“Financial innovation, accounting knowledge, and investment decisions among small enterprise owners: The moderating role of fintech security”

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FINANCIAL INNOVATION, ACCOUNTING KNOWLEDGE, AND INVESTMENT DECISIONS AMONG SMALL ENTERPRISE OWNERS: THE MODERATING ROLE OF FINTECH SECURITY

Abstract

This study investigates how financial innovation, financial behavior, and accounting knowledge influence investment decisions, with fintech security tested as a moderating variable. The research focuses on 250 small enterprise owners in Indonesia, allowing for robust path analysis. Purposive sampling was used to ensure participants were active non-professional investors with comparable business scale and digital financial exposure. These enterprises operate primarily in trade, services, and light manufacturing, with annual turnover below IDR 2.5 billion, aligning with Indonesia's official SME classification. Structured questionnaires were used to collect data for analysis through Structural Equation Modeling (WarpPLS). This analysis indicated that financial innovation (β = 0.383, p = 0.001), accounting knowledge (β = 0.311, p = 0.001), and financial behavior (β = 0.131, p = 0.010) were all positively and significantly related to investment decisions. Fintech security (β = 0.326, p = 0.001) was a direct predictor of investment decisions, and also positively moderated both financial innovation (β = 0.182, p = 0.002) and accounting knowledge (β = 0.166, p = 0.028) on investment decisions. However, fintech security did not significantly moderate financial behavior. These results suggest that technological capability through fintech solutions, financial literacy, and platform security were significant elements affecting investment strategies for small business owners. In terms of policy implications, strict measures should be undertaken in developing features and architecture to scheme out insecurity with technological innovation, improving the accounting literacy of investors, and encouraging the use of innovations to enhance the investment decision quality of small business owners.

Keywords financial innovation, financial conduct, accounting knowledge, investment decision

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INTRODUCTION

Fintech security has become one of the primary issues determining confidence in digital financial services. Investors' trust can be undermined due to data breach concerns, cyberattacks, and privacy issues (Azaria et al., 2024). On the contrary, trust is reinforced, and the positive impacts of financial innovations and accounting knowledge on investment decisions are strengthened due to effective encryption, fraud prevention, and platform reliability (Fridana & Asandimitra, 2020). Empirical findings indicate that to sustain the adoption and maximize the benefits of digital investment tools, secure and transparent fintech systems are a prerequisite (Azaria et al., 2024). Although prior studies have separately looked at these constructs, very little is known about the interplay of financial innovation, financial behavior, accounting knowledge, and how they are influenced by fintech security to make investment decisions, especially by small business owners in

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developing countries. To fill this gap, this study analyzes the direct impact of these three variables on investment decision-making and the case study of small enterprise owners in Indonesia, focusing on the moderating impact of fintech security. Through behavioral, informational, and technological lenses, this study presents a holistic model of dynamic decision-making in a digitally transforming financial landscape. Fintech security has now also become a key consideration for trust in the digital finance space. Fears of breaches, cyberattacks, and privacy violations can disrupt trust among investors (Azaria et al., 2024). Conversely, secure approaches (such as encryption, fraud deterrents, and platform reliability) support trust and can reinforce the positive effects of financial innovation and accounting knowledge on decision-making (Fridana & Asandimitra, 2020). There is some evidence to suggest that secure and transparent fintech systems are key to sustaining adoption and maximizing digital investment tools (Azaria et al., 2024). The constructs of financial innovation and financial behavior, and accounting knowledge have been explored as singular constructs in previous research; there is limited understanding of how the engagement with fintech security implicates the processes involved in decision-making.

1. LITERATURE REVIEW

Financial innovation encompasses the introduction of novel financial products, services, processes, and delivery channels, including blockchain technology and peer-to-peer lending platforms that reshape the way investor's access, manage, and grow their capital (Fridana & Asandimitra, 2020). These innovations not only diversify the tools available to retail investors but also democratize access to investment opportunities that were previously the domain of institutional participants. For instance, blockchain applications enhance transparency and transaction immutability, and peer-to-peer lending connects investors directly to borrowers, often yielding higher returns than traditional fixed-income products (Abideen et al., 2023; Aisa, 2021). From a market efficiency perspective, financial innovation reduces transaction costs, shortens settlement times, and improves liquidity, enabling faster capital rotation and more agile portfolio adjustments (Alexandri et al., 2023; Kou & Lu, 2025). By integrating advanced analytics, AI-driven forecasting, and real-time market data feeds, investors can engage in more data-driven portfolio management, translating into better-aligned risk-return profiles. Theoretically, this aligns with the Modern Portfolio Theory (MPT) premise that enhanced diversification and informed allocation decisions can optimize returns for a given level of risk.

