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Unveiling the Investment Pulse: A Behavioural Finance Study on Factors Influencing Investment Participation Among College Students and Young Professionals

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Abstract: *Investment behaviour among young Indians has undergone significant transformation with the rapid expansion of fintech platforms and digital financial ecosystems. Despite increased awareness of financial instruments, participation levels remain uneven, with some individuals actively investing while others continue to avoid financial markets. This study examines the behavioural finance determinants influencing investment participation among college students and young working professionals across India. Using a structured questionnaire administered to 205 respondents, the study adopts a dual-model framework by separately analysing individuals who actively invest (YES group) and those who do not invest (NO group). Four key independent variables financial literacy, digital financial literacy, behavioural biases, and trust in fintech platforms are examined using regression analysis. Reliability testing confirms acceptable internal consistency for both groups. The findings reveal that digital competence, behavioural tendencies, and fintech trust significantly influence investment participation, while low confidence and behavioural hesitation contribute to investment avoidance. The study contributes to behavioural finance literature by offering a comparative perspective on participation and non-participation dynamics among Indian youth. The results provide valuable implications for policymakers, educators, and fintech service providers aiming to enhance financial inclusion and informed decision-making.*

Keywords: Behavioural Finance, Investment Behaviour, Financial Literacy, Fintech Trust, Youth Investors, Digital Literacy

1. Introduction

The investment environment in India has experienced a substantial transformation over the last decade, largely driven by technological advancement, financial market liberalization, and the rapid expansion of fintech platforms. The increasing accessibility of digital trading applications, online mutual fund portals, and simplified investment procedures has reduced traditional barriers to entry in financial markets. As a result, young individuals particularly college students and early-career professionals are now more exposed to investment opportunities than any previous generation.Despite this increased exposure, participation in financial markets among youth remains uneven. While a segment of young individuals actively engages in investing, monitors portfolio performance, and explores diverse asset classes, another segment remains reluctant or entirely disengaged from formal investment activities. This contrast raises important concerns regarding the underlying behavioural and psychological determinants that shape financial participation decisions. Accessibility alone does not guarantee engagement; cognitive perceptions, risk attitudes, confidence levels, and trust in financial systems play equally critical roles.

Classical financial theories assume that individuals act rationally by evaluating risk-return trade-offs objectively. However, behavioural finance challenges this assumption by demonstrating that investment decisions are often influenced by cognitive biases, heuristics, and emotional responses. Young investors, in particular, may be influenced by overconfidence, peer-driven herd behaviour, impulsive reactions to market trends, and loss aversion. These behavioural tendencies may either encourage investment participation or reinforce hesitation.

Simultaneously, the digitalization of financial services introduces another dimension to investment behaviour. Modern investing is increasingly conducted through mobile-based platforms, requiring a certain level of digital financial literacy. Individuals who possess the ability to interpret online financial information, evaluate digital interfaces, and trust fintech systems are more likely to participate actively in financial markets. Conversely, limited digital competence or lack of trust in online financial platforms may create psychological and technological barriers to entry.

Although prior research has examined determinants of investment behaviour, most studies focus primarily on active participants and measure variations in investment intensity. Limited attention has been given to individuals who consciously refrain from investing. This omission restricts a comprehensive understanding of youth financial behaviour, as non-participation itself reflects meaningful behavioural and cognitive patterns.

In order to address this gap, the present study adopts a dual-analytical framework by categorizing respondents into two distinct groups: individuals who actively invest (YES group) and individuals who do not invest (NO group). By separately examining financial literacy, digital financial literacy, behavioural biases, and trust in fintech platforms across these groups, the study seeks to identify both the drivers of investment participation and the factors contributing to investment avoidance.

Through this comparative approach, the research contributes to behavioural finance literature by offering a structured analysis of participation and non-participation dynamics among Indian youth. The findings are expected to provide practical insights for financial educators, policymakers, and fintech providers aiming to enhance financial inclusion and promote informed decision-making within emerging digital financial ecosystems.

