

DETERMINANTS OF INVESTMENT AWARENESS AMONG YOUNG PEOPLE IN DANANG CITY

YẾU TỐ QUYẾT ĐỊNH ĐẾN NHẬN THỨC ĐẦU TƯ CỦA GIỚI TRẺ TẠI THÀNH PHỐ ĐÀ NẴNG

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Nguyen Thi Thu Ha[✉], Nguyen Van An

ABSTRACT

Investment serves as a key driver of economic growth. The establishment of a national financial center in Da Nang has created favorable conditions to enhance investment awareness and participation among young people. This study aims to identify the determinants of investment awareness among the youth in Da Nang City. Data were collected from 596 individuals aged 18-40 using a convenience non-probability sampling method. The results reveal that financial knowledge, investment environment, saving behavior, risk attitude, and parental influence all have positive effects on investment awareness. Saving behavior exerts the strongest influence on investment behavior, while risk attitude shows the weakest effect. However, parental influence, comprising educational orientation and financial support, has a significant negative impact on investment awareness. The findings indicate that young people tend to prioritize saving and reinvestment amid economic challenges, whereas cultural and economic factors lead parents to emphasize education and career stability over investment guidance. Policy implications suggest promoting rational saving behavior, strengthening financial education for youth through formal training combined with family-based education, improving the investment environment, and fostering positive risk attitudes to stimulate individual investment and support sustainable economic growth.

Keywords: Financial knowledge; Investment awareness; Parental influence; Risk attitude; Saving behavior.

TÓM TẮT

Đầu tư là động lực quan trọng thúc đẩy tăng trưởng kinh tế. Việc hình thành trung tâm tài chính quốc gia tại Đà Nẵng đang tạo điều kiện để nâng cao nhận thức và sự tham gia đầu tư của giới trẻ. Nghiên cứu nhằm xác định yếu tố quyết định nhận thức đầu tư của thanh niên tại thành phố Đà Nẵng. Dữ liệu được thu thập từ 596 cá nhân độ tuổi 18-40 bằng phương pháp chọn mẫu phi xác suất thuận tiện. Kết quả cho thấy kiến thức tài chính, môi trường đầu tư, hành vi tiết kiệm, thái độ với rủi ro và ảnh hưởng của cha mẹ đều có tác động tích cực đến nhận thức đầu tư. Hành vi tiết kiệm ảnh hưởng mạnh nhất đến hành vi đầu tư, trong khi thái độ với rủi ro tác động yếu nhất. Ngược lại, ảnh hưởng của cha mẹ (định hướng giáo dục và hỗ trợ tài chính) tác động tiêu cực đáng kể đến nhận thức đầu tư. Kết quả chỉ ra rằng thanh niên có xu hướng ưu tiên tiết kiệm và tái đầu tư trong bối cảnh kinh tế khó khăn, trong khi ảnh hưởng của bối cảnh văn hoá và nền kinh tế trước đây khiến cha mẹ chú trọng giáo dục nghề nghiệp hơn là hướng dẫn đầu tư cho con cái. Chính sách đề xuất thúc đẩy hành vi tiết kiệm hợp lý, tăng cường giáo dục tài chính cho thanh niên thông qua đào tạo chính quy kết hợp với kênh giáo dục từ gia đình, cải thiện môi trường đầu tư và khuyến khích thái độ tích cực với rủi ro nhằm thúc đẩy đầu tư cá nhân và tăng trưởng kinh tế bền vững.

Từ khóa: Kiến thức tài chính; Nhận thức đầu tư; Ảnh hưởng của cha mẹ; Thái độ đối với rủi ro; Hành vi tiết kiệm.

1. Introduction

In recent years, investment has been a key driver of a nation or region's development and growth potential. According to Harrod (1939) and Domar (1946), the investment rate and capacity serves as a crucial driver of economic growth. A low investment rate leads to limited capital formation, restricting economic progress. Consequently, improving individual investment awareness is vital to increasing the overall investment rate. As a result, enhances investment ratios and stimulates economic growth, highlighting the role of fostering investment awareness at the individual level.

In Vietnam, private investment has become a crucial force in economic growth, playing a significant role in the country's impressive growth over the past few decades. According to the World Bank and IFC (2021), unlocking the full potential of this sector is crucial to enhancing productivity and supporting Vietnam in joining the ranks of high-income economies by 2045. At the national level, the investment-to-GDP ratio reached 32.8%, meeting the objectives outlined in the 2011-2020 Socio-Economic Development Strategy. Private investment accounted for 49% of total capital formation, representing the highest proportion among all economic sectors. This national trend is mirrored at the local level in Da Nang city, where private investment has been pivotal in shaping the city's socio-economic development. In 2023, the city's investment-to-GRDP ratio stood at 29.46%, with private investment contributing 62.57%, thereby surpassing the state and foreign-invested

sectors. Although the ratio declined to an estimated 22.3% in 2024 - equivalent to 33,680 billion VND in total social investment - private investment continued to dominate, making up 62.2% of the total, compared with 30.3% from the state sector and 7.6% from foreign direct investment. In parallel, private savings also increased substantially in 2024, driven by greater household deposits into the banking system amid steady economic recovery and favorable interest rate conditions. These dynamics not only underscore the critical role of private capital in sustaining both national and local growth but also emphasize the necessity of strengthening investment awareness among citizens. Recognizing this, Da Nang's development plan to 2030, with a vision toward 2045, positions private sector engagement as a cornerstone of future economic expansion and explicitly calls for supportive policies and targeted initiatives to foster investment capacity, particularly among young residents aged 18 to 40.

