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RESEARCH ARTICLE

Factors Influencing Generation Z's Intention to Invest in Cryptocurrency: Is Cryptocurrency a Trend Amongst Gen Z?

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ABSTRACT

This study explores the factors that influence Generation Z's (Gen Z) inclination towards investing in cryptocurrency and investigates whether cryptocurrency represents a trend among this demographic. The research examines five independent variables: Financial Literacy, social influence, performance expectancy, perceived usefulness, and perceived security. The study utilized non-probability sampling methods to collect 149 responses, employing convenience sampling and snowball sampling techniques. The quantitative analysis employs regression models to determine the extent to which each independent variable impacts Gen Z's decision to invest in cryptocurrency. The findings of this study conclude that financial literacy, performance expectancy, perceived usefulness and perceived security significantly influences Gen Z's cryptocurrency investment decisions. In cryptocurrency investments, financial literacy is critical for understanding risks and opportunities, guiding individuals to make informed decisions and avoid potential pitfalls. Performance expectancy, reflecting Gen Z's expectations of returns on investment, and effort expectancy, indicating the perceived ease of using cryptocurrency platforms, are found to play crucial roles. The only factor that did not significantly correlate with Gen Z's intention to invest in cryptocurrencies is social influence. Because Gen Z has a variety of financial objectives and risk tolerances, social pressure may not have a substantial impact on their intents to invest in cryptocurrencies. The study contributes to the understanding of Gen Z's investment behavior in the context of cryptocurrency and provides insights for financial institutions, policymakers, and educators seeking to engage with this demographic.

INTRODUCTION

Cryptocurrencies were first discussed in the 1980s, more specifically in 1989, and were first referred to as cyber currencies rather than cryptocurrencies. However, it was not until the beginning of the 1990s that software and cryptographic techniques were created, paving the way for the emergence of a fully decentralized digital currency. Cryptocurrency gives a more significant possibility to insure against such unanticipated threats that may happen in both developed and developing nations, despite its flaws, which makes it easier to grasp the need for a decentralised, transparent currency that is available to everyone. In contrast to fiat money, cryptocurrencies are not governed by any centralised body, such as a central bank. Instead, they have constrained entries in a blockchain-like database that are impossible to alter or modify unless specific requirements are satisfied (Goyal,

2020). Their global nature allows anyone with internet access to buy, sell, and use them discreetly. Blockchain technology is employed by Bitcoin, the pioneering decentralized cryptocurrency, to facilitate peer-to-peer transactions devoid of intermediaries such as banks or other financial institutions. The mining process involves users competing to solve intricate mathematical puzzles, thereby adding new blocks to the chain, which in turn verifies and records Bitcoin transactions on the blockchain.

Adoption of cryptocurrencies varies by country. While some nations have made it clear that cryptocurrencies are legal, others have not made up their minds. The Central African Republic and El Salvador have formally acknowledged Bitcoin as lawful money. Most bitcoin users are found in English-speaking nations such as the US, the UK, Canada, South Africa, and Australia (Katharina, 2022). Nonetheless, a lot of nations are presently developing their legal frameworks for cryptocurrencies, considering variables like risk, volatility, and current laws. To sum up, cryptocurrencies becoming more widely accepted due to their decentralized nature, corporate adoption, and changing regulatory environments. Their influence on international finance is still changing as more companies and people become aware of their possibilities.

The first issue is that it is challenging to adopt cryptocurrencies as a fully-fledged monetary system widely used as a means of transaction because it is the main barrier to entry for the cryptocurrency industry. This holds true for the current fiat currency system. Thus, cryptocurrency flow in the economy is presently very small and infrequent compared to fiat currency. It is well-known that small investors, including the public and especially the developing Generation Z, own the majority of Bitcoin and other tokens at present. According to a survey of Malaysians, the country only views Bitcoin as a potentially very lucrative platform and a secure means to purchase cryptocurrency. Malaysians do not view Bitcoin as a medium for regular exchange; rather, this belief is at an intermediate stage (Nejad et al., 2020). All of this contributes to the escalating divergence in public sentiment on the original purpose of cryptocurrencies, which inevitably influences common populations' awareness and understanding and fosters instability. Therefore, the issue of educating

the public about cryptocurrencies and their original applications might become difficult in the future.