The remainder of the paper is organized as follows. The next section presents the review of literature and development of hypotheses. This is followed by the research methodology, empirical findings for both YES and NO groups, discussion of results, implications, and concluding observations.

2. Literature Review

2.1. Investment Factors among Generation Z and Generation X

Savithri and Rajakumari (2025) examine the differences in investment behavior between Generation Z and Generation X in the Indian capital market. Using survey data from 393 respondents and applying statistical analysis, the study identifies variations in financial literacy, risk tolerance, and technology adoption. The findings indicate that Generation X investors prefer stable and long-term investment avenues such as real estate and mutual funds, whereas Generation Z investors are more inclined toward high-risk and digitally driven investment options. The study highlights that technological exposure and financial awareness significantly shape generational investment preferences.

***H1**: Generational differences significantly influence investment behavior, risk tolerance, and financial decision-making.*

2.2. Investment Literacy and Risk Tolerance

Harshini et al. (2025) examine the influence of investment literacy and risk tolerance on the investment decisions of young adults aged 18–28. The study collected data from 208 respondents through an online survey and applied non-parametric tests such as Mann–Whitney U, Kruskal–Wallis, and logistic regression for analysis. The findings reveal that investment literacy enhances financial awareness and understanding of investment products; however, it does not directly increase the willingness to invest in high-risk assets. In contrast, risk tolerance significantly affects investment choices, with individuals possessing higher risk tolerance being nearly twice as likely to invest in riskier financial instruments. Gender differences were observed in risk tolerance, though not directly in investment decisions. The study highlights that psychological factors may outweigh knowledge in shaping investment behavior.

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***H2**: Risk tolerance has a significant influence on investment decisions compared to investment literacy alone.*

2.3. Financial Literacy, Promotion, and Risk Perception

Makkulau et al. (2024) analyze the impact of financial literacy, investment promotion, and socioeconomic status on stock investment decisions, with risk perception acting as a mediating variable. The study surveyed 295 student investors and employed SEM-PLS for hypothesis testing. Results indicate that investment promotion and socioeconomic status significantly influence risk perception, which in turn affects stock investment decisions. Financial literacy alone does not directly impact investment decisions but indirectly influences them through risk perception. The study emphasizes that awareness and promotional efforts can shape how individuals perceive investment risk, thereby influencing decision-making behavior. The mediating role of risk perception strengthens the understanding of cognitive and environmental influences in financial decision-making.

***H3:** Risk perception mediates the relationship between financial literacy, socioeconomic status, and investment decisions.*

2.4. Risk-Averse Investor Perception

Srivastava and Pant (2021) investigate factors influencing risk-averse investors' perceptions when choosing between fixed deposits and debt-based mutual funds. The study examines demographic variables such as marital status, income level, and education using statistical tools including ANOVA and t-tests. The findings show that safety of principal, brand image, and family influence significantly affect conservative investment preferences. Investors with certain demographic characteristics exhibit greater preference for low-risk, stable-return instruments. The study concludes that demographic and psychological factors jointly shape conservative investment behavior, particularly among individuals prioritizing capital protection over returns.

***H4**: Demographic factors significantly influence risk-averse investors' perception and choice of low-risk financial instruments.*

2.5. Occupation and Investment Objectives

Veena and Chitra Sivasubramanian (2025) explore the association between occupation and investment objectives among women investors. Using structured questionnaires and correspondence analysis, the study examines twelve predefined investment objectives across different occupational groups such as private employees, government employees, businesswomen, and professionals. The findings reveal clear associations between occupational background and preferred investment goals. For instance, certain occupations show stronger alignment with objectives such as retirement planning and stability, while others emphasize income generation and wealth creation. The study highlights that occupation influences financial priorities and long-term investment planning behavior.

***H5:** Occupation has a significant relationship with individual investment objectives.*

2.6. Financial Literacy and Gen Z Investment Intention

Nag and Shah (2022) analyze the effect of financial literacy on stock market investment intention among Generation Z using the Theory of Planned Behavior (TPB). The study collected 401 valid responses and applied Partial Least Squares Structural Equation Modeling (PLS-SEM) for analysis. Findings indicate that financial literacy significantly influences investment intention both directly and indirectly through attitude toward investment and perceived behavioral control. Social factors and subjective norms also contribute positively to investment intention. The study concludes that financial knowledge enhances confidence and positive attitudes, which subsequently strengthen investment intentions among young individuals.

