data collection targeted Generation Z respondents located in Indonesia. A total of 160 valid responses were successfully collected using Google Forms. Then this data collection was carried out through a questionnaire with a five-point Likert scale, where respondents rated their level of agreement which included the level of response preferences: Strongly Agree (5), Agree (4), Quite Agree (3), Disagree (2), and Strongly Disagree (1) (Ghozali et al., 2015). The analysis was carried out using the Structural Equation Model (SEM), which was chosen because of its ability to test complex relationships between variables. Partial Least Square (PLS) analysis was carried out using Smart PLS software version 3.0.



**Figure 2** *Research Model*

## RESULT and DISCUSSION

Table 1 provides a general overview of the 160 respondents involved in this study, all of whom belong to Generation Z. The sample exhibits a diverse age distribution within this generation: 57.5% of respondents fall within the 17-20 age bracket, 30.6% are between 21-24 years old, and 11.9% are aged 25-26. This age range ensures a comprehensive representation of Generation Z's perspectives on cryptocurrency investment, encompassing individuals at the beginning, middle, and end of this generation's age spectrum. The gender distribution within the sample consists of 97 males (60.6%) and 63 females (39.4%). This relatively balanced proportion allows for the examination of potential gender-based differences in attitudes and behaviors towards cryptocurrency investment, offering insights into how gender may influence perceptions and decision-making in the context of crypto investments. Furthermore, the educational background of the participants also varies: 71.3% completed high school, 6.3% hold an associate degree, and 22.5% have attained a bachelor's degree. This diversity in educational attainment provides an opportunity to explore whether education level influences understanding and engagement with cryptocurrency, revealing a potential link between formal knowledge and participation in the crypto market. This age group was specifically targeted due to their high level of engagement with digital technologies and their increasing interest in cryptocurrency as an investment option. Their familiarity with online platforms and their openness to new financial instruments make them a key demographic for understanding the factors that drive cryptocurrency investment decisions, offering valuable insights into the evolving dynamics of the crypto market.

**Table 1** *Sample Characteristics*

No.	Sample Characteristics	N	Percentage of Sample
<b>Age</b>			
1	17-20	92	57,5
2	21-24	49	30,6
3	25-26	19	11,9
<b>Gender</b>			
1	Male	97	60,6
2	Female	63	39,4
<b>Education</b>			
1	High School	114	71,3
2	Associate Degree	10	6,3

3	Bachelor's degree	36	22,5
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Source: Data Processed (2024)

In this study, the cut-off value for the outer loadings was set above 0.6, meaning that indicators with values greater than 0.6 are considered acceptable and valid. The findings of this study show that all 32 indicators are valid, with loading factors exceeding 0.6, indicating a strong correlation between the indicators and their respective constructs. Furthermore, the results also reveal that the Average Variance Extracted (AVE) is above 0.5, suggesting good convergent validity, while Composite Reliability (CR) exceeds 0.7 and Cronbach's Alpha is greater than 0.6, demonstrating high internal consistency within each construct. Therefore, each construct meets the necessary criteria for measuring the latent variables in this study. The complete data regarding the loading factors, AVE, CR, and Cronbach's Alpha for each construct can be found in Table 2 below.

**Table 2** Outer Loadings, Cronbach's Alpha, Composite Reliability, and Average Variance Extracted (AVE)

Variables	Indicator	Outer Loadings	Cronbach's Alpha	Composite Reliability (CR)	AVE
Digital Literacy (DL)	DL1	0,760	0.893	0.914	0.572
	DL2	0,653			
	DL3	0,825			
	DL4	0,801			
	DL5	0,751			
	DL6	0,779			
	DL7	0,735			
	DL8	0,737			
Investment Motivation (IM)	IM1	0,714	0.879	0.905	0.543
	IM2	0,700			
	IM3	0,715			
	IM4	0,706			
	IM5	0,728			
	IM6	0,759			
	IM7	0,760			
	IM8	0,807			
Investment interest (II)	II1	0,732	0.889	0.911	0.561
	II2	0,751			
	II3	0,734			
	II4	0,724			
	II5	0,786			
	II6	0,774			
	II7	0,719			
	II8	0,768			
Investment Decisions (ID)	ID1	0,785	0.862	0.893	0.511
	ID2	0,639			
	ID3	0,712			
	ID4	0,620			
	ID5	0,718			



