



# Factors Influencing Financial Behaviour of Youths through the Perspective of Information-Motivation-Behavioural Skills Model

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Received: 25 October 2025

Accepted: 02 March 2026

DOI: <https://doi.org/10.32479/irmm.22843>

## ABSTRACT

The issue of the financial instability and distress of the younger generation has raised vast concern among different stakeholders. Better financial behaviour (FB) is required to ensure the financial well-being and also achieve the financial goals. Although the factors that influence the FB have been extensively studied from different perspectives. However, there are limited studies that have explored the factors of FB based on the lens of information-motivation-behavioural skills (IMB) model. Besides, the mediating role of the FinTech self-efficacy (FSE) is also deficient. Therefore, this study explored the factors that affect the FB of the youths from the perspective of the IMB model. To achieve the objectives of the study, 474 usable responses were gathered through purposive sampling. The result of partial least squares-structural equation modelling showed that FSE is significantly impacted by financial knowledge (FKN), professional financial advice (PFA) and financial attitudes (FAT), while the FB is significantly affected by FKN, FAT and FSE. Besides, the mediating role of the FSE on the influences of predictors on FB was also verified in the study. These findings offer some vital implications as they not only extend the existing understanding of the FB, but they also provide necessary information for stakeholders in nurturing the healthy FB.

**Keywords:** Financial Behaviour, Financial Knowledge, Financial Attitudes, Professional Financial Advice, Information-Motivation-Behavioural Skills

**JEL Classifications:** G40, G530

## 1. INTRODUCTION

Recently, the issue of bankruptcy among the youth has been one of the main concerns of the stakeholders, especially for the Ministry of Youth and Sports Malaysia and the Bank Negara Malaysia. As reported by Fintech News Network, the Minister of Youth and Sports, Puan Hannah Yeoh, the trend of bankruptcy cases among the youth is worrying, as there is an increasing trend (Abdullah, 2025). As published by the Department of Insolvency of Malaysia, the total bankruptcy cases have increased from 4,810 cases in 2023-6,070 cases (until November) in 2025 (Malaysia Department of Insolvency, 2025). This showed that there is around 26% increase from 2023 to 2025 (until November). By focusing on youths, similar trends are also observed, whereas the total bankruptcy cases of 20-44 years old are increased from 2,707 in

2023-3,267 (until November) in 2025 (Malaysia Department of Insolvency, 2025). With that, the Ministry of Youth and Sports is proactively addressing this issue by organising the Youth Financial Literacy Programme to improve the financial resiliency of the youths in Malaysia (Azmi, 2025) and also the Youth Economic Empowerment Programme (The Star, 2025). Similarly, the Ministry, through the Credit Counselling and Debt Management Agency, will continue its role in improving financial literacy and also practising prudent financial management (The Star, 2025). These initiatives signified the effort of the stakeholders, especially for the government agencies, in addressing the financial distress among the younger generation in Malaysia.

Several factors have been identified as the main causes of this critical issue, such as easy access to online shopping, influence

from social media and popularity of “Buy Now, Pay Later” schemes (Amin and Qing, 2025). Moreover, as published by the Department of Insolvency of Malaysia, the top five causes of bankruptcy cases were dominated by several types of debts and loans, such as personal loans, business loans, vehicle financing, housing loans, and credit card debts (Malaysia Department of Insolvency, 2025). Personal loans alone have accounted for almost half of the bankruptcy cases (46.83%) as the borrower often has personal loans to pay for their existing debts or daily expenses (Ruslan, 2025). Besides, the low financial literacy and poor financial management also contributed to this issue, as the younger generations demonstrated the worst financial decisions and also inappropriate financial behaviour (FB) in managing their personal finances. Therefore, early intervention is required as this issue might worsen further and become a long-term problem that results in dependence on social welfare benefits, as remarked by the Minister of Youth and Sports, Puan Hannah Yeoh (Amin and Qing, 2025). Besides, as the youths is the backbone of the workforce and dominate the country in the future. Their role in developing the country cannot be underestimated (Abang Zainudin et al., 2024). With that, the healthy FB is required to overcome this issue and further demonstrate the necessity of understanding the factors that determine the FB of the younger generation.