***H6:** Financial literacy positively influences investment intention through attitude and perceived behavioral control.*

2.7. Financial Literacy among Adolescents (PISA Study)

Oberrauch, Kaiser, and Lusardi (2025) examine financial literacy among 15-year-old students using PISA data collected between 2012 and 2022. The study provides cross-country comparisons and identifies determinants of financial literacy using student-level covariates. The findings highlight persistent disparities in financial literacy based on gender and socioeconomic background, with students from higher-income families consistently scoring better. The study also notes that financial literacy correlates with other cognitive skills such as mathematics and reading proficiency. The research emphasizes the importance of early financial education in reducing knowledge gaps and improving future financial outcomes.

***7:** Socioeconomic background significantly influences financial literacy levels among young individuals.*

2.8. Financial Behavior and Investment Decisions

Usriyono and Wahyudi (2023) investigate the influence of behavioral biases and financial literacy on investment decisions among millennials in Indonesia. The study focuses on psychological factors such as overconfidence, herding behavior, trait anger, and trait anxiety, using data from 100 respondents. The findings reveal that overconfidence, anger, and anxiety significantly affect investment decisions, whereas herding behavior does not show a significant effect. Financial literacy is found to moderate the impact of behavioral biases on decision-making. The study supports behavioral finance theory by demonstrating that psychological traits substantially shape investment behavior.

***H8:** Behavioral biases significantly influence investment decisions, moderated by financial literacy.*

2.9. Financial Literacy among College Students

Rodríguez-Correa et al. (2025) conduct a systematic literature review following PRISMA guidelines to identify major determinants of financial literacy among college students. The study analyzes 44 research articles and identifies financial behavior and financial knowledge as the most recurring themes. Additionally, financial inclusion, budgeting practices, and financial attitudes emerge as important areas influencing responsible financial management among students. The review concludes that financial literacy among college students is multidimensional and closely linked to behavioral patterns and decision-making competence.

***H9:** Financial knowledge and financial behavior are primary determinants of financial decision-making among college students.*

2.10. Demographics and Investment Decision Factors

Karumuri et al. (2025) examine how financial literacy, risk tolerance, and demographic factors interact to influence individual investment decisions. The study collected data from 101 respondents and analyzed relationships among income, education, profession, and investment behavior. Findings indicate that higher education levels are associated with improved financial decision-making, while limited income constrains investment participation. A majority of respondents preferred safer and liquid investment options such as insurance and gold. The study underscores the importance of demographic characteristics in shaping investment choices and highlights the need for targeted financial literacy initiatives.

***H10:** Demographic variables such as income and education significantly influence investment decisions and risk tolerance.*

2.11. Demographics and Investment Decision Factors

de Bassa Scheresberg (2013) examines financial literacy and its relationship with financial behavior among young adults aged 25–34 using data from the 2009 National Financial Capability Study. The study finds that only 34% of respondents correctly answered all three basic financial literacy questions, indicating widespread financial illiteracy. Financially literate individuals are less likely to use high-cost borrowing methods and more likely to maintain emergency savings and plan for retirement. Financial literacy remains a significant predictor of responsible financial behavior even after controlling for demographic and socioeconomic variables.

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***H10**: Demographic variables such as income and education significantly influence investment decisions and risk tolerance.*

3. Research Gap

Existing research on youth investment behaviour in India has largely focused on determinants such as financial literacy, risk tolerance, and income constraints. Studies consistently show that while young individuals are aware of modern investment avenues, many continue to prefer safer instruments due to risk aversion and limited financial capacity. Recent research also highlights the growing role of fintech platforms in facilitating access to investment products.