Secondly, there seems to be an inherent risk and volatility to cryptocurrencies. Thus, these currencies pose problems for nations, especially for those that use Islamic finance as a supplementary monetary system in addition to regular finance. The degree of volatility and unpredictability in today's cryptocurrencies represents a potential barrier in the field of Islamic finance; as such, these currencies present issues for nations, particularly those that use Islamic finance as an additional monetary system in addition to traditional finance. It is unknown how completely cryptocurrencies will be integrated into both the conventional and Islamic financial systems in terms of Shariah compliance, as they are currently solely traded on traditional exchanges in Malaysia (Muhammad et. al.,2024)

People's perceptions of cryptocurrencies are further challenged by the many beliefs held by the general public. According to Kivikangas (2017), a large number of working people and youth nowadays are committed to protecting and maintaining the environment, and they tend to lean more toward individual liberalism and social justice. Even if cryptocurrencies and other tokens are trending toward more energy efficiency, they still come with a lot of environmental expenses. For example, cryptocurrencies need a lot of energy to carry out their validation. This type of energy usage could create a negative view of cryptocurrencies as an alternative monetary system among them and the wider public, which could be risky and deter future investors.

Hence, this study aims to examine factors that influence Gen Z to invest in cryptocurrency and to study whether perceived usefulness, performance expectancy, social influence, perceived security,

and financial literacy all play a role in driving Malaysia's Generation Z to invest their money into cryptocurrencies.

The significance of this study lies in its focus on Generation Z and their specific variables influencing cryptocurrency investment. The limited amount of existing research on this topic makes this study academically valuable, as it contributes to the understanding of Generation Z's growing interest in cryptocurrencies for present and future academics and policymakers. The findings of this research hold practical implications for investors and traders who can utilize the information to make informed investment decisions and identify potential opportunities. Financial authorities can also benefit from understanding the impact of Generation Z on the cryptocurrency economy. The insights derived from this research can assist in identifying potential risks and formulating market-stabilizing policies.

LITERATURE REVIEW

This study investigates the intentions of Generation Z to invest in cryptocurrencies. It is crucial to investigate the sociodemographic characteristics that might affect people's decisions to participate in and make investments in the digital currency market. Five factors are being investigated: financial literacy, social influence, performance expectancy, perceived usefulness, and perceived security. These components have been considered beneficial and useful to the study. This section will cover the definitions and theories that may be related to the independent factors and the dependent variables that relate to Gen Z's intention to invest in cryptocurrency. It is expected that the unique structure of this research would be crucial to the studies.

Behavioural Intention to Adopt Cryptocurrency

The dependent variable in this study is the intention of Generation Z to invest in cryptocurrency. Cryptocurrencies have gained significant attention due to their technological appeal and the increased awareness of their price volatility among the public. Since members of the millennial and Gen Z generations make up most cryptocurrency users, it is imperative that the factors that impact their tendency to take risks be studied further and a high degree of price volatility also raises the potential for financial loss. This observation aligns with the findings of Zhao and Zhang (2021), who suggest that the inherent risks of cryptocurrency investments serve as motivation for individuals engaging with them. Many behavioural and user intentions to partake in a potential behaviour have been studied by social scientists. The perceived likelihood that an individual will use or adopt a given technology in the future is described by the behavioural intention to adopt a technology. The link between behavioural intention and technology use is supported by many technology adoption models included in the UTAUT theory (Venkatesh et al., 2003). However, it is worth noting that in some cases, the risk associated with cryptocurrencies may be lower than that of fiat money issued by certain governments. Musialkowska et al. (2020) found that in Venezuela, a country with significant inflation and a depreciated local currency (bolivar), Bitcoin serves as a reliable store of value. In addition, the cryptocurrency market is dominated by two types of investors: "speculators and tech-savvy investors" (Huston, 2010). A particular collection of characteristics correctly reflecting the cryptocurrency's supply and demand on the market determines its future worth. This information is used by knowledgeable investors in the technology area to make trading decisions. By extrapolating price patterns, traders attempt to generate profits.