Empirically, the research that studies the factors affecting personal FB is plentiful, and these studies were mainly underpinned by different theoretical lenses. These studies are primarily based on the different behavioural theories, such as the theory of reasoned action (TRA) (Sam et al., 2022), the theory of planned behaviour (TPB) (Osman et al., 2024), family financial socialisation theory (Kumar et al., 2024; Zhao and Zhang, 2020), stimulus-organism-response (S-O-R) framework (Liong and Ling, 2025), and the like. Besides, Goyal et al. (2023) further employed an integrated model based on TRA, TPB and social cognitive theory to understand the personal financial management behaviour of young professionals in India. A comprehensive understanding of the factors that drive FB has been documented and demonstrated that FB is a complex behaviour which is affected by different types of factors. However, practising better FB is not determined by a single category of factors, as hypothesised in some behavioural theories. Therefore, a comprehensive framework that involves multiple elements of factors is required to understand the FB better. Borrowing from the health behaviour, the information-motivation-behavioural skill (IMB) model is seen as appropriate in predicting the FB, as there are three elements of factors in explaining the behaviour, namely information, motivation, and behavioural skill. Yet, the existing evidence on FB from the lens of the IMB model remains scarce, although it has been applied in different behavioural studies (e.g., Jia et al., 2025; Limbu et al., 2023; Tang et al., 2024).

Besides, the emergence of the FinTech platform in the financial industry further signified the crucial role of FinTech in managing personal finance. However, to fully utilise the advantages of FinTech, self-efficacy is necessary as the individual must have sufficient capabilities and confidence in using the FinTech. Although past research has examined the direct effect of FinTech self-efficacy (FSE) on investment intention (Che Hassan et al., 2022) and its moderating effect (Che Hassan et al., 2024; Tania and

Tjhin, 2025). But the studies that investigated their mediating role are still underexplored. Therefore, this possesses another research gap that has to be uncovered. With that, this study aims to address both research gaps through the two research objectives: (1) to examine the factors that affect the FB of youths, and (2) to examine the mediating role of FSE on the proposed relationships. The IMB model has been utilised to develop the research framework of the study by including financial knowledge (FKN) and professional financial advice (PFA) as two constructs under the information element, financial attitudes (FAT) as a construct representing the motivation element, and FSE as a construct of the behavioural skill element, in explaining the FB of youths. The proposed framework is further validated on a sample of youths aged 18-40 years old, and is expected to produce a more robust and thorough understanding of the subject domain for both theoretical and practical perspectives.

## 2. LITERATURE REVIEW

### 2.1. Information-Motivation-Behavioural Skills Model

The IMB model is a theoretical framework that was established by Fisher and Fisher (1992) to understand human health behaviour. As conceptualised by the IMB model, there are three elements involved in influencing human health behaviour, namely information, motivation, and behavioural skills (Fisher and Fisher, 1992). Information includes any data, such as advice and recommendations, as well as knowledge that is required for involvement in any behaviour (Fisher et al., 2006). Besides, motivation refers to personal and social motivation that encourages any behaviour, such as personal attitudes (Jia et al., 2025), while behavioural skill refers to the individual’s ability to engage in a behaviour. This signified that these three elements in the IMB model are crucial in shaping any behaviour (Limbu et al., 2023). Besides the direct effect of the three elements on behaviour, the IMB model also postulates that both information and motivation possess an indirect effect on behaviour through the behavioural skills (Feyisa et al., 2025). This indicates that the IMB model not only postulates the direct effect of the three elements on the behaviour, but the elements of information and motivation also possess an indirect effect on behaviour through the behavioural skills. With the superiority of the model, the IMB model has been widely utilised in past research, especially in health-related behaviour (e.g., Feyisa et al., 2025; Pahn et al., 2025; Yi and Yi, 2024). However, the IMB model has also been used in understanding human behaviour in other research contexts, such as purchase intention (Limbu et al., 2022; Limbu et al., 2023; Lu and Zhao, 2022), service robots’ adoption intention (Jia et al., 2025), online information adoption (Tang et al., 2024), and the like. This verified the appropriateness of the IMB model in explaining the different human behaviours, including the FB in this study. Therefore, the IMB model was also employed in this study as the theoretical model, by including FKN and PFA as information elements, FAT as a motivation element, and FSE as a behavioural skill element, in explaining the FB of the youths.