However, several gaps remain. First, most studies examine either students or working professionals in isolation, without comparatively analysing differences between active investors and non-investors. The behavioural factors driving investment avoidance remain underexplored. Second, while financial literacy is widely studied, limited attention has been given to digital financial literacy in the context of app-based investing. Third, behavioural biases such as overconfidence and herd behaviour are often examined independently, but rarely integrated with digital adoption and fintech trust within a single analytical framework.

To address these gaps, the present study adopts a dual-model approach by distinguishing between individuals who actively invest (YES group) and those who do not invest (NO group). By integrating financial literacy, digital financial literacy, behavioural biases, and trust in fintech platforms, the study provides a comparative understanding of both investment participation and avoidance among Indian youth.

4. Theoretical Framework

The present study is grounded in Behavioural Finance Theory and technology adoption perspectives to explain investment participation among young individuals. While traditional finance assumes rational decision-making, behavioural finance recognizes that psychological factors and cognitive biases significantly influence financial behaviour. Accordingly, the theoretical framework proposes that investment decision outcomes are influenced by four key determinants: financial literacy, digital financial literacy, behavioural biases, and trust in fintech platforms. Financial literacy reflects an individual's understanding of financial concepts and risk evaluation, whereas digital financial literacy captures competence in navigating online investment platforms. Behavioural biases such as overconfidence and herd behaviour shape risk perception, while trust in fintech platforms reduces perceived uncertainty associated with digital transactions. These variables are conceptualized as direct predictors of the investment decision outcome, which is measured as investment behaviour for active investors (YES group) and investment avoidance for non-investors (NO group).

The study adopts a quantitative research design using primary data collected through a structured questionnaire based on a five-point Likert scale. Reliability of the measurement items was assessed using Cronbach's Alpha to ensure internal consistency of the constructs. To examine the relationship between the independent variables and the dependent variable, multiple regression analysis was conducted separately for the YES and NO groups. Analysis of Variance (ANOVA) was used to test the overall significance of the models, and hypotheses were evaluated based on statistical significance levels obtained from the regression results. All analyses were performed using SPSS software.

5. Methodology

In this study, we adopt a quantitative research design to examine the behavioural determinants influencing investment participation and investment avoidance among young individuals in India. The study is empirical in nature and relies on primary data collected through a structured questionnaire. The research design is descriptive and analytical, as it seeks to identify relationships between selected independent variables and the investment decision outcome.

5.1. Population Sample

The target population of the study comprises college students and young working professionals in India. This group represents emerging participants in the financial ecosystem and is increasingly exposed to digital investment platforms and financial instruments. A total of 205 valid responses were collected for the study. The sample was divided into two groups based on investment status: respondents who actively invest (YES group) and those who do not invest (NO group).

5.2. Data Collection

Primary data were collected using a structured questionnaire distributed through online platforms, which was developed based on insights from the existing literature. A five-point Likert scale was used to measure responses relating to financial literacy, digital financial literacy, behavioural biases, trust in fintech platforms, and investment decision outcomes.

Key Influencing Factors: Investment participation among young individuals is influenced by a combination of financial awareness, technological competence, psychological tendencies, and digital platform trust. Specifically, financial knowledge and risk understanding shape confidence in market participation; digital familiarity determines ease of accessing investment platforms; behavioural tendencies such as overconfidence, herd behaviour, and risk aversion influence decision-making patterns; and perceived reliability of fintech platforms affects willingness to transact digitally.

Independent Variables: Financial literacy, digital financial literacy, behavioural biases (measured through indicators of overconfidence, herd behaviour, and risk perception), and trust in fintech platforms.

Dependent Variables: Investment behaviour (for YES respondents) and investment avoidance (for NO respondents).

Results and Analysis – YES Group (Active Investors)

Dependent and Independent Variables

Dependent Variable

The dependent variable used in the YES model is:

"How frequently do you review/track your investments?"

This variable represents active investment engagement and reflects behavioural commitment toward financial decision-making.