Directly or indirectly, any overdependence on complex products increases the asymmetry of information among platform providers and end-users, creating additional exposure for investors with low levels of financial literacy (Maheshwari & Samantaray, 2025). More innovations that capitalize on the support offered by digital infrastructure cannot escape vulnerabilities in security (Baig et al., 2024). On the whole, the empirical studies have consolidated instances to prove that the net gain of a financial innovation is dependent on complementing factors, primarily whether an investor is knowledgeable enough to carry out his risk and reward chores and to what extent the fintech would ensure all transactions and personal data are secured (Alam et al., 2025; Wang et al., 2024). If these are absent, anything that could be an efficient and access-enhancing measure might end up heightening risk exposure and eroding the trust that is so required.

Financial behavior refers to the attitudes, biases, heuristics, and decision-making tendencies that investors display in managing money and allocating resources (Azaria et al., 2024). The behavioral finance paradigm challenges the classical view of investors as fully rational actors, instead positing that cognitive limitations, emotional responses, and social influences often shape portfolio decisions in ways that deviate from strict utility maximization (Fridana & Asandimitra, 2020; Kasoga & Tegambwage, 2022). Disciplined financial behaviors must be done by small enterprise owners, such as timely budgets, continued saving, diversifying portfolios, and investments aligned with explicit, defined long-term goals, which show strong associations with better investment performance (Butt et al., 2023; Nandan et al., 2024; Mahmood et al., 2024). Disciplined behaviors enable con-

sistency over time, as they assist in minimizing impulsive behavioral and reflexive decisions to environmental changes and limit the investor from running away from compounding their wealth over time (Adil et al., 2022). With this consideration in mind and specifically directed to small enterprise owners in Indonesia, behavioral tendencies may matter more. Small enterprise owners typically transact within volatile contexts and limited access to formal advice or regulatory supervision, making the need for self-monitoring and self-management behaviors (i.e., behaviors in relation to utilizing disciplined habits) critical to self-regulating risk (Ashfaq et al., 2024; Shunmugasundaram et al., 2024). It is imperative, given the circumstances, to understand how financial behavior impacts investment decision-making as it not only impacts the individual outcomes of small enterprise owners but is a vital component to achieving economic outcomes, as it tends to identify opportunities for further innovation (via efficiency in allocation of capital).

Accounting information is the ability to know and apply a certain amount of accounting skills in the appropriate environment. Financial decision is supplemented by other units of accounting information, in that investors should be able to know various investment securities as well as returns and risks on them. Accounting information is capable of empowering investors who opt to allow them to comprehend account statements, outsmart the rhythm of market trends, and make a wise investment choice based on fact-finding data in an attempt to realize their investment goal (Hutasoit, 2021). The understanding of accounting principles like balance sheet analysis, income statement, and cash flow analysis helps investors form an opinion of the financial condition of businesses. Analysis makes it easier to build investable opportunities and prevent money traps by financially troubled companies. Accounting data helps investors understand sophisticated financial products and account process identification through accounting reports (Fridana & Asandimitra, 2020). Accounting information is another essential domain of risk management. People with accounting information can estimate money risk to be incurred on substitute investment projects. They can trigger an early warning signal on balance sheets, i.e., increasing leverage or decreasing incomes, indicating potential financial distress. Accounting literacy in risk computation in constructing a diversified investment portfolio based on anticipated return in terms of risk aversion (Azaria et al., 2024). Accounting literacy is also concerned with enhanced long-term financial planning. Accountants will be responsible for constructing and revising an objective investment calendar, i.e., financial planning, budgeting, and investment performance. Systematic financial planning can stimulate more long-term successful investment outcomes. Accounting information is especially significant when making investment decisions. It provides investors with data to critically examine financial data, manage risk, and implement appropriate financial planning. Knowledge about accounting concepts has grown through awareness, and this has enabled people to make healthy and reasonable investment choices, which in turn results in rational financial decision-making and management.

Security on fintech platforms is among the most significant moderate factors in the effect of financial innovation, financial behavior, and accounting information on investment choices. Fintech security involves different facets of security, such as information safety, cybersecurity, and reliability of fintech services. These are capable of affecting investor trust in, and use of such technologies (Azaria et al., 2024). Where there is no such thing as technology existing, and the existence of money and information transferring online never happened, the relevance of rightful fintech security should not be left behind. Confidential investor data protection and confidential investor information protection always take precedence since the misuse or improper release of confidential and financial data can generate gigantic amounts of lost money and identity theft. Investors wish to invest and experience such great data protection and legal-compliant fintech platforms (Fridana & Asandimitra, 2020). The cyber threats to the extreme level currently being experienced by fintech platforms and users are hackers, phishers, and malware. Threats may cause damage, disrupt the integrity and availability of financial services, and lead to loss of money and injury. The susceptibility of the Fintech platform to cyberattack by the