### 2.2. Financial Knowledge on FinTech Self-Efficacy and Financial Behaviour

FKN refers to the individual’s understanding level regarding the essential concept of finance, such as inflation, time value of

money, risk management, cash flow management, etc (Lusardi, 2012). Knowledge tends to offer a fundamental understanding of a certain concept, which further determines the self-efficacy of an individual and also their subsequent behaviour. Therefore, FKN is perceived to have a substantial role in formulating the FSE, as the basic FKN is required to nurture greater self-efficacy in FinTech. However, the empirical evidence on the FKN on FSE is still lacking and requires further investigation. Besides, FKN is also important in shaping the FB of an individual, as proved in the previous studies. For example, Sam et al. (2022) concluded that perceived FKN significantly affect the FB intention of the formal working in Ghana. Besides, Kumar et al. (2024) further remarked on the significant role of FKN on the FB in India. Likewise, Guo et al. (2025) also remarked on the substantial role of perceived FKN on the Chinese retirement planning intention. Accordingly, the hypotheses below were proposed:

- $H_1$ : FKN is positively significant on FSE
- $H_2$ : FKN is positively significant on FB.

### 2.3. Professional Financial Advice on FinTech Self-Efficacy and Financial Behaviour

PFA is defined as the advice related to finance that is given by professionals in the financial industry to assist others in making informed financial decisions (Schepen and Burger, 2022). As in Malaysia, the professionals in the financial industry include those who hold professional financial qualifications and have been recognised by the authorities, such as certified financial analysts, financial consultants, financial advisors, registered financial planners, and others. These financial professionals will provide information and advice to the clients in helping them to make financial decisions that could minimise their risk and maximise their return. With that, it is expected that the PFA could affect their FSE, as the information given by these financial professionals tends to improve the other's self-efficacy. Unfortunately, the evidence on this relationship is limited, and this signifies that a further study is required. Besides, as revealed by Bapat (2019), personal FB will be impacted by the help-seeking behaviour, and this further indicates that the PFA has a substantial effect on the FB. Subsequently, the study formulated the hypotheses below:

- $H_3$ : PFA is positively significant on FSE
- $H_4$ : PFA is positively significant on FB.

### 2.4. Financial Attitudes on FinTech Self-Efficacy and Financial Behaviour

FAT is defined as a person's feelings toward financial matters (Pal et al., 2021). Personal feelings are crucial as they tend to affect subsequent behaviour (Liong and Ling, 2025). With that, if the individuals have positive feelings about the financial matter, this feeling might encourage them to develop more related capabilities and skills and then further promote them to engage in successive behaviour. For example, when an individual has favourable FAT, it is hypothesised that this feeling will improve their FSE as the favourable feeling might drive them to learn and familiar themselves with the FinTech platform, which is important in managing their finances. Still, the evidence of the FAT on FSE remains underexplored. Therefore, further study on this relationship is necessary. Besides, consistent with most of the past studies (e.g., Bapat, 2020; Pal et al., 2021), FAT is expected

to have a significant effect on FB. For example, the positive significant effect of FAT on the FB intention of the formal worker in Ghana is revealed by Sam et al. (2022). Besides, Kumar et al. (2025a) also found that the investment behaviour of the investors is significantly impacted by FAT. With that, the following hypotheses were proposed:

- $H_5$ : FAT is positively significant on FSE
- $H_6$ : FAT is positively significant on FB.

### 2.5. FinTech Self-Efficacy on Financial Behaviour

FSE is defined as the confidence level of an individual toward their ability to use FinTech efficiently (Che Hassan et al., 2022). FSE is required if anyone wishes to use FinTech in managing their personal finance matters, as adequate capabilities and skills in FinTech are necessary. In this digitalised era, the usage of FinTech in managing personal finances is prominent as FinTech tends to offer substantial benefits to the users. Therefore, this study hypothesised that the significant effect of FSE on the FB, as the youths tend to use FinTech in managing their personal finance. This postulation is in line with Che Hassan et al. (2022), who remarked on the significant role of FSE on the investment intention in Shariah-compliant unit trusts in Malaysia. Likewise, Che Hassan et al. (2024) again concluded that FSE has a significantly positive effect on the intention to invest in Islamic unit trusts. Nevertheless, the effect of the FSE on the FB is limited, and this shows the necessity of the study in this relationship. With that, the hypothesis below is formulated.