The use of social media for communication and the interchange of ideas has become widespread, particularly among newer generations such as Generation Y and Z. Lind et al. (2020) emphasize the prevalence of cryptocurrency discussions in these online communities. As observed by Browne (2021), research reveals a correlation between optimistic Bitcoin forum discussions and the future value of cryptocurrencies. In the research conducted by Allgood et al. (2015), they examined how social media and the prices of bitcoin and other alternative coinage relate to each other. They also

discovered that sentiment analysis of social media postings plays a significant role in predicting cryptocurrency prices. Some researchers have suggested that the rising prices of cryptocurrencies are due in large part to people betting on their future values. These findings, along with research on financial applications of cryptocurrencies, may influence younger generations to participate in the cryptocurrency market. The behavioural intent of investors or users will determine if cryptocurrencies are accepted. They also consider that this technology makes it simple for them to adopt and has minimal risk components, which helps them improve their performance (Khan et al., 2021).

Independent Variables

This research emphasizes five distinct independent variables: financial literacy, social influence, performance expectations, perceived usefulness, and perceived security. These factors are believed to contribute significantly to the study's objectives, offering valuable insights and assistance in its execution.

Financial Literacy

The definition of financial literacy is the capacity to comprehend and behave sensibly with regard to one's own financial information is known as financial literacy (Huston, 2010). An individual's financial tendencies and performance or loss may be significantly influenced by their level of financial literacy and discovered a strong correlation between financial literacy and crypto asset investment, particularly investors' levels of financial knowledge. (Zhao and Zhang, 2021). In another study done by Fujiki (2021), it found that those who possess crypto assets, on average, had a more advanced understanding of finance and used questions pertaining to personal finances to gauge the degree of investors' financial literacy. People's confidence in their financial knowledge, according to Lusardi and Mitchell (2007), is connected to subjective knowledge, which relates to their belief in their capacity to grasp financial ideas, principles, and tools. In this study, investors' financial literacy was assessed with a series of self-assessment questions designed to gauge their conviction in their knowledge and skill regarding making good financial decisions. To put it another way, investors' ratings of their financial literacy are utilized as a stand-in for those investors' actual levels of financial literacy.

Social Influence

The degree of an individual's social influence is determined by their perception of others who hold significant influence over their actions, such as family members, peers, and superiors, and their opinions regarding technology usage (Venkatesh et al., 2003). The spread of technologies is then influenced by word-of-mouth, with (Pietro & Pantano, 2012) suggesting that peers and IT professionals' personal judgments play a role in this impact. Some instances of how society might exert its influence include via subjective standards, social contexts, or even visual representations. According to Abdul Razak, Bakar, and Abdullah (2017), who discovered that Malaysian users were found to be influenced by social perception; this variable is more important in a communal society like Malaysia. They also found that the desire to continue using e-government was impacted by social influence. Subjective norm was utilised in this study's scenario to analyse social influence. Even though a person does not agree with the behaviour, they are nonetheless driven to follow the referents. Referents might be peers or superiors like friends, co-workers, or classmates. Superiors include parents, employers, and instructors. Even though most people rely substantially on the suggestions of others when making important decisions in life, this study asserted that social impact should be given more weight. The study made by Venkatesh et al. (2003) mentioned that there is a strong correlation between social influence and the intention to engage in a particular behaviour serves as the foundation for the study's hypothesis.

Performance Expectancy

Performance expectancy refers to an individual's personal belief that their work performance can improve by utilizing technology, known as performance expectancy, has a distinct, significant, and positive impact on their intention to adopt and use that technology. (Venkatesh et al., 2003). It involves the users' perceptions of the extent to which a particular technology can enhance the speed, ease, and efficiency of completing tasks (Junadi & Sfenrianto, 2015). Perceived usefulness from Theory of Acceptance Model (TAM) is conceptually equivalent to performance expectations Venkatesh et al. (2003). The factors of security, reliability, and identity assurance can be utilized to explain the theory of performance expectancy, as suggested by Ho et al. (2020). Therefore, security, dependability, and identity assurance explained in this study the performance expectancy of Gen Z's intention to invest in cryptocurrencies.