Findings from previous studies have underscored the importance of financial literacy among young residents for managing their personal finances and making investment decisions. Limited financial literacy contributes to ineffective investment decisions and diminishes the ability to accumulate assets, thereby affecting national economic development (Van Rooij et al., 2011; Lusardi and Mitchell, 2014). Promoting investment literacy among young people can lead to the creation of a knowledgeable workforce that can contribute positively to the country's economy (OECD, 2016).

Setting up mechanisms and policies, and creating a conducive environment are essential steps. Moreover, researching and identifying the pivotal factors that influence the youth investment awareness is essential. This is essential to develop appropriate policy directions that harness the investment potential of the young workforce, accelerate and sustain economic growth, and achieve the economic objectives of Da Nang city. Many studies, for example, those by Azhar et al. (2017), Ammer and Aldhyani (2022), and Owusu et al. (2022), conducted in different nations, have shown that financial knowledge, risk attitudes, savings behaviour, and parental influence significantly impact individual investment awareness. However, the findings from earlier studies have limitations: their research methods mainly rely on regression analysis to assess the relationship between variables, and the policy implications are not clearly defined. In addition, these studies often evaluate the impact of individual variables in isolation, without considering the combined effects of these variables. Remarkably, there has been no research specifically focused on individual investment awareness in Vietnam. Most existing studies have focused on the role of investment in the country's or specific regions' economic growth.

This study aims to analyse the factors influencing investment awareness among young residents in Da Nang city, Vietnam, and to assess the direction and magnitude of these factors' impacts on individuals aged 18-40. By examining the latent effects of various independent variables, the research aims to provide an in-depth understanding of investment awareness. The findings suggest that the study will recommend policies to promote domestic investment and support sustainable and lasting economic prosperity in Da Nang city and Vietnam.

2. Literature review and hypotheses' development

2.1. The theory of Planned Behavior and the related definitions

Theory of Planned Behavior (TPB) provides a robust framework for understanding and predicting intentional human behavior, particularly in contexts that require conscious decision-making and planning. According to Ajzen (1991), behavioral intention is the most immediate determinant of actual behavior and is shaped by three key components: attitude toward the behavior, subjective norms, and perceived behavioral control. Attitude toward the behavior refers to an individual's positive or negative evaluation of performing the behavior, which is often influenced by weighing the perceived benefits against potential risks. Subjective norms reflect the social expectations perceived by the individual from significant reference groups such as family, peers, or society. Perceived behavioral control represents the individual's perceived ease or difficulty in performing the behavior, influenced by access to resources, skills, and opportunities.

Investment is broadly defined as the ownership or control of an asset - either directly or indirectly - that involves a commitment of capital or other resources, an expectation of profit, and an assumption of risk (Khan et al., 1992). It reflects the anticipation of potential financial returns while acknowledging the possibility of future financial risks. In modern contexts, investment serves as an alternative means for individuals seeking financial security. Investment awareness refers to the understanding and recognition of investment activities, including the purchase of assets with the expectation of generating income or appreciating in value over time. Economically, it represents the acquisition of goods not intended for

immediate consumption but for future use to create wealth. From a financial perspective, it encompasses purchasing financial assets with the expectation that they will yield income or appreciate in value, enabling future sale at a profit (Min et al., 2014). Accordingly, investment awareness is defined as the decisions individuals make regarding investments, including the ability to search for information, analyze it, make knowledge-based decisions, and execute investments effectively. This behavior comes from the knowledge acquisition, experience, and understanding of the factors influencing investment choices, such as savings behavior and financial knowledge. These factors enable investors to make informed investment choices, thereby increasing their returns.

Investment awareness is measured by 8 sub-criteria with several components of personal financial behavior and decision-making, including: I know how to invest in many different ways (IB1) (Lusardi and Mitchell, 2014), I often choose to invest with low-risk investment products (IB2), I know that investing is high-risk (IB5) (Van Rooij et al., 2011), I invest according to trends and do not care about investment products (IB3), I invest in business to make profits (IB4), I am trying to improve my investment behavior regarding different investment options (IB6), I often research investment products before investing (IB8) (Chen and Volpe, 1998), I take advantage of technology platforms to make investments (IB7) (OECD, 2016).