Independent Variables

The independent variables included in Model 3 are:

- Financial knowledge rating
- Exposure to financial markets
- Confidence in reading financial terms
- Belief in consistently outperforming markets
- Impulsive investment behaviour
- Risk-related behavioural perception
- Trust in fintech platforms
- Behavioural influence measures

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These variables represent behavioural finance constructs including financial literacy, digital literacy, risk tolerance, behavioural biases, and fintech trust.

6.1. Model Significance

The regression model is statistically significant at the **95% confidence level (p < 0.05)**.

The R-square value indicates that a substantial proportion of the variance in investment tracking behaviour is explained by the independent behavioural variables. This confirms that behavioural finance determinants meaningfully influence investment participation among youth investors.

The ANOVA results further show that the model as a whole is **highly significant (p < 0.01)**, validating the overall predictive strength of the selected variables.

6.2 Model Summary

Model	R	R Square
1	.622[a]	0.387

- **Adjusted R^2 = 0.343**
- **F = 8.123**
- **Significance (p-value) < 0.001**

The R^2 value of **0.387** indicates that approximately **38.7% of the variance in investment tracking behaviour** is explained by the independent behavioural finance variables. The model is statistically significant at the 1% level (p < 0.001), confirming that the selected behavioural predictors meaningfully explain investment participation among youth investors.

This validates the theoretical framework of the study and supports the relevance of behavioural finance determinants in shaping investment engagement.

6.3 ANOVA Results

The ANOVA table shows:

Model	Sum of Squares	df	Mean Square	F	Sig.	
1	**Regression**	97.481	12	8.123	8.792	<.001[b]

- **F = 8.123**
- **Sig. < 0.001**

Since the significance value is less than 0.05, the overall regression model is statistically significant. This confirms that at least one independent variable significantly influences the dependent variable.

Coefficient Analysis and Significance of Variables

Significant Variables

1. Exposure to Financial Markets (p < 0.05)

Exposure to financial markets has a statistically significant positive effect on investment tracking behaviour. Respondents who have greater exposure to financial markets are more likely to actively review and monitor their investments. This supports the behavioural finance view that familiarity reduces uncertainty and strengthens investment participation.

2. Impulsive Investment Behaviour (p < 0.05)

Impulsivity significantly influences investment tracking. This indicates that behavioural biases, particularly impulsive decision-making tendencies, play a role in investment engagement among youth investors. Active investors may respond quickly to market changes, reflecting behavioural finance dynamics.

3. Behavioural Risk Perception (p < 0.01)

Risk-related behavioural perception significantly affects investment tracking frequency. Investors who perceive risk differently or show adaptive risk tolerance tend to engage more frequently with their portfolios.

4. Trust in Fintech Platforms (p < 0.001)

Trust in fintech applications emerges as one of the strongest predictors. Investors who perceive fintech platforms as safe, reliable, and transparent are significantly more engaged in reviewing and managing their investments. This highlights the central role of digital ecosystems in modern youth investment behaviour.

5. Confidence in Financial Terminology (p < 0.05)

Confidence in understanding financial terminology significantly influences investment engagement. Functional financial literacy enhances behavioural confidence, encouraging investors to monitor and manage their portfolios actively.

6. Investment Review Habit (p < 0.001)

The frequency of reviewing investments strongly predicts overall engagement. This reflects financial discipline and behavioural commitment among active investors.

Non-Significant Variables

Financial Knowledge Rating (p > 0.05)

Although positively related, general self-rated financial knowledge does not significantly predict investment tracking behaviour. This suggests that perceived knowledge alone may not translate into active engagement.

Belief in Consistently Outperforming Markets (p > 0.05)

Overconfidence in outperforming markets was not statistically significant. This indicates that unrealistic optimism does not necessarily drive consistent investment monitoring.

Digital Confidence Variable (p > 0.05)

This variable showed no statistical significance, suggesting that general digital familiarity is less influential compared to specific fintech trust and exposure.

Interpretation – YES Group

The results indicate that behavioural finance factors significantly influence investment engagement among active investors. The regression model is statistically significant, confirming that the selected independent variables meaningfully explain variations in how frequently young investors review and track their investments.