- $H_7$ : FSE is positively significant on FB.

### 2.6. Mediating Role of FinTech Self-Efficacy

Besides, as conceptualised in the IMB model, the information and motivation elements could influence behaviour through the behavioural skill element (Feyisa et al., 2025). This implied that the behavioural skill element (such as FSE in this study) could mediate the relationships of information (such as FKN and PFA in this study) and motivation (such as FAT in this study) elements on behaviour. Based on this concept, this study further proposed the mediating role of FSE on the relationships between FKN, PFA and FAT on FB. This meant that the three predictors of information and motivation elements have an indirect effect on FB with the presence of FSE. However, the mediation effect of FSE is still under-researched as most of the past evidence documented on the direct effect (e.g., Che Hassan et al., 2022), and the moderation effect (e.g., Che Hassan, 2024; Tania and Tjhin, 2025), while none on the mediating role. With that, further investigation on the mediating effect of FSE is required to offer a better understanding of its mediation role on the FB. Hence, the study proposed the following hypotheses:

- $H_8$ : Effect of FKN on FB is mediated by FSE
- $H_9$ : Effect of PFA on FB is mediated by FSE
- $H_{10}$ : Effect of FAT on FB is mediated by FSE.

## 3. METHODOLOGY

This study focused on the youths in Malaysia who were aged between 18 and 40 years old. With that, the purposive sampling approach has been used in selecting the respondents, as the respondents have to fulfil two criteria, which are (1) must be

Malaysian, and (2) have used any FinTech platform before. The primary data were collected during July-September 2025, and 480 responses were collected. However, after cleaning the data, only 474 responses remained in the study. The final responses of 474 are sufficient for the study as it meets the required sample size of 129 as calculated through power analysis (Memon et al., 2020).

To gather the responses of the study, the electronic questionnaire is employed through Google Forms. A total of 28 validated items from previous studies have been adapted, such as five items of FKN from Bapat (2020), five items of PFA from Cera et al. (2021), six items of FAT from Bapat (2020), five items of FSE from Che Hassan et al. (2024), and seven items of FB from Alsuwaidi et al. (2025) and Multu and Ozer (2022). All of these items were checked by six experienced academicians and further translated into Malay by a professional translator. Therefore, a dual-language questionnaire was developed to collect these responses. The seven-point Likert scale was adopted in the study to assess the agreement level on these items.

The study first assessed the multivariate normality test through Mardia's coefficient, and the kurtosis coefficient (55.7944) indicated that the collected responses are not normally distributed ( $>20$ ) (Byrne, 2013; Kline, 2011). This further determined that the suitable analytic technique is partial least squares-structural equation modelling (PLS-SEM), as the bootstrapping technique in PLS-SEM could address this issue (Hair et al., 2019). With that, the SmartPLS have been used in the study to validate the proposed hypotheses.

#### 4. RESULTS

Table 1 provided the profile of the respondents, and indicated that around 63% are female, compared to 37% of males. Around 34% of respondents were aged 22-25 years old, while the respondents aged 38-40 years old only accounted for 4.22%. Around 64% of the respondents have a tertiary education, followed by pre-university education (18.14%), and primary and secondary education (16.03%). In terms of the profession, approximately 49% of them were employees, followed by students (39%), and self-employed of 9.07%.

Table 2 showed that all items (except for FAT2, FAT4, FB2, and FB4) have loading values that are higher than 0.5000 (Bagozzi et al., 1991), and all constructs have average variance extracted (AVE) values that are  $>0.5000$  (Bagozzi and Yi, 1988). These results signified that the convergent validity of the study is achieved at both levels. Besides, the composite reliability (CR) values for all constructs exceeded 0.7000, further determining the satisfactory level of the internal consistency (Gefen et al., 2000). The heterotrait-monotrait (HTMT) value in Table 3 also verified the attainment of the discriminant validity, as all HTMT values are  $<0.8500$  (Kline, 2011). Additionally, the variance inflation factors (VIF) in Table 2 also confirmed the absence of the common method bias (CMB) issue, as it is  $<3.30$  (Kock, 2015). Similarly, Harman's single-factor tests also proved that the single-source bias is not an issue, as all remaining items can only predict around 25.20% of the variance in a single factor (Podsakoff et al., 2003).