2.2. Related research and hypothesis development

According to Mitchell and Lusardi (2015), financial knowledge in the realm of individual investment awareness includes comprehension, experience, and the capability to apply financial concepts in managing assets, investments, and financial risks. Individuals

with strong financial knowledge tend to make informed and optimized investment decisions, leading to successful investments and higher returns. Other studies indicate that financial knowledge profoundly influences how individuals invest, affecting their methods of information acquisition, choice of investment types, and strategic approaches. Financial knowledge also helps individuals diversify their investment portfolios, thereby mitigating risk (Abreu and Mendes, 2010).

Financial knowledge is measured by 5 sub-criteria: I know different types of investments (KC1), I know the importance of diversifying investments (KC3), I always set goals before making financial decisions (KC5) (Mitchell and Lusardi, 2015), I read books/newspapers to improve my financial knowledge (KC2), I know how to manage personal expenses (KC4) (Abreu and Mendes, 2010).

Hypothesis 1 (H1): Financial knowledge has a significant effect on the investment awareness of young people.

Mpaata et al. (2023) underscore the crucial role of savings in financial planning and in achieving stability in future financial situations. They highlight that saving precedes investment, particularly pertinent advice for younger demographics aiming to secure their financial futures. (Alshebami et al., 2021).

The relationship between individual savings behavior and investment awareness is well documented in the literature. According to Cheema et al. (2018), savings significantly expand the scope of diversified investment opportunities. This assertion is supported by empirical evidence emphasizing that savings serve as a fundamental precursor to investment and are intricately tied to the postponement of current consumption (Alshebami et al., 2021). Mugo (2016) underscores the pivotal role of saving in the decision-making process regarding investments.

Saving behavior is measured by 6 sub-criteria: When I have money, I always save a part of it (HC1) (Mpaata et al., 2023; Cheema et al., 2018), I plan my spending in detail (HC2) (Alshebami et al., 2021), I often buy goods without thinking (HC3) (Mugo, 2016), I often buy things that are really necessary for life (HC4) (Cheema et al., 2018), I plan to reduce spending to save (HC5) (Mpaata et al., 2023; Alshebami et al., 2021), I always carefully monitor my monthly budget to save (HC6) (Cheema et al., 2018; Mugo, 2016).

Hypothesis 2 (H2): Saving behavior has a significant effect on the investment awareness of young people.

Paul and Seward (2015), and Katalbas et al. (2022) have conducted studies examining how the investment environment shapes the investment awareness of young individuals. Their research underscores that factors such as political and social conditions significantly impact the investment decisions of youth. Paul and Seward (2015) specifically highlights that information about the investment environment sourced from articles, books, and the internet influences the investment choices of young people in the United States. Similarly, Katalbas et al. (2022) identifies a strong correlation between the investment environment and the investment awareness observed among youth in the Philippines.

The investment environment is measured by 4 sub-criteria: Politics and society affect investment (MT1), tax incentives affect investment (MT2), the development of technology 4.0 promotes investment activities (MT4) (Paul and Seward, 2015), the city's investment policy creates conditions to promote investment activities (MT3) (Katalbas et al., 2022).

Hypothesis 3 (H3): Investment environment has a significant effect on the investment awareness of young people.

Mayfield et al. (2008), Aren and Zengin (2016), Maziriri et al. (2018), Hermansson and Jonsson (2021), Madinga et al. (2022), and Tang (2024) have comprehensively examined the effect of risk attitudes on individual investment awareness. They emphasize that an individual's risk attitude plays a significant role in influencing their investment decisions. Risk-tolerant individuals are inclined to choose short-term investment portfolios, often opting for riskier assets such as stocks and foreign exchange. Conversely, risk-tolerant individuals tend to prefer safer options such as bank deposits. These findings highlight how differences in risk tolerance notably influence individuals' approach to investment decision-making.

Attitude towards risk is measured with 9 criteria: I constantly check in on the performance of my investments (NR1), I am comfortable to invest in risky items (NR9) (Mayfield et al., 2008), I prefer less risky investments (NR2) (Maziriri et al., 2018), I invest in any investment without doing any risk analysis (NR3) (Madinga et al., 2022), when faced with a financial trouble, it is hard for me to figure out a solution (NR4) (Hermansson and Jonsson, 2021), I choose to save because I feel safe (NR5) (Tang, 2024), I have chosen to invest in at least one risky asset instead of keeping it in a savings account (NR6) (Aren and Zengin, 2016), I can handle losing a portion of my savings for the potential of a large profit (NR7), while making investment decisions, I am inclined to choose riskier options (NR8) (Madinga et al., 2022).

Hypothesis 4 (H4): Risk attitude has a significant effect on the investment awareness of young people.

Shim et al. (2010) and Gudmunson and Danes (2011) emphasize the critical role of parents' financial behavior in influencing the financial decisions of their adult children. This

includes various aspects of financial management such as cash management, investments, debt management, retirement planning, insurance, and other financial practices. The transmission of parents' financial behaviors to their children often occurs through family education. Drever et al. (2015) further note that young individuals' financial decision-making is significantly influenced by their previous experiences, particularly the financial knowledge imparted to them by their parents through discussions about money and investments.