Perceived Usefulness

Perceived usefulness, originally introduced in the Technology Acceptance Model (TAM) is widely regarded as the primary factor influencing success in the field of information systems. In the context of this study, perceived usefulness plays a significant role in determining the perceived benefits of cryptocurrencies, which in turn leads to a positive perception and favourable opinion towards them. Users often choose an information system because they believe it will improve their ability to conduct their jobs (Davis, 1989). The choice of a user to adopt new technologies is based on the perceived value it adds to their workflow, as stated by Venkatesh and Davis (2000). In other words, if a user believes a system would be beneficial to them, they will have higher expectations for the system's performance, and after using the system for a while, they may agree with those claims. Users' behavioural intention to adopt an application increases because of technological knowledge and perceived usefulness. Their behavioural intention to accept new technology also changes because they think that doing so will enhance their skills and talents. Perceived usefulness between technical knowledge and users' behavioural intention is the focus of the study since it is seen to be the most crucial factor in the adoption of cryptocurrencies (Schaupp & Festa, 2018). Previous studies have integrated the idea that people's perceptions of a cryptocurrency's utility are a crucial factor in their own analyses of the topic of cryptocurrency adoption (Kher et al., 2021).

Perceived Security

Perceived Security reflects a user's confidence in a technological service provider to offer a risk-free user experience (Mombeuil & Uhde, 2021). Agreeing to a study by Ooi et al. (2020), there is a positive significant correlation between users' perceptions of trust and security, which suggests that greater security significantly impacts users' confidence in Cryptocurrencies. Zhang et al. (2019) noted the direct influence that perceived security has on continuation intention, demonstrating that consumers consider security measures before determining whether to continue utilizing bitcoin services while also drawing attention to the present security flaws that these services exploit for the sake of convenience.

METHODOLOGY

In relation to Gen Z's intention to invest in cryptocurrencies, this study includes the research framework, research hypothesis, research design, sampling plan, research instrument for data collection, reliability, and data analysis.