After the responses are proven to be reliable and valid, the study further validates the proposed hypotheses by using PLS-SEM, and the summary results are presented in Table 4 and Figure 1. The result first showed that the three predictors could predict around 29.98% of the variance in FSE, while 37.49% of the variation in FB is explained by four predictors. Besides, the predictive

**Table 1: Respondents' profile**

Profile	Groups	Frequency	Percentage
Gender	Male	174	36.71
	Female	300	63.29
Age	18-21 year old	66	13.92
	22-25 year old	160	33.76
	26-29 year old	98	20.68
	30-33 year old	70	14.77
	34-37 year old	60	12.66
	38-40 year old	20	4.22
Highest education	Primary and secondary education	76	16.03
	Pre-university education	86	18.14
	Tertiary education	305	64.35
	Professional education	7	1.48
Profession	Employees	231	48.73
	Self-employed	43	9.07
	Students	187	39.45
	Housewife/ Househusband	11	2.32
	Unemployed	2	0.42

**Table 2: Summary of measurement model assessments**

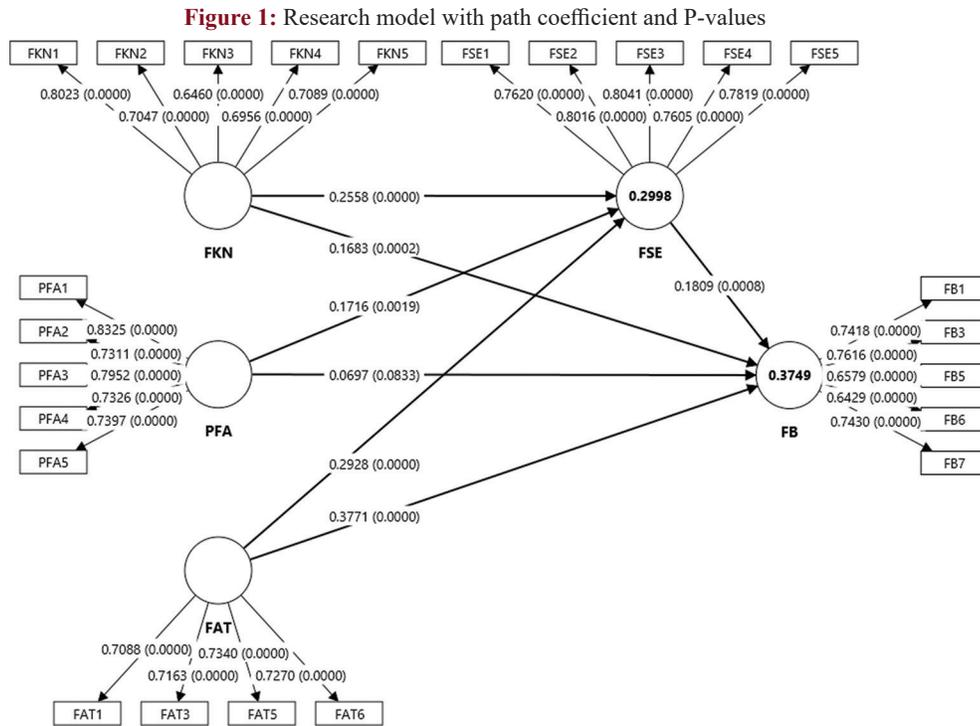
Constructs	Items	Loading	AVE	CR	VIF				
Financial knowledge	FKN1	0.8023	0.5088	0.8375	1.3210				
	FKN2	0.7047							
	FKN3	0.6460							
	FKN4	0.6956							
	FKN5	0.7089							
Professional financial advice	PFA1	0.8325	0.5888	0.8771	1.3050				
	PFA2	0.7311							
	PFA3	0.7952							
	PFA4	0.7326							
	PFA5	0.7397							
Financial attitudes	FAT1	0.7088	0.5207	0.8129	1.6170				
	FAT3	0.7163							
	FAT5	0.7340							
	FAT6	0.7270							
	FinTech self-efficacy	FSE1				0.7620	0.6119	0.8874	1.4810
		FSE2				0.8016			
FSE3		0.8041							
FSE4		0.7605							
FSE5		0.7819							
Financial behaviour	FB1	0.7418	0.5057	0.8358	1.6000				
	FB3	0.7616							
	FB5	0.6579							
	FB6	0.6429							
	FB7	0.7430							