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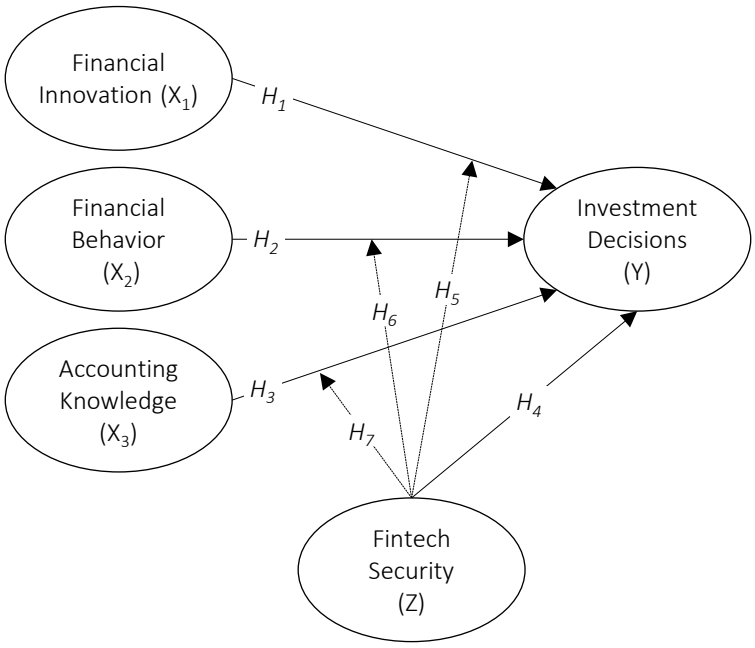

Figure 1. Research model and hypotheses

investor will deter investors from using the technologies, hence on their investment.

Fintech institutions are thus compelled to consider investing in the new cyber defense system in a bid to secure their platforms and restore the confidence of the investors. Stability of Fintech services is also a critical aspect of Fintech security. Investors are relying on fintech platforms to conduct a chain of financial operations like payments, trading, and portfolio management (Srivastav et al., 2024). Dislocation or technological disconnection results in monetary loss in combination with investor loss of confidence. Fintech service availability and resilience are thus of paramount relevance in sustaining investor confidence as well as promoting increased financial technology usage. Azaria et al. (2024) opine that an empirical study of fintech security influence on investment decision is relevant to finance and fintech innovation research in a digital technology age. Financial institutions and policymakers can provide more policy advice to security-conscious investor behavior and stimulate fintech security in terms of safe use of fintech. Fintech security is a convergence driver of financial innovation, financial behavior, and accounting information convergence for investment decision-making. Computerization for defensiveness, informatization security, and service reliability are necessary in order to build investors' confidence and the operation of fintech services.

The objective of the present study is to analyze finance innovation, accounting information, and finance behavior impacts on investment decision-making with fintech security as a mediator. Hypotheses of the study are:

H_1: *Financial innovation positively influences investment decisions.*

H_2: *Financial behavior strongly positively influences investment decisions.*

H_3: *Enhanced accounting knowledge strongly positively influences investment decisions.*

H_4: *Fintech security positively influences investment decisions.*

H_5: *Fintech security moderates the impact of financial innovation on investment choice.*

H_6: *Fintech security moderates the relationship between financial behavior and investment decisions.*

H_7: *Fintech security moderates the relationship between accounting awareness and investment decisions.*

2. METHOD

The study population comprised small enterprise owners in Indonesia, who also acted as non-professional investors. They invest their capital but do not have the same experience, information, and wealth as professional investors. Non-professional investors are usually not handling other people's investments and are less regulated than institutional investors. The non-professional investors in the present study were small-scale businesspeople in Indonesia. The study was based on a sample of 250 retail investors, or non-professional investors. These enterprises operate primarily in trade, services, and light manufacturing, with annual turnover below IDR 2.5 billion, aligning with Indonesia's official SME classification. Purposive sampling was applied to include only respondents who: (1) owned and operated their business for at least three years, (2) had experience using digital financial platforms for transactions or investments, and (3) made independent investment decisions with personal capital. Formally, questionnaires were administered to ensure that the data were collected by personally delivering them to the respondents. 265 questionnaires were initially distributed, and 250 were returned as completed, reflecting a response rate of 94.3%. The remaining 15 questionnaires were rejected because they were incomplete.