Research Framework

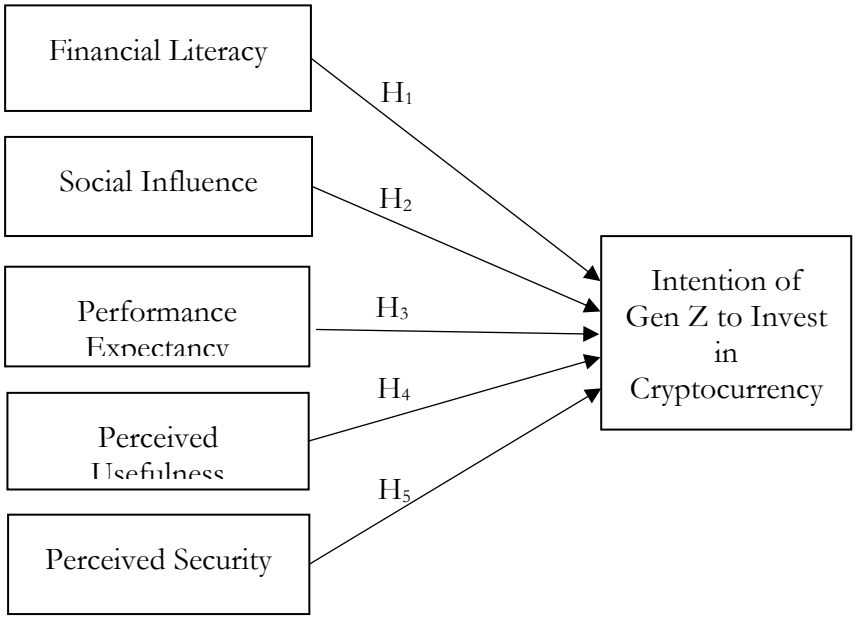

Figure 1: Research Framework

This study's framework is based on the Technology Acceptance Model (TAM) and the Unified Theory of Acceptance and Use of Technology (UTAUT) (Venkatesh et al., 2003), which examine why people adopt or reject specific technologies. TAM focuses on user decisions regarding system usage, while UTAUT explores individual willingness to use technology and their behaviour in applying it. The sample comprises Malaysian Gen Z individuals aged 18 and above, thus non-probability sampling techniques will be employed. Five hypotheses were developed for this study by speculating on the relationship between each pair of predictors and predicted variables based on the research framework.

H_1: There is a significant relationship between financial literacy and intention of Gen Z to invest in cryptocurrency.

H_2: There is a significant relationship between social influence and intention of Gen Z to invest in cryptocurrency.

H_3: There is a significant relationship between performance expectancy and intention of Gen Z to invest in cryptocurrency.

H_4: There is a significant relationship between perceived usefulness and intention of Gen Z to invest in cryptocurrency.

H_5: There is a significant relationship between perceived security and intention of Gen Z to invest in cryptocurrency.

Sampling Plan & Methodology

The target respondents for this study were Malaysia's Generation Z which refers to the cohort born between 1995 and 2010. Comprising 26% of the country's population, they are true digital natives who grew up with the internet. Gen Z exhibits unique characteristics, distinguishing them from Millennials and Baby Boomers. They consume content differently, relying heavily on social media for news and spending an average of 8 hours a day online (Tjiptono et. al, 2020). The methods of non-probability sampling used in this study include convenience sampling and snowball sampling.

Convenience sampling is utilized due to practical limitations, allowing the researcher to select co-workers as initial respondents. It was found that 138 samples in total would be needed to have sufficient statistical power to analyse factors affecting intention to invest in cryptocurrency in Malaysia. Employing G* Power with 5 predictors, a medium effect size of 0.15, a probability error of 0.05, and a statistical power of 95%. (Kang, 2021). The reliability of the questionnaire will be assessed using the Cronbach alpha value to ascertain its validity. The research instruments utilized in this study were adapted from various previous research papers that were based on the model. (Venkatesh, 2003; Oliveira et al., 2015; Martins et al., 2014; Abrahao et al., 2016; Nadeem et al., 2021).

The online survey platform was used to get the data and the hypothesis will be tested through a quantitative data analysis using IBM's SPSS version 28 software. To examine and compare the characteristics of various research subjects, including age, gender, education, ethnicity, etc., several techniques such as descriptive analysis, reliability analysis, Pearson Coefficient Correlation, and Multiple Regression Analysis will be utilized. Moreover, multiple regression analysis and the Pearson correlation coefficient will be employed to investigate the relationships among variables, while analysis of variance (ANOVA) will be utilized to assess differences in means across variables.

RESULTS AND DISCUSSION

In the beginning, 180 replies in total were submitted for this study. 31 of these replies were not included in the study since they did not come from the target demographic, Generation Z. This action was done to guarantee the accuracy and dependability of the dataset used for analysis. As a result, there were 149 samples left, which the researchers thought was a suitable and workable number. Table 1 shows that 55% of responders were female and 45% were male. 118 (79.2%) of the responders are between the ages of 21 and 24. Chinese people make up 71 (47.7%) of the population, followed by Malay people (52, 34.9%), Indian people (17, 11.4%), and other people (6%). The majority of the respondents, 120 (80.5%), had at least an undergraduate degree, which put 94 (63.1%) of them in the category of those with monthly income allowances below RM 1,000 and 31(20.8%) below RM 2,000.