Parental influence is determined by four sub-criteria: I often discuss financial issues with my family (PH1), My family will support me when I decide to invest (PH4) (Shim et al., 2010), I receive investment knowledge from my family (PH2) (Gudmunson and Danes,

2011), I receive capital/subsidy from my parents for my own investments (PH3) (Drever et al., 2015).

Hypothesis 5 (H5): Parental influence has a significant effect on the investment awareness of young people.

2.3. Research framework

The research framework, presented in Figure 1, conceptualizes investment awareness as the independent variable, entrepreneurial intention as the dependent variable, and the independent variables includes financial knowledge, saving behavior, investment environment, risk attitude, and parental influence. The hypothesized relationships presented in the figure are proposed to estimate the theoretical framework of the study, as outlined in the preceding hypotheses.

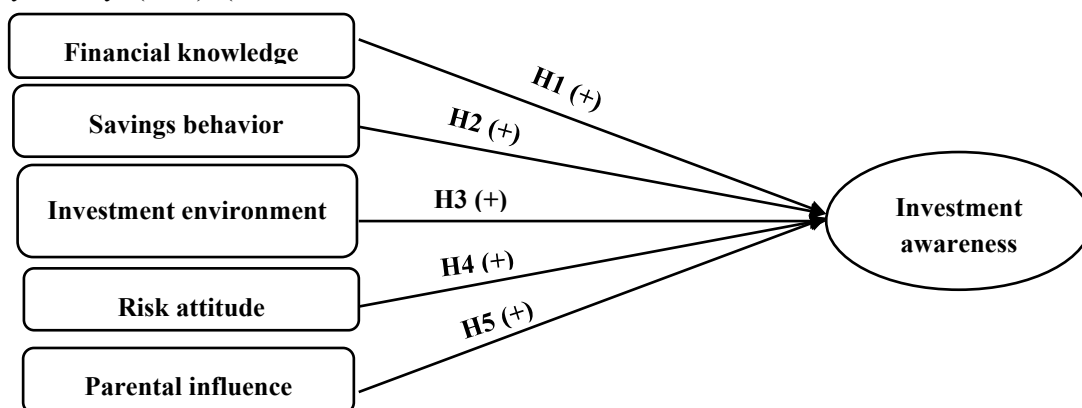


Figure 1. The research framework

3. Research methodology

3.1. Research data and sampling method

The data was collected using a non-probability method - the convenience sampling technique. Although this method does not ensure representativeness and is prone to bias, it is very useful in exploratory research as it helps quickly collect data from an available target group (Bryman and Bell, 2015). Accordingly, the results should be interpreted in an exploratory manner and are not intended to represent the entire population.

The survey includes both online questionnaires and face-to-face interviews with individuals aged 18-40 in 8 districts in Da Nang city and was conducted from January to May 2024. The data collection aimed to ensure diversity in age, gender, and living regions. The questionnaire is divided into two parts: personal information and factors affecting investment behavior. A 5-point Likert scale was utilized, with 1 "strongly disagree" and 5 "strongly agree" (Bryman, 2003).

In PLS-SEM, a common method for estimating the minimum sample size is the “10-fold rule” (Hair et al., 2011). The sample size should be 10 times larger than the maximum number of internal or external links in the model. Therefore, the 596 collected questionnaires ensure reliable data for model testing and analysis.

3.2. Data analysis and experimental research method

The study used Partial Least Squares Structural Equation Modeling (PLS-SEM) and SmartPLS4 software to analyze data and assess the impact of latent variables on dependent variables. PLS-SEM is used to optimize the explanation of variance for endogenous constructs, making it the most suitable choice for exploratory studies and performing similarly to multiple regression techniques (Hair et al., 2011).

The measurement model is assessed for consistency and validity, including item loadings, composite reliability (CR), and average variance extracted (AVE). Item loadings greater than 0.7 are considered sufficiently reasonable for a variable to be part of its construct, while a composite reliability value higher than 0.7 is deemed acceptable for its validity.

AVE determines the amount of variance in each variable captured by the construct due to measurement error. According to Fornell and Larcker (1981), constructs should account for at least 50% of the variance. This implies that AVE values should exceed 0.5. Additionally, the discriminant validity test, proposed by Kline (2015), is conducted using the HTMT ratio with a threshold of 0.85.

Multicollinearity (the relationship between independent variables in the model to ensure that the predictions are reliable) is

assessed using the variance inflation factor (VIF) index. If $VIF < 5$, the model does not have a serious multicollinearity problem (Hair et al., 2011). Additionally, the structural model is tested by evaluating the path coefficients at the 5% significance level to understand the nature of the relationship among constructs. To confirm the model’s validity, diagnostic testing has been conducted by evaluating R^2 to assess the model’s strength. Moreover, the effect size is also examined using the F-squared (F^2) value, which determines the magnitude or intensity of relationships between constructs. Effect size values of 0.02 represent small effects, 0.15 represent medium effects, and values greater than 0.35 represent large effects (Cohen, 1988).