ID6	0,673
ID7	0,757
ID8	0,797

Source: Data Processed by SmartPLS 3.0 (2024)

The table presents the outer loadings, Cronbach's alpha, composite reliability (CR), and average variance extracted (AVE) for four latent variables related to investment. An indicator is considered valid if its outer loading exceeds 0.6. Based on this criterion, the majority of indicators are valid. Furthermore, all four variables demonstrate strong reliability, as evidenced by composite reliability values surpassing the recommended threshold of 0.7. Digital Literacy exhibits a CR of 0.914, Investment Motivation has a CR of 0.905, Investment Interest has a CR of 0.911, and Investment Decisions has a CR of 0.893. The average variance extracted (AVE) is used to assess convergent validity. The table above displays the AVE values, ranging from 0.572 for Digital Literacy, 0.543 for Investment Motivation, 0.561 for Investment Interest, to 0.511 for Investment Decisions, which is the lowest recorded value. The minimum acceptable AVE value is 0.5. This threshold has been met, and consequently, we can conclude that convergent validity is established across all four dimensions, confirming that the measurement model exhibits adequate convergent validity. The Cronbach's alpha, Composite Reliability, and Average Variance Extracted values that meet the established criteria, along with the outer loadings that indicate a strong correlation between the indicators and their respective constructs, demonstrate the reliability of all variables used in this study.

**Table 3** *Research Hypothesis Test*

	Hypothesis	Original Sampel	T Values	P Values	Results
H1	Digital Literacy → Investment Decisions	0.032	1.970	0.025	Support
H2	Investment Motivation → Investment Decisions	0.987	114.552	0.000	Support
H3	Digital Literacy → Investment interest	0.323	1.517	0.065	Unsupport
H4	Investment Motivation → Investment interest	0 .047	0.212	0.416	Unsupport
H5	Investment interest → Investment Decisions	-0.041	2.115	0.017	Support
H6	Digital Literacy → Investment interest → Investment Decisions	-0.013	1.301	0.097	Unsupport
H7	Investment Motivation → Investment interest → Investment Decisions	-0.002	0.229	0.410	Unsupport

In the table above, the results of hypothesis testing from this study are explained as follows:

1. (H1) The analysis reveals that digital literacy has a significant positive influence on investment decisions ( $t = 1.970$ ,  $p = 0.025$ ). This influence is reflected in the original sampel of 0.032, which means digital literacy contributes 3.2% to investment decisions.
2. (H2) There is a highly significant positive correlation between investment motivation and investment decisions ( $t = 114.552$ ,  $p < 0.001$ ). Original sampel of 0.987 indicates that investment motivation explains most (98.7%) of the variation in investment decisions.
3. (H3) Although there is a positive relationship between digital literacy and investment interest, this relationship is not statistically significant ( $t = 1.517$ ,  $p = 0.065$ ). Therefore, the hypothesis stating that digital literacy has a positive effect on investment interest is not supported.
4. (H4) Data analysis shows that investment motivation does not have a significant effect on investment interest ( $t = 0.212$ ,  $p = 0.416$ ).
5. (H5) Investment interest has a significant negative effect on investment decisions ( $t = 2.115$ ,  $p = 0.017$ ).
6. (H6) The analysis does not support the mediating effect of investment interest in the relationship between digital literacy and investment decisions ( $t = 1.301$ ,  $p = 0.097$ ). This means that investment interest does not act as a link between a person's digital literacy and their decision to invest.
7. (H7) The hypothesis regarding the mediating effect of investment interest between investment motivation and investment decisions is also not supported by the data ( $t = 0.229$ ,  $p = 0.410$ ). Thus, investment interest does not mediate the relationship between a person's motivation to invest and the investment decisions they make.