Table 1: Respondent Demographic Profile

		N	Percentage
Gender	Female	82	55.0
	Male	67	45.0
Age	Below 17 years old	4	2.7
	18-20	27	18.1
	21-24	118	79.2
Ethnicity	Chinese	71	47.7
	Indian	17	11.4
	Malay	52	34.9
	Others	9	6.0
Education Level	High School	8	5.4
	Foundation/Diploma	19	12.8
	Undergraduate	120	80.5
	Postgraduate	2	1.3
Monthly Income Allowance	below RM1,000	94	63.1
	RM1,001- RM2,000	31	20.8
	RM2,001- RM3,000	16	10.7
	RM3,001 - RM4,000	6	4.0
	Above RM 4, 000	2	1.3

Reliability Analysis

Cronbach's Alpha was utilized to assess the internal reliability of the six factors in this study. Behavioural intention, financial literacy, social influence, performance expectancy, perceived usefulness and perceived security were among the six factors. Refer to Table 2, perceived security has the highest alpha coefficient, which is 0.955. Then, followed by behavioural intention and perceived usefulness at the same figure, which is 0.931, respectively. Then, performance expectancy with 0.918, financial literacy with 0.885, and social influence with the lowest alpha coefficient at 0.851.

Table 2: Cronbach's Alpha

Variables	Item	Cronbach's Alpha
Behavioral Intention (BI)	4	0.931
Financial Literacy (FL)	4	0.885
Social Influence (SI)	4	0.851
Performance Expectancy (PE)	4	0.918
Perceived Usefulness (PU)	4	0.931
Perceived Security (PS)	4	0.955

Multiple Regression Analysis

Through the use of multiple regression analysis, researchers can assess the strength of the relationship between a number of independent and dependent variables.

Table 3: Model Summary

R	R Square	Adjusted R Square
0.868	0.754	0.746

a. Predictors: (Constant). FL, SI, PE, PU, PS

Table 3 presents six independent variables (financial literacy, social influence, performance expectancy, perceived usefulness, and perceived security) and a dependent variable (Generation Z's intention to invest in cryptocurrencies) along with their correlation coefficients. The correlation coefficient of 0.868 indicates a strong positive relationship between the variables. The table also provides fit statistics for the multiple linear regression model. The adjusted R Square value of 0.746 and the R Square value of 0.754 indicate that the linear regression model can account for approximately 74.6% of the variance in the data. It is noteworthy that the adjusted R Square considers the number of variables in the model, providing a more accurate assessment of the model's explanatory power.

Table 4: ANOVA

Model		Sum of squares	df	Mean Square	F	Sig.
1	Regression	115.998	5	23.200	87.777	<.001*b*
	Residual	37.795	143	.264		
	Total	153.793	148			

a. Dependent Variable: BI

b. Predictors: (Constant), FL, SI, PE, PU, PS

Table 4 presents the ANOVA results, indicating the overall significance of the model through the examination of the F value or p-value less than 0.05 ($p < 0.05$). The F value is 87.777, and the associated p-value is less than 0.001, indicating high significance. This suggests that there exists a

positive and significant association between the independent variable and the dependent variable. Therefore, at least one of the independent variables and the moderator can be utilized to predict the intention of Gen Z individuals to invest in cryptocurrency.

Pearson Coefficient Correlation

To determine the linear relationship between two variables, the correlation analysis function as an indicator. The p-value is used to assess the significance of the relationship. A p-value less than 0.05 indicates statistically significant differences. On the other hand, if the p-value exceeds 0.05, the null hypothesis is not accepted, implying an insignificant result. In this study, these methods were employed to examine the potential correlation between financial literacy, social influence, performance expectancy, perceived usefulness, perceived security, and Generation Z's intention to invest in cryptocurrency. The correlation coefficient was calculated by summing up the values of each variable. The result shows the correlation between behavioral intention (BI), representing Gen Z's intention to invest in cryptocurrency and financial literacy at 0.765, social influence at 0.706, performance expectancy at 0.798, perceived usefulness at 0.821, and perceived security at 0.780. As a result, all figures show that there are significant relationships towards the intention of Gen Z to invest in cryptocurrency.