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Exposure to financial markets shows a significant positive effect, suggesting that investors who are more familiar with financial environments are more actively involved in monitoring their portfolios. Impulsive investment behaviour is also significant, indicating that psychological tendencies play a role in shaping investment activity among youth.

Behavioural risk perception demonstrates strong significance, implying that investors who are comfortable assessing and managing risk tend to engage more frequently in investment tracking. Trust in fintech platforms emerges as one of the strongest predictors, highlighting the importance of digital trust in modern investment participation.

Confidence in financial terminology is significant, indicating that functional financial literacy enhances engagement. However, general financial knowledge and overconfidence in outperforming markets are not significant, suggesting that practical exposure and behavioural readiness matter more than theoretical knowledge alone.

Overall, the findings imply that investment participation among young Indians is driven primarily by exposure, behavioural traits, and fintech trust rather than mere financial awareness.

Results and Analysis – NO Group (Non-Investors)

Dependent and Independent Variables

Dependent Variable

The dependent variable used in the NO model is:

"I actively engage in activities related to investing and financial planning."

This variable represents investment engagement among non-investors, reflecting their interest, readiness, and orientation toward financial participation despite not currently investing.

Independent Variables

The independent variables included in the NO model are:

- Financial knowledge rating
- Exposure to financial literacy training
- Confidence in reading financial terms
- Risk-related behavioural perception (risk appetite)
- Overconfidence in market performance
- Impulsive financial decision behaviour
- Trust in fintech platforms
- Frequency of digital platform usage
- Digital investment preference and behavioural influence measures

These variables represent behavioural finance constructs including financial literacy, risk tolerance, behavioural biases, and fintech adoption.

Model Significance

The regression model is statistically significant at the **95% confidence level ($p < 0.05$)**.

The R-square value indicates that a substantial proportion of the variance in investment engagement among non-investors is explained by behavioural and technological factors.

The ANOVA results further confirm that the model is statistically significant, validating the predictive strength of the selected variables.

Model Summary

Model	R	R Square	Adjusted R Square
2	.756[a]	0.572	0.544

- **Adjusted $R^2 = 0.541$**
- **$F = 11.714$**
- **Significance (p-value) < 0.001**

The R^2 value of **0.591** indicates that approximately **59.1% of the variance in investment engagement among non-investors** is explained by the independent behavioural and fintech variables. The model is statistically significant at the 1% level, confirming that the selected predictors strongly explain pre-investment engagement behaviour.

ANOVA Results

The ANOVA table shows:

Model		Sum of Squares	df	Mean Square	F	Sig.
1	**Regression**	53.572	11	4.870	11.714	<.001[b]

- **$F = 11.714$**
- **Sig. < 0.001**

Since the significance value is less than 0.05, the overall regression model is statistically significant. This confirms that at least one independent variable significantly influences investment engagement among non-investors.

Coefficient Analysis and Significance of Variables

Significant Variables

1. **Trust in Fintech Platforms ($p < 0.001$)**

Trust in fintech applications emerges as the strongest predictor of investment engagement among non-investors. Individuals who perceive fintech platforms as reliable and secure demonstrate higher interest in investment-related activities. This highlights the importance of digital trust in encouraging financial participation.

2. **Frequency of Digital Platform Usage ($p < 0.05$)**

Digital platform usage significantly influences engagement. Respondents who frequently use digital financial tools show greater readiness toward investment activities, suggesting that technological familiarity reduces perceived barriers to market entry.

3. **Risk Appetite ($p < 0.05$)**

Risk-related behavioural perception has a statistically significant positive effect. Individuals willing to undertake financial risk exhibit greater investment engagement, reflecting psychological readiness toward financial participation.

4. **Financial Knowledge (Marginal Significance, $p \approx 0.08$)**

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Financial knowledge shows a positive but marginal influence on engagement. This suggests that awareness alone does not necessarily translate into investment readiness without technological confidence or behavioural motivation.

Non-Significant Variables

1. **Exposure to Financial Literacy Training (p > 0.05)**

Formal financial literacy exposure does not significantly influence engagement among non-investors. This indicates that theoretical learning alone may not drive investment interest.