**Table 3: Summary of HTMT**

Constructs	FKN	PFA	FAT	FSE	FB
FKN					
PFA	0.3967				
FAT	0.4420	0.5233			
FSE	0.5025	0.4311	0.5422		
FB	0.4999	0.4188	0.7120	0.5462	

**Table 4: Results of hypothesis testing**

Hypo.	Path	Coeff.	Standard deviation	T-value	P-value	f <sup>2</sup>	Remark
H <sub>1</sub>	FKN->FSE	0.2558	0.0501	5.1016	0.0000	0.0790	Accepted
H <sub>2</sub>	FKN->FB	0.1683	0.0480	3.5065	0.0002	0.0355	Accepted
H <sub>3</sub>	PFA->FSE	0.1716	0.0591	2.9024	0.0019	0.0335	Accepted
H <sub>4</sub>	PFA->FB	0.0697	0.0504	1.3832	0.0833	0.0060	Rejected
H <sub>5</sub>	FAT->FSE	0.2928	0.0551	5.3123	0.0000	0.0967	Accepted
H <sub>6</sub>	FAT->FB	0.3771	0.0570	6.6146	0.0000	0.1637	Accepted
H <sub>7</sub>	FSE->FB	0.1809	0.0572	3.1654	0.0008	0.0367	Accepted
H <sub>8</sub>	FKN->FSE->FB	0.0463	0.0192	2.4124	0.0159	0.0021	Accepted
H <sub>9</sub>	PFA->FSE->FB	0.0311	0.0129	2.4134	0.0158	0.0010	Accepted
H <sub>10</sub>	FAT->FSE->FB	0.0530	0.0217	2.4383	0.0148	0.0028	Accepted



relevancy (Q<sup>2</sup>) for both FSE (0.2788) and FB (0.3302) signified the predictive power of the exogenous constructs (Hair et al., 2017). The effect size (f<sup>2</sup>) in Table 4 further demonstrated that FKN, PFA, and FAT have a small effect size on FSE (0.02 < f<sup>2</sup> > 0.15) (Cohen, 1988). Likewise, FKN, FAT and FSE also demonstrated a small effect size on FB (Cohen, 1988), while PFA has no effect size on FB (f<sup>2</sup> < 0.02).

The hypothesis testing result showed that six direct hypotheses and three indirect hypotheses were accepted, except for H<sub>4</sub>. Precisely, FKN is found to have a significant effect on both FSE (β = 0.2558) and FB (β = 0.1683), and accepting H<sub>1</sub> and H<sub>2</sub>. A significant effect of PFA was also revealed, but only limited to PFA on FSE (β = 0.1716), while no significant effect was found on FB (β = 0.0697). This supports H<sub>3</sub>, but rejects H<sub>4</sub>. Besides, FAT also possess a significant role on both FSE (β = 0.2928) and FB (β = 0.3771), and supports H<sub>5</sub> and H<sub>6</sub>. Likewise, a significant role of FSE on FB (β = 0.1809) was also reported and supporting H<sub>7</sub>. This showed that FAT has the strongest effect on FSE, followed by FKN and PFA. Again, FAT is the most influential construct on FB, followed by FSE and FKN.

Additionally, the indirect role of the three predictors (FKN, PFA, and FAT) on the FB through the mediator of FSE was also proven in the study. Specifically, H<sub>8</sub> is supported as the result showed that FKN (β = 0.0463) has an indirect effect on FB through FSE. Although PFA has no direct effect on FB, the indirect effect of PFA (β = 0.0311) on FB via FSE is verified, and accepting H<sub>9</sub>. Similarly, FAT (β = 0.0530) also demonstrated an indirect effect on FB through FSE, and accepting H<sub>10</sub>. Therefore, the direct and indirect effects of the proposed exogenous constructs have been proven in the study.