Table 5: Coefficient & Hypotheses

	Unstandardized Coefficients		**Standardized Coefficients**			**Result**
Model	B	Std. Error	Beta	t	Sig.	
(constant)	-.205	.201		-1.022	.309	
Financial Literacy (FL)	.214	0.86	.184	2.480	0.014	H1: Supported
Social Influence (SI)	0.49	0.74	0.46	.666	.506	H_2: Not supported
Performance Expectancy (PE)	.257	0.85	.241	3.032	0.003	H_3: Supported
Perceived Usefulness (PU)	.303	0.096	.294	3.167	0.002	H_4: Supported
Perceived Security (PS)	.188	0.077	.188	2.427	0.016	H_5: Supported

Table 5 indicates that, at 0.49, social impact has the highest beta coefficient in relation to genz's inclination to invest in cryptocurrencies. Performance expectancy comes in third at 0.257, followed by perceived usefulness at 0.303. Subsequently, a coefficient of 0.214 is linked to financial literacy, and a beta connection of 0.188 is found between perceived security and millennials' propensity to invest in cryptocurrencies. The dependent variable (Gen Z's intention to invest in cryptocurrencies) and the five independent factors (financial literacy, social influence, performance expectancy, perceived utility, and perceived security) show a substantial correlation, according to these findings. The direction and relative strength of these interactions can be inferred from the beta coefficients.

Hence, the five independent variables – financial literacy, social influence, performance expectancy, perceived usefulness, and perceived security - exhibit a strong correlation with the dependent variable, Gen Z's intention to invest in cryptocurrencies.

Y (BI) = -0.205 + 0.214 (FL) + 0.49 (SI) + 0.257 (PE)+ 0.303 (PU) + 0.188(PS)

Refer on Table 5, since the t-value = 2.480, coefficient (b5) = 0.184 and p-value = .014, this indicates that financial literacy has a significant influence on Gen Z's intention to invest in cryptocurrencies because the p-value is below the conventional threshold of 0.05. This result is aligned with the research done by Zhao and Zhang (2021) revealed a strong correlation between financial literacy and crypto asset investment, emphasizing the importance of financial literacy in cryptocurrency-related decisions. Having financial literacy or awareness is crucial for making informed investment decisions. Individuals need to acquire financial skills and knowledge to enhance their ability to choose the right projects (Alshebami and Aldhyani, 2022).

As for social influence, t-value = 0.666, coefficient (b2) = 0.46, and p-value = 0.506. Based on these values, this indicates that social influence does not have an impact on Gen Z's intention to invest in cryptocurrencies in this study as the p-value is above the conventional threshold of 0.05. This finding is in line with prior research that supports the limited role of social influence in continuance intention. Ghaisani et al. (2022) found no significant impact of social influence on cryptocurrency m-wallets' continuance intention, while Tam, Santos, and Oliveira (2020) observed little importance of social influence in predicting continuance intention of mobile apps.

In addition, the table reveals that performance expectancy also has a significant impact on Gen Z's intention to invest in cryptocurrencies, as evidenced by the t-value = 3.032, coefficient (b1) = 0.241 and the p-value = 0.003 from the Coefficient table. This point of view is in line with prior research, such as the study by Soodan and Rana (2020), which discovered a favourable correlation between performance expectancy and the intention to engage in cryptocurrency-related activities.

Perceived usefulness, on the other hand, has a significant and positive impact on Gen Z's intention to invest in cryptocurrencies since the results are t-value = 3.167, coefficient (b3) = 0.294, and p-value = 0.002. This discovery aligns with previous research conducted Kher et al. (2021) which indicates that perceived usefulness plays a crucial role in predicting cryptocurrency adoption. Other study results also revealed that perceived factors (usefulness, ease of use, risk) mediate the relationship between technology awareness and behavioral intention (Sagheer et al., (2022).