2. **Confidence in Financial Terminology (p > 0.05)**

Confidence in financial terminology shows no significant impact, suggesting that technical understanding is less important than digital accessibility at the pre-investment stage.

3. **Overconfidence in Market Performance (p > 0.05)**

Belief in outperforming the market is not significant. This suggests that overconfidence bias is less relevant among individuals who have not yet entered financial markets.

4. **Impulsive Behaviour (p > 0.05)**

Impulsive financial tendencies do not significantly affect investment engagement, indicating that behavioural biases become more prominent only after individuals begin investing.

5. **Traditional Investment Preference (p > 0.05)**

Preference for traditional investment methods shows no significant effect, suggesting that accessibility and digital trust play a more critical role in shaping investment readiness.

Interpretation – NO Group

The results indicate that investment engagement among non-investors is primarily driven by technological trust and digital accessibility rather than traditional financial knowledge or behavioural biases. Trust in fintech platforms emerges as the strongest determinant, highlighting the role of digital ecosystems in reducing entry barriers to financial markets.

Frequent digital platform usage and risk appetite significantly increase engagement, reflecting psychological readiness and technological familiarity. However, financial literacy variables and behavioural biases show limited influence, suggesting that investment readiness at the pre-participation stage is shaped more by perceived accessibility than by deep financial expertise.

Overall, the findings suggest that investment participation among young individuals begins with technological confidence and behavioural readiness, while financial knowledge and behavioural biases become more influential after actual market entry.

Conclusion

This study examined the behavioural and technological determinants influencing investment participation and investment avoidance among college students and young professionals in India using a dual-model analytical framework. By separately analysing investors (YES group) and non-investors (NO group), the research provides a comprehensive understanding of both investment engagement and investment hesitation among young individuals.

The findings reveal that investment behaviour among Indian youth is not solely determined by financial knowledge but is strongly influenced by behavioural and technological factors. For active investors, investment engagement is primarily driven by exposure to financial markets, behavioural risk perception, impulsive decision tendencies, confidence in financial terminology, and trust in fintech platforms. These results indicate that practical experience, behavioural readiness, and digital trust play a central role in shaping active investment participation. General financial knowledge and overconfidence were found to be insignificant, suggesting that theoretical awareness alone does not guarantee sustained investment engagement.

In contrast, the analysis of non-investors demonstrates that investment engagement at the pre-participation stage is largely influenced by trust in fintech platforms, digital platform usage, and risk appetite. The strong explanatory power of the regression model for the NO group indicates that technological accessibility and psychological readiness significantly shape investment interest among individuals who do not currently invest. Financial literacy variables and behavioural biases showed limited influence in this group, implying that investment avoidance is more closely related to perceived barriers, lack of technological trust, and behavioural hesitation rather than lack of knowledge alone.

A key contribution of the study is the identification of distinct determinants at different stages of financial participation. While behavioural and experiential factors dominate among active investors, technological trust and digital familiarity act as primary drivers for non-investors. This highlights that investment participation among youth follows a progressive behavioural pathway, beginning with digital confidence and psychological readiness and later evolving into experience-driven investment behaviour.

The study contributes to behavioural finance literature by integrating financial literacy, digital financial literacy, behavioural biases, and fintech trust within a comparative framework of participation and non-participation. The findings provide important practical implications for policymakers, financial educators, and fintech service providers. Efforts aimed at increasing youth participation in financial markets should focus on enhancing digital financial literacy, building trust in fintech platforms, and reducing psychological barriers to investment rather than relying solely on traditional financial education programs.

Despite its contributions, the study is subject to certain limitations, including reliance on self-reported data and a cross-sectional research design. Future research may explore longitudinal behavioural changes, include broader demographic segments, or examine additional psychological and environmental factors influencing investment decisions.

Overall, the study concludes that investment participation among young individuals in India is shaped by a complex interaction of behavioural readiness, technological trust, and financial awareness. Strengthening digital financial ecosystems and promoting informed decision-making can significantly enhance financial inclusion and responsible investment behaviour among emerging investors.

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