4. Research results and discussion

4.1. Sample description

Among the 596 valid survey responses collected, male participants constituted 53%, while females accounted for 47%. The age group most prominently represented was 23-30 years old, comprising 44.6% of the sample. The survey respondents predominantly reside in Ngu Hanh Son, Hai Chau, and Thanh Khe districts, with percentages of 26.7%, 13.9%, and 13.2%, respectively.

Regarding income distribution, the largest proportion of participants reported earning between 5-10 million VND (30.1%), followed by those earning above 15 million VND (22.3%). In terms of educational attainment, the majority held either a diploma or bachelor’s degree (67.2%).

A notable aspect of the survey findings is that the highest percentage of participants had less than 1 year of investment experience (40.9%), while 30.4% reported having more than 2 years of investment experience.

4.2. Assessment of the measurement model

The external model testing is based on average variance extracted (AVE) and

discriminant validity (HTMT). The reliability of research results is considered reliable when Cronbach's alpha value is greater than 0.6, and CR of each variable is greater than 0.7.

Table 1. Convergent validity and reliability test results

Construct	Items	Outer Loadings	Outer Loadings after variable removal	CR	Cronbach's Alpha	AVE
Financial knowledge (KC)	KC1	0.752	0.743	0.879	0.827	0.592
	KC2	0.804	0.800			
	KC3	0.809	0.815			
	KC4	0.756	0.761			
	KC5	0.780	0.782			
Savings behavior (HC)	HC1	0.731	0.759	0.857	0.779	0.601
	HC2	0.781	0.795			
	HC3	0.253				
	HC4	0.726	0.754			
	HC5	0.643				
	HC6	0.785	0.795			
Investment environment (MT)	MT1	0.807	0.849	0.886	0.840	0.609
	MT2	0.870	0.895			
	MT3	0.825	0.817			
	MT4	0.594				
Risk attitude (NR)	NR1	0.725	0.735	0.881	0.832	0.597
	NR2	0.517				
	NR3	0.586				
	NR4	0.583				
	NR5	0.293				
	NR6	0.725	0.756			
	NR7	0.758	0.790			
	NR8	0.774	0.799			
	NR9	0.758	0.782			
Parental influence (PH)	PH1	0.735	0.700	0.842	0.759	0.572
	PH2	0.794	0.776			
	PH3	0.804	0.794			
	PH4	0.707	0.753			
Investment awareness (IB)	IB1	0.590		0.890	0.815	0.730
	IB2	0.767	0.795			
	IB3	0.722	0.760			
	IB4	0.732	0.784			
	IB5	0.692				
	IB6	0.767	0.778			
	IB7	0.729	0.727			
	IB8	0.669				

Source: Author's calculation using PLS-SEM4

A latent variable is significant when its factor loading is greater than or equal to 0.7, since $[0.7]^2 = 0.5$, indicating that the latent variable explains at least 50% of the variation in the observed variable. Table 1 indicates that variables HC3, HC5, MT4, IB1, IB5, IB8,

NR2, NR3, NR4, and NR5 have loading factors less than 0.7 and need to be removed from the model. After removing the variables from the research model, new loading factors are above the threshold of 0.7, ensuring discrimination.

Table 2. Fornell-Larcker and HTMT discrimination test results

Construct	HC	KC	MT	IB	NR	PH
KC	0.702					
MT	0.721	0.719				
IB	0.595	0.642	0.715			
NR	0.405	0.495	0.614	0.550		
PH	0.589	0.380	0.605	0.642	0.666	

Source: Author's calculation using PLS-SEM4

Table 2 show that after removing the variables, all indexes are less than 0.85, concluding that the HTMT indexes of the observed variables ensure discrimination and statistical significance.

4.3. Structural model assessment and hypothesis testing

The results indicate that the predictive model fits the actual data, with the standardized root mean square residual (SRMR) value of 0.071 (<0.08). There is no multicollinearity, as all VIF coefficients are below 3. R-squared (R^2) coefficient, which measures the overall ability of independent

variables to explain the dependent variable (investment awareness), reaches a minimum of 0.26. This shows that the model explains a significant portion of the dependent variable.

R^2 value is 0.427, meaning that the independent variables explain 42.7% of the variance of the dependent variable. The F^2 value of 0.023-0.122 indicates a small effect of the independent variables on the investment awareness of the youth in Da Nang city.

To affirm the model's acceptability and test the hypotheses, the path coefficients and their significance are analyzed.