Lastly, perceived security, the t-value = 2.427, coefficient (b4) = 0.188 and p-value = 0.016 indicates that perceived security also has a significant and positive impact on Gen Z's intention to invest in cryptocurrencies p-value of perceived security is below the conventional threshold of 0.05. This could be attributed to the generation's emphasis on valuing the perceived security of cryptocurrency investments, considering factors such as robust encryption technology, the decentralised structure of blockchain networks, and transparent transactions. This finding is consistent with prior studies (Oliveira et al., 2016; Ooi et al., 2020; Ghaisani et al., 2022) that emphasize the importance of perceived security in various financial technology contexts. These studies highlight the significance of investing in security infrastructure, the positive association between perceived security and trust among cryptocurrency users, and the predictive power of perceived security in cryptocurrency m-wallets' continuance intention

CONCLUSION

This study provides an understanding of the relationship between the dependent variable which is the intention of Gen Z to invest in cryptocurrency and the independent variables: financial literacy, social influence, performance expectancy, perceived usefulness, and perceived security. All independent variables have a positive and significant relationship with the intention of Gen Z to

invest in cryptocurrency, except for social influence. In general, these findings contribute to a better understanding of this emerging trend. They may assist with strategies and policies to encourage Gen Z's participation in the cryptocurrency market by offering insightful information about the variables influencing Gen Z's intention to invest in cryptocurrencies.

With the rise of digital assets and the increasing popularity of cryptocurrencies, understanding Gen Z's inclination towards investing in this emerging asset class is crucial. In terms of managerial implications, it is expected that this study can be used to bridge the knowledge gap for financial service providers, educators, and policymakers (the Securities Commission and the government) towards understanding Gen Z's intention to invest in cryptocurrency. On the practical aspect, this study recommends strategies that could lead to a higher likelihood of success in encouraging Gen Z to invest in cryptocurrencies. The findings suggest that focusing on the performance aspect of cryptocurrencies and highlighting their potential benefits can effectively capture the attention and interest of Gen Z investors. Emphasizing factors such as high returns, portfolio diversification, and participation in decentralized financial systems can showcase the value and appeal of cryptocurrencies to Gen Z. Financial service providers can play a crucial role by developing educational initiatives that bridge the knowledge gap for Gen Z investors. Creating comprehensive educational resources and user-friendly platforms that educate them about cryptocurrency investments' benefits, risks, and security measures can empower Gen Z to make informed decisions. Educators can also contribute by incorporating cryptocurrency-related topics into their curriculum. By providing Gen Z with a foundational understanding of cryptocurrencies, blockchain technology, and investment principles, educators can equip them with the necessary knowledge to navigate the complexities of the cryptocurrency market. Policymakers and regulators can consider the findings of this study to develop regulations and frameworks that protect Gen Z investors while promoting innovation in the cryptocurrency market. Implementing measures that enhance security, transparency, and consumer protection can build trust among Gen Z individuals and foster their intention to invest in cryptocurrencies.

Insights into Gen Z's intention to invest in cryptocurrencies were gained from the 149 people who responded to this study, although it is crucial to acknowledge that the sample's geographical representation has some limitations. The sample was limited to respondents from Malaysia due to time constraints. Therefore, it is important to proceed with caution when projecting the findings to a larger population. To address the afore mentioned limitation and further enhance our understanding of Gen Z's intention to invest in cryptocurrencies, future studies may consider widening the sampling population to encompass a broader spectrum of Asian countries and, eventually, the entire world to overcome this constraint. By incorporating participants from different cultural contexts, future studies can provide a more comprehensive understanding of Gen Z's opinions and intentions regarding cryptocurrency investments.

AUTHOR CONTRIBUTIONS

Conceptualization: H.H., Y.S.F., U.A.F.M.F. and K.N.L.; methodology: H.H. and K.N.L; software: Y.S.F.; validation: Y.S.F. and H.H.; formal analysis: H.H. and U.A.F.M.F.; investigation: U.A.F.M.F.; resources: Y.S.F. and K.N.L.; data curation: H.H.; writing—original draft preparation: U.A.F.M.F.; writing—review and editing: H.H. and Y.S.F.; visualisation: K.N.L.; supervision: H.H.; All authors have read and agreed to the published version of the manuscript.

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INSTITUTIONAL REVIEW BOARD STATEMENT

The study was conducted and approved by the Institutional Review Board (or Ethics Committee) of Multimedia University (EA0472024, 2 August 2024).

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