### 5. DISCUSSIONS AND IMPLICATIONS

This study explored the factors that influence the FB of the youth in Malaysia based on the IMB model. In understanding the FB of youths, the study proposed both FKN and PFA as the information elements, while FAT is included as the motivation element, and FSE as the behavioural skill element. The study proved that the IMB model works well in explaining the FB, although it was developed for health-related behaviour. This offers a substantial theoretical implication, whereas the study demonstrated that

the IMB model is also appropriate in understanding other types of behaviours, as verified in other studies in different contexts as well (e.g., Limbu et al., 2023; Jia et al., 2025; Tang et al., 2024). With that, the conceptualisation of the IMB model that describes the behaviour of the impacted by three core elements, information, motivation and behavioural skill, is applicable in FB as well. Besides, this study also contributes to the extant literature by validating the mediating effect of FSE. FSE is a relatively new construct in FB, and most of the past research has used it as a predictor or moderator, rather than a mediator. Therefore, the significant mediating effect of FSE further offers a new understanding of the role of FSE and further enriches the literature in this subject domain. This signified that FSE is not as important a predictor on FB, but it also becomes an effective mediator that mediates the relationship of predictors (FKN, PFA, and FAT) on FB. Moreover, this study also offers evidence on the significant effect of FKN, FPA, and FAT on FSE, which is under-explored in the literature. This showed that the individual's confidence in using FinTech tends to improve when they have a higher level of understanding of the financial matters, have received advice or information from the financial professionals, and if they possess favourable personal feelings on financial issues. This is crucial as it provides substantial understanding regarding the role of FSE in determining the FB of the younger generation.

Specifically, the study concluded that FKN has a significant effect on FSE and FB, and this indicated the crucial role of FKN in nurturing the self-efficacy on FinTech as well as FB. Although the effect of FKN on FSE has remained unclear in past studies, the significant effect of FKN on FSE is evidenced in this study. This showed that the FSE of the youths tend to be enhanced if they have a greater level of understanding of finances. Besides, the significant effect of FKN on FB is consistent with Guo et al. (2025), Kumar et al. (2024), and Sam et al. (2022), who also demonstrated the crucial role of knowledge in finance on FB. Therefore, the stakeholders, such as the Securities Commission, Credit Counselling and Debt Management Agency, and FinTech providers, have to work together to improve the knowledge level of the younger generation. Several educational programs and activities, such as seminars, conventions, symposiums, or road shows that provide the latest developments in finance have to be organised frequently, as these could provide new understanding and knowledge for the younger generation. Revising the existing curriculum of education also has to be considered by the Ministry of Education and the Ministry of Higher Education, by incorporating certain financial education to improve their FKN. As proved in this study, by enhancing FKN of the youths, it is expected that the self-efficacy on FinTech would be nurtured and also foster them to practice better FB.

Moreover, the significant effect of PFA on the FSE is evidenced in the study, and this demonstrates that the financial advice and information from the professionals in finance could further enhance the self-efficacy of the younger generation on FinTech. This is new evidence in the existing studies, whereas the effect of PFA on FSE is not well explored. However, opposed to Bapat (2019), the study further remarked the no significant role of PFA on FB, and this signified that the professional advice from those who hold financial professional qualifications and licenses will

not affect the FB of the youths. This might be due to the limited access of the youths toward these financial professionals, as they might be embarrassed to seek advice from the professionals in finance. Besides, the younger generation tends to be introverted and does not like socialising. This could be one of the reasons for the insignificant effect of PFA on FB. Based on these findings, professionals in finance, such as certified financial analysts, financial planners or advisors and investment consultants have to play their role in affecting the FB of the younger generation. With the knowledge and experience that they have, these professionals could provide substantial advice and information that will be useful for the youths in improving their self-confidence and capability of using FinTech, and also practising better FB, in achieving their financial goals.

The study also remarked on the significant role of FAT on both FSE and FB. The significant effect of FAT on FSE showed that the favourable feeling about the finance will improve the youth's self-efficacy in FinTech. This implies that having a positive attitude towards finances will stimulate the younger generation to learn something related to FinTech, and this will further improve their confidence and ability to use FinTech. This is relatively new evidence, as the influence of FAT on FSE has not been widely studied in past studies. Besides, paralleled with Kumar et al. (2025b), Pal et al. (2021), and Sam et al. (2022), the favourable attitudes on finance tend to foster the younger generation having better FB. Therefore, this finding implies that the stakeholders, such as Bank Negara Malaysia, Credit Counselling and Debt Management Agency, Financial Education Network, or even the investment institutions, have to promote favourable personal feelings on finance among the youths. For example, the benefits and advantages of using FinTech in managing personal finance have to be emphasised, as this will foster the positive attitudes of youths towards finance. Moreover, the stakeholders also have to disseminate the positive outcomes of having prudent financial practices in achieving personal financial goals, as this will further help to establish good attitudes toward finance. The study showed that the youths are inclined to have a greater level of self-confidence in FinTech and also have better FB when they have favourable FAT.