Table 3. Results of SRMR, VIF, F-Square and R-Square

SRMR		Collinearity Statistics (VIF)	F^2	R^2
		IB	IB	
0.071	HC	1.678	0.122	0.472
	KC	2.122	0.071	
	MT	1.783	0.057	
	NR	1.628	0.023	
	PH	1.706	0.030	

Source: Author's calculation using PLS-SEM4

Table 4 provides compelling evidence that savings behavior significantly and positively

impacts investment awareness (IB), with savings behavior exerting the strongest

influence among the five variables examined. This finding is reinforced by the statistical support of hypothesis H2, which yields a t-value of 5.365 (significantly greater than 1.96), a p-value of 0.000 (less than 0.05), and the highest Beta coefficient of 0.326 among the variables. These metrics underscore that young individuals who demonstrate disciplined savings behavior also tend to exhibit more favorable investment awareness. Alshebami et al. (2021), Mpaata et al. (2023), and Cheema et al. (2018) affirm that saving is a crucial initial step towards investment, especially among younger demographics. In practical terms, savings represent a primary source of

capital and enable individuals to mitigate reliance on external funding sources. This is particularly pertinent in developing economies, where young individuals often rely on their savings as a foundation for understanding and engaging in investment activities. In the age group of 18-40, which marks the early stages of establishing a career, young individuals in Da Nang city demonstrate responsible savings behavior, emphasizing investments in their present lifestyles and future plans. This proactive savings behavior enhances the likelihood of investment through both formal and informal saving channels.

Table 4. Research hypothesis testing

Hypothesis	Beta	t-stat	p	Decision
H1: Savings behavior → Investment awareness	0.326	5.365	0.000	Accepted
H2: Financial knowledge → Investment awareness	0.280	3.801	0.000	Accepted
H3: Investment environment → Investment awareness	0.229	3.679	0.000	Accepted
H4: Attitude towards risk → Investment awareness	0.139	2.217	0.027	Accepted
H5: Parental influence → Investment awareness	-0.164	2.788	0.005	Accepted

The path coefficient values derived from the structural model indicate that young people who engage in detailed planning of their expenses (HC2 - 0.795) and rigorously monitor their expenditure budgets (HC6 - 0.792) experience the greatest positive impact on their investment awareness. These findings underscore the strong association between savings behavior and investment awareness among young individuals. A crucial strategy for fostering investment awareness involves enhancing savings practices, particularly through meticulous planning and diligent monitoring of monthly expenditure budgets. By doing so, young individuals can effectively allocate resources towards both immediate needs and future investment opportunities,

Source: Author's calculation using PLS-SEM4 thereby strengthening their financial stability and growth prospects.

Similarly, hypothesis (H1) with a t-value of 3.801, p-value of 0.000, and a Beta value of 0.28 affirms a significant positive impact of financial knowledge (KC) on investment awareness among young individuals in Da Nang city. It means that individuals with strong financial knowledge are likely to exhibit positive investment awareness. The study aligns well with the findings of previous research by Mitchell and Lusardi (2015), Azhar et al. (2017), and Heniawan and Dewi (2021), suggesting that individuals' investment awareness is significantly influenced by their financial knowledge, including their ability to gather information,

types of investments, and investment strategies. Financial knowledge, experience, and the ability to apply financial concepts to asset management, investment, and risk management are crucial to investment awareness. In this context, financial knowledge is vital for investors to understand and carefully assess aspects of benefits, feasibility, and potential risks associated with specific investment decisions. More specifically, based on the path coefficient values in the structural model (Figure 2), the young individuals engage in investment activities when they have a clearer understanding of the importance of diversification (KC3 - 0.815) and possess the ability to enhance their financial knowledge through reading books and articles (KC2 - 0.800), which has the most significant positive impact on their investment awareness. Therefore, to enhance young individuals' investment awareness, it is necessary to improve their financial knowledge through specific actions, such as self-learning from books and articles. This will help them better understand the significance of diversification and make informed investment decisions.

Hypothesis H3, with a t-value of 3.679, p-value of 0.000, and Beta of 0.229, affirms a significant positive impact of Investment environment (MT) on the investment awareness of young individuals in Da Nang city. Paul and Seward (2015) indicated that youth investment awareness can be enhanced when they operate in a more favorable investment environment. This investment environment encompasses political, economic, social, cultural, and technological factors. In Vietnam, current political stability and the implementation of numerous policies aimed at improving the investment environment are positively influencing individuals' investment awareness, particularly among youth. The path coefficient values also suggest that young

individuals are more likely to engage in positive investment awareness when they enjoy tax incentives (MT2 - 0.895), experience political and social stability (MT1 - 0.849), and when the city provides policies that facilitate investment (MT3 - 0.817). The practical implications of the research align well with reality in Vietnam and Da Nang city, where the government has been working to enhance the investment environment in recent years. New policies and regulations have been introduced to promote domestic investment. Additionally, the overall political and social stability in Vietnam also contributes positively to the investment environment.

The results of testing hypothesis H5, with t-value of 2.788, p-value of 0.005, and Beta of $-0.164 < 0$, indicates a significant negative impact of Parental influence (PH) on the investment awareness. This finding is consistent with research by Shim et al. (2010), Drever et al. (2015), and Gudmunson and Danes (2011), which suggests that the financial decisions of young individuals, including how they manage finances and allocate resources, are shaped by the knowledge and values imparted to them by their parents. Parental influence manifests in various forms, including direct financial support and financial education that parents provide.