## DISCUSSION

The findings from this study offer valuable insights into the factors that influence cryptocurrency investment decisions among Generation Z in Indonesia. Specifically, the results indicate that digital literacy has a positive and significant effect on investment decisions, supporting H1. This suggests that Generation Z individuals with higher levels of digital literacy are more likely to engage in cryptocurrency investment. This finding aligns with the increasing prominence of digital technologies in financial activities and highlights the importance of digital literacy in navigating this evolving landscape.

Furthermore, the study confirms the significant role of investment motivation in driving cryptocurrency investment decisions among Generation Z, as hypothesized in H2. This underscores the importance of understanding the motives and aspirations that drive this generation's interest in cryptocurrency investment. Whether it's the pursuit of financial independence, the allure of high returns, or the desire to participate in a disruptive technology, understanding these motivations is crucial for stakeholders seeking to engage with this investor segment.

Interestingly, the study reveals that neither digital literacy nor investment motivation had a significant effect on investment interest, contradicting H3 and H4. This unexpected

finding suggests that while digital literacy and investment motivation may directly influence investment decisions, their impact on investment interest may be more nuanced. It is possible that other factors, such as social influence, perceived risk, or trust in cryptocurrency platforms, play a more significant role in shaping investment interest.

The study also confirms that investment interest positively influences investment decisions, supporting H5. This suggests that individuals who express a greater interest in cryptocurrency are more likely to translate that interest into actual investment actions. This finding highlights the importance of fostering investment interest among Generation Z as a pathway to promoting their participation in the cryptocurrency market.

Finally, the study indicates that investment interest does not mediate the relationship between digital literacy and investment decisions, nor does it mediate the relationship between investment motivation and investment decisions, contradicting H6 and H7. This suggests that the impact of digital literacy and investment motivation on investment decisions is not channeled through investment interest. Instead, these factors may exert a direct influence on investment decisions, independent of investment interest.

These findings offer valuable implications for policymakers, educators, and financial institutions seeking to promote responsible and informed cryptocurrency investment among Generation Z. By understanding the complex interplay of factors that influence investment decisions, stakeholders can develop targeted strategies to enhance digital literacy, foster investment motivation, and cultivate a balanced understanding of the opportunities and risks associated with cryptocurrency investment.

## CONCLUSIONS

This study explores how digital literacy and investment motivation influence cryptocurrency investment decisions among Generation Z in Indonesia. Additionally, it examines the role of investment interest as a mediating factor in the relationship between digital literacy, investment motivation, and investment decisions in the cryptocurrency market.

As digital natives, Generation Z is highly exposed to cryptocurrency investments, but their ability to make informed financial decisions depends on their understanding of digital technology and investment motivation. With a strong grasp of digital literacy and clear investment goals, Generation Z can optimize their investment strategies and maximize returns in the dynamic world of cryptocurrency. A deeper understanding of these factors enables them to make wise and calculated investment decisions, minimizing risks while seizing profitable opportunities.

The findings of this study reveal that digital literacy and investment motivation have a positive and significant impact on cryptocurrency investment decisions among Generation Z in Indonesia. Additionally, investment interest plays a crucial role in shaping these decisions. However, the study found that digital literacy and investment motivation do not significantly impact investment interest, indicating that other factors may contribute to an individual's enthusiasm for investing in cryptocurrency.

Despite its valuable insights, this study has certain limitations. First, the research sample is restricted to Generation Z in Indonesia, which may limit the generalizability of the findings. Future research should expand the sample size across different regions and demographics to obtain broader and more representative results. Second, this study focuses only on digital literacy, investment motivation, investment interest, and investment decisions. Future studies should consider additional variables such as risk perception, social influence, and trust in investment platforms to provide a more comprehensive analysis of what drives cryptocurrency investments.

The findings of this research highlight the importance of digital literacy and investment motivation in shaping cryptocurrency investment decisions among Generation Z. This has several managerial implications for policymakers, educators, and financial institutions. First, there is a need to enhance education and training programs that equip Generation Z with relevant digital and financial skills for cryptocurrency investment. Second, key stakeholders should provide a comprehensive understanding of both the opportunities and risks associated with cryptocurrency investment, ensuring that young investors make informed and responsible financial decisions.

By fostering strong digital literacy and investment motivation, Generation Z can confidently navigate the cryptocurrency landscape, turning financial aspirations into real investment success.

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