Consistent with Che Hassan et al. (2022), the significant effect of FSE on FB was also revealed in this study. This implied that the confidence level and capabilities in using the FinTech could further stimulate the prudent FB of the youths. In this digitalised era, there are numerous FinTech platforms that could be used in managing personal finance, such as robo-advisors in offering investment advice, automatic investing features that will make investment decisions based on market fluctuations and others. This meant that the younger generation has a tendency to have good FB if they have greater confidence and capabilities in using FinTech. Besides, the study also proved that FSE is crucial in mediating the effect of FKN, PFA and FAT on FB. This signified the essential role of self-efficacy in FinTech in managing personal finances, as it not only impacts the FB directly, but it also mediates the influence of predictors on FB. Hence, the FinTech providers should focus on improving the confidence level and the capability of the younger generation in using FinTech. With that, more workshops

and training on FinTech should be made available to the youth to improve their self-efficacy level. The operating procedures of FinTech should be simplified and reduce the difficulty and complexity of operating these FinTech could further improve the self-confidence of the younger generation in FinTech. When the youth perceive that they have greater self-efficacy in using these FinTech, it will further encourage them to have better FB through the use of FinTech.

Overall, this study has proved the suitability of the IMB model in exploring the factors that affect the FB of youths. As proven in the study, FKN, PFA and FAT are essential in elevating the self-efficacy level of the youths on FinTech usage. Besides, nurturing the better FB, FKN, FAT and FSE is crucial. The study further confirmed the mediating role of FSE on the proposed relationships, and this further provides substantial implications in both theoretical and practical perspectives.

## 6. CONCLUSION

With the insufficient evidence of understanding the FB of youths from the IMB model as well as the mediating role of FSE on FB, this study fulfilled these research gaps by exploring the factors that affect the FB of youths by using the IMB model as a foundation framework, proposing FKN and PFA as information elements, FAT as motivation element, and FSE as a behavioural skill element. By using purposive sampling, the study has collected 474 valid responses from the youths in Malaysia and further examined the proposed hypotheses using the PLS-SEM. The result first showed that both FKN and FAT have significant effects on FST and FB, while PFA only possess a significant role on FSE, not on FB. Besides, the study also proved that FB is significantly affected by FSE. Additionally, the mediation analysis further validated the mediating effect of FSE on the relationships of FKN, PFA, and FAT on FB. A comprehensive and robust understanding has been provided in the study, through the lens of the IMB model, which supplements the extant knowledge in the subject domain, behavioural finance. The findings also offer several vital practical implications for stakeholders to promote the FB among the younger generation.

### 6.1. Limitations and Recommendations

There are a few weaknesses that appeared in this study that have to be overcome in future research. Firstly, the study only considered the youths in Malaysia who were aged between 18 and 40 years old. However, the financial instability and distress are not the exclusive issues for the youth. Therefore, future studies might include the respondents from other age groups, such as 40-65 years old, as these groups are those who have high financial commitment and are nearly retired. Besides, considering the differences of the generational cohorts could be another research avenue for the upcoming study. Perhaps, a comparison between the generation cohorts, such as Gen X vs Gen Y or even Gen Z, could be an interesting area for investigation. Besides, this study only proposed FAT as a construct for the motivation element, and this might limit the representativeness. With that, adding more construct in the motivation element is another area that could be explored, such as financial risk tolerance, financial socialisation, social media

influence, and the like. Additionally, this study assumed that all respondents were homogeneous and did not consider the possible impacts of the respondents' profiles. Further studies might examine the differences between profiles, such as males vs females, high income vs low income, or even the educational level, as these could be some areas that affect the FB of the respondents. By addressing these limitations, a better and thorough understanding could be produced and further benefits for all.

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