Parental education, whether through conventional means such as formal instruction or non-conventional methods like informal guidance, plays a significant role in fostering children's financial knowledge and skills. This education empowers individuals with a comprehensive understanding, robust financial planning capabilities, and encourages a proactive approach to savings. As a result, parental education helps cultivate positive savings behavior in young individuals, setting a foundation for sound financial management practices later in life. Figure 2 illustrates that

parental roles in providing financial support or capital to their children (PH3 - 0.794) and enhancing financial knowledge (PH2 - 0.776) exert the most substantial influence on the investment awareness of young individuals in Da Nang city. This finding underscores the close relationship between parental financial behavior and the savings habits of their children. At home, young individuals have

opportunities to learn and gain access to financial concepts and planning. Therefore, parental actions play a crucial role in nurturing their children's financial knowledge and skills. Financial literacy can be attained through both formal educational systems and informal family education, highlighting the dual pathways through which young individuals develop their financial acumen.

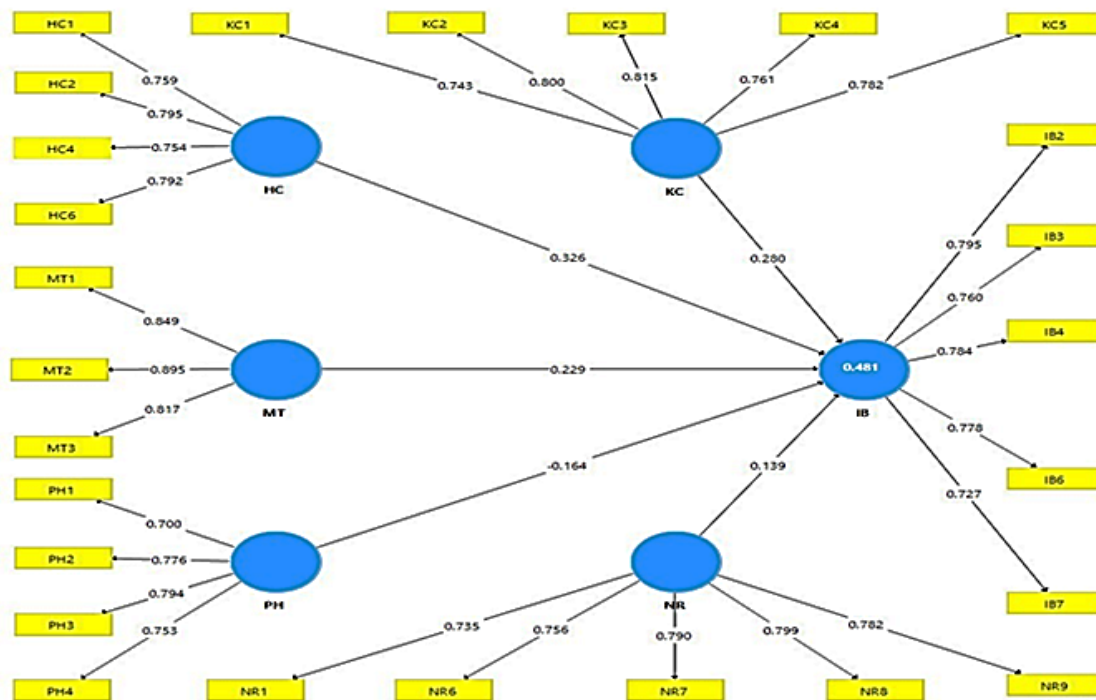


Figure 2. Path coefficients in PLS-SEM model

Finally, hypothesis H4, supported by a t-value of 2.217, a p-value of 0.027, and a Beta coefficient of 0.139, indicates a significant and positive relationship between risk attitude and investment awareness. This finding aligns with previous studies by Mayfield et al. (2008), Madinga et al. (2022), and Ye and Kulathunga (2019). The primary objective of investment is to generate additional income and accumulate assets, often involving higher risks for potentially higher returns.

However, given the relatively limited experience and skills of young individuals, the impact of risk attitude on their investment awareness is less pronounced compared to

other factors. The study reveals that young individuals are more inclined to take on higher risks in their investment decisions (NR8 - 0.799) and are willing to tolerate potential losses for the prospect of significant gains (NR7 - 0.790). They also actively monitor the performance of their investments, including those with higher risk levels (NR9 - 0.782). These insights are derived from the path coefficient results depicted in Figure 2, which show a positive influence of risk attitude on investment awareness among young individuals.

Nevertheless, the relatively lower level of impact of risk attitude compared to other

variables suggests that risk-taking behavior may be tempered by the limited experience of young investors. This implies that attitudes towards risk in investment decisions may evolve as individuals gain more experience and skills in managing financial portfolios.

5. Policy recommendations

The research findings suggest that all examined factors, including financial knowledge, saving behavior, investment environment, attitude toward risk, and parental influence, have a positive and significant impact on the investment behavior of young individuals in Da Nang city. Among these, saving behavior emerges as the most influential factor, highlighting the importance of cultivating consistent saving habits as a foundational step toward enhancing investment awareness. This implies that policy interventions should prioritize the promotion of financial education programs from an early age to instill the value of saving and lay the groundwork for future investment participation. Integrating savings-oriented education into school curricula at both primary and secondary levels could help foster a long-term savings culture among young people. Additionally, financial institutions can collaborate with local authorities to develop youth savings products with preferential interest rates and flexible conditions, encouraging active savings participation among young residents.

Improving financial literacy is critical to equipping young people with the knowledge and skills to make informed investment decisions. The study reinforces that a deeper understanding of finance correlates with more effective investment awareness. Therefore, policymakers should promote financial literacy campaigns through diverse channels, including schools, universities, and digital platforms, to ensure accessibility and

inclusivity. Establishing community-based financial education centers that offer regular workshops, online courses, and one-on-one financial counseling could enhance financial literacy across different socio-economic groups. These programs should not only focus on basic financial concepts but also incorporate practical investment knowledge, such as risk assessment, portfolio diversification, and the use of digital investment platforms.

A conducive investment environment also plays a vital role in encouraging proactive investment practices among young individuals. The government could adopt policies to improve access to investment platforms by simplifying account registration procedures, promoting transparency in investment products, and offering financial incentives for first-time investors. Collaboration between the public and private sectors could facilitate the creation of Fintech-based investment platforms tailored to young users, combining user-friendly interfaces with educational content to bridge the knowledge gap. Furthermore, regular public seminars and digital communication campaigns about safe and ethical investment practices would help build trust and confidence in the investment market.

Parents are identified as the most influential source of financial knowledge transmission and play a pivotal role in shaping their children's financial behaviors. However, the effectiveness of this influence largely depends on parents' own financial literacy. Therefore, targeted parental financial education programs should be implemented, particularly for households with young children. Collaborative programs between schools, local authorities, and social organizations could empower parents with the necessary financial knowledge and skills to guide their children in managing expenses, saving, and making early investment decisions.

Although attitude toward risk has the least pronounced impact on young people's investment awareness in this study, this may be attributed to their limited investment experience (40.9% of respondents having less than one year of investment participation). To address this issue, experiential learning initiatives such as investment simulation programs, youth financial clubs, and mentorship networks should be introduced to help young individuals gradually develop risk assessment skills and gain confidence in making investment decisions. These initiatives can be integrated into university education and community activities to create a supportive environment where young people can learn through practice.

In summary, fostering investment behavior among young individuals requires timely attention as it presents both opportunities and challenges for Da Nang city in both the short and long term. The increasing participation of young people in investment activities not only helps mobilize idle capital sources but also plays an essential role in stimulating economic growth and enhancing financial inclusion. However, the limited investment awareness among the youth highlights the need for comprehensive policies and intervention strategies to promote more informed, proactive investment practices. Enhancing investment behavior is not only a solution to improve personal financial well-being but also a strategic measure to accelerate sustainable economic growth, aligning with Da Nang's vision of becoming a smart, innovative, and sustainable city. To achieve this, Da Nang should adopt scientifically grounded policies that balance both short-term interventions and long-term development strategies. In the short term, the city needs to focus on implementing financial literacy programs in collaboration with educational institutions and local organizations, launching pilot savings and

investment programs through partnerships with banks and Fintech companies, and establishing investment counseling centers that provide free guidance on financial planning. In the long term, Da Nang should develop a comprehensive strategy to build youth financial capability, establish a digital investment ecosystem with accessible platforms and regulatory incentives, and promote public-private partnerships to expand community-based financial education networks. By integrating these solutions into its socio-economic development policies, Da Nang can nurture a generation of financially literate, proactive young investors who actively contribute to the city's economic transformation, while also serving as a model for other cities across Vietnam in their pursuit of sustainable financial and economic development.

The novelty of the study lies in its approach of exploring the impact of non-economic factors on the investment awareness of young individuals - a topic that has received limited attention in previous studies, which predominantly focused on economic determinants. Unlike conventional research that prioritizes financial resources or income levels, this study highlights the significant influence of parental guidance and financial literacy on investment behavior. By examining the family environment and knowledge transmission as key drivers of youth financial decisions, the study provides a more holistic perspective on the factors that affect investment awareness. The findings offer valuable insights for policymakers to design targeted interventions that not only improve financial knowledge but also enhance the role of parents as influential mentors in fostering the sustainable financial management practices. This approach contributes to expanding the theoretical framework of investment awareness and lays the groundwork for developing comprehensive financial education strategies that promote

long-term investment participation among young individuals in Da Nang city.

Despite its contributions, this study has certain limitations. The use of non-probability convenience sampling limits sample representativeness; thus, the findings should

be interpreted in an exploratory context, and future research is encouraged to employ probability sampling methods and incorporate additional determinants, including institutional and macroeconomic factors, to validate further and extend the findings.

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