Table 1. Respondent profile

Respondent profile	Summarized information
Gender	Male: 62%
	Feale: 38%
Age range	25-35 years old: 31%
	36-45 years old: 43%
	>45 years old: 26%
Educational level	Held at least a bachelor's degree: 83%
	Possessing postgraduate qualifications: 17%
Business type	Trade: 43%
	Services: 37%
	Light manufacturing: 20%
Digital finance engagement	100% used mobile banking
	71% had experience with peer-to-peer lending platforms
	28% had interacted with algorithmic investment tools
Investment experience	Average investment duration: 4.8 years
	Asset classes: 63% invested in mutual funds, 37% in equities, 14% in digital assets (some overlap)

Some important variables were assigned priority in the study. The independent variables included were Financial Innovation (X1), containing 6 questions; Financial Behavior (X2), consisting of 6 questions; and Accounting Knowledge (X3), containing 5 questions. Financial innovation is the process of innovating financial products, services, or procedures, such as financial innovation in financial instruments, technology, and payment systems (Fridana & Asandimitra, 2020). Financial Behavior has the ability to notice the overall influence of financial decisions on one's state and to make suitable choices as long as cash management, safety, and budget opportunities exist (Azaria et al., 2024). Accounting Knowledge is detecting, recording, categorizing, totaling, and summarizing money transactions to acquire beneficial information to form choices (Hutasoit, 2021). Fintech Security (Z) acted as the moderation variable, and it contained 5 items. It is the techniques and technologies used to protect financial technology systems, transactions, and information from cyber-attacks and fraud (Fridana & Asandimitra, 2020). The dependent variable was the Investment Decision (Y) of 6 questions, which is the decision-making process of where and how to invest financial capital to attempt to gain maximum advantage with minimum risk (Azaria et al., 2024). The data were analyzed using WarpPLS, a computer program for structural equation modeling (SEM). WarpPLS was used because it can handle complex models and yield strict results (Hair et al., 2019).

3. RESULTS

The results of the validity and reliability test of the study variables affirm both high validity and better reliability. The indicators and the corresponding statistical values confirm that the measurement model is highly suitable and accurately captures the intended constructs.

The validity of the indicators is confirmed through the values of the loading factors (see Table 2). These values describe the strength of the relationship between each indicator and its corresponding variable. In most situations, a loading factor of 0.7 or higher is considered acceptable, which implies that the indicator measures the variable with strong intensity. Here, all indicators pass

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Table 2. Validity and reliability test

Variable	Indicator	Loading Factor	AVE	Cronbach's Alpha	Composite Reliability
Financial innovation (X_1)	X_1-1	0.829	0.606	0.869	0.902
	X_1-2	0.765			
	X_1-3	0.833			
	X_1-4	0.778			
	X_1-5	0.707			
	X_1-6	0.752			
Financial behaviour (X_2)	X_2-1	0.761	0.680	0.906	0.927
	X_2-2	0.801			
	X_2-3	0.813			
	X_2-4	0.830			
	X_2-5	0.858			
	X_2-6	0.877			
Accounting knowledge (X_3)	X_3-1	0.766	0.680	0.882	0.914
	X_3-2	0.840			
	X_3-3	0.840			
	X_3-4	0.890			
	X_3-5	0.779			
Fintech security (M)	M-1	0.842	0.693	0.889	0.918
	M-2	0.754			
	M-3	0.844			
	M-4	0.890			
	M-5	0.825			
Investment decision (Y)	Y-1	0.802	0.677	0.904	0.926
	Y-2	0.793			
	Y-3	0.806			
	Y-4	0.867			
	Y-5	0.840			
	Y-6	0.826			

or are over the cutoff except X1-5 with a value of 0.707. As high as the value is above the cutoff point, it is still in support of validity in the indicator. This only guarantees that selected indicators are suitable for measuring the respective variables. Reliability is assessed based on two critical measures, i.e., Cronbach's Alpha and Composite Reliability (CR). These estimates measure the internal consistency of indicators within every variable. High reliability is evidenced by Cronbach's Alpha scores of more than 0.7, and high internal consistency is evidenced by Composite Reliability scores of more than 0.7.

In this study, all the variables have outstanding reliability, with Cronbach's Alpha and CR scores well beyond the acceptable thresholds. For example, financial innovation (X1) has 0.869 Cronbach's Alpha and CR of 0.902, while other variables, e.g., financial behavior (X2) and investment decision (Y), indicate similar high measures of reliability. Average Variance Extracted (AVE) is utilized in an attempt to measure convergent validity, i.e., the variance explained by the variable relative to measurement error. It is deemed satisfactory when the AVE value is equal to or greater than 0.5. In this study, all the variables meet this threshold, with AVE from 0.606 for financial innovation (X1) to 0.693 for fintech security (M). These results confirm that the variables effectively capture the variance in their indicators, further establishing the quality of the measurement model. Overall, the measurement model of this study has good validity and reliability, ensuring that the constructs are measured accurately and consistently. The results are robust evidence substantiating the use of these variables and indicators in examining the relationships of the research. The high reliability and validity of the results provide a boost to the credibility of the findings and contribute to the reliability of the conclusions drawn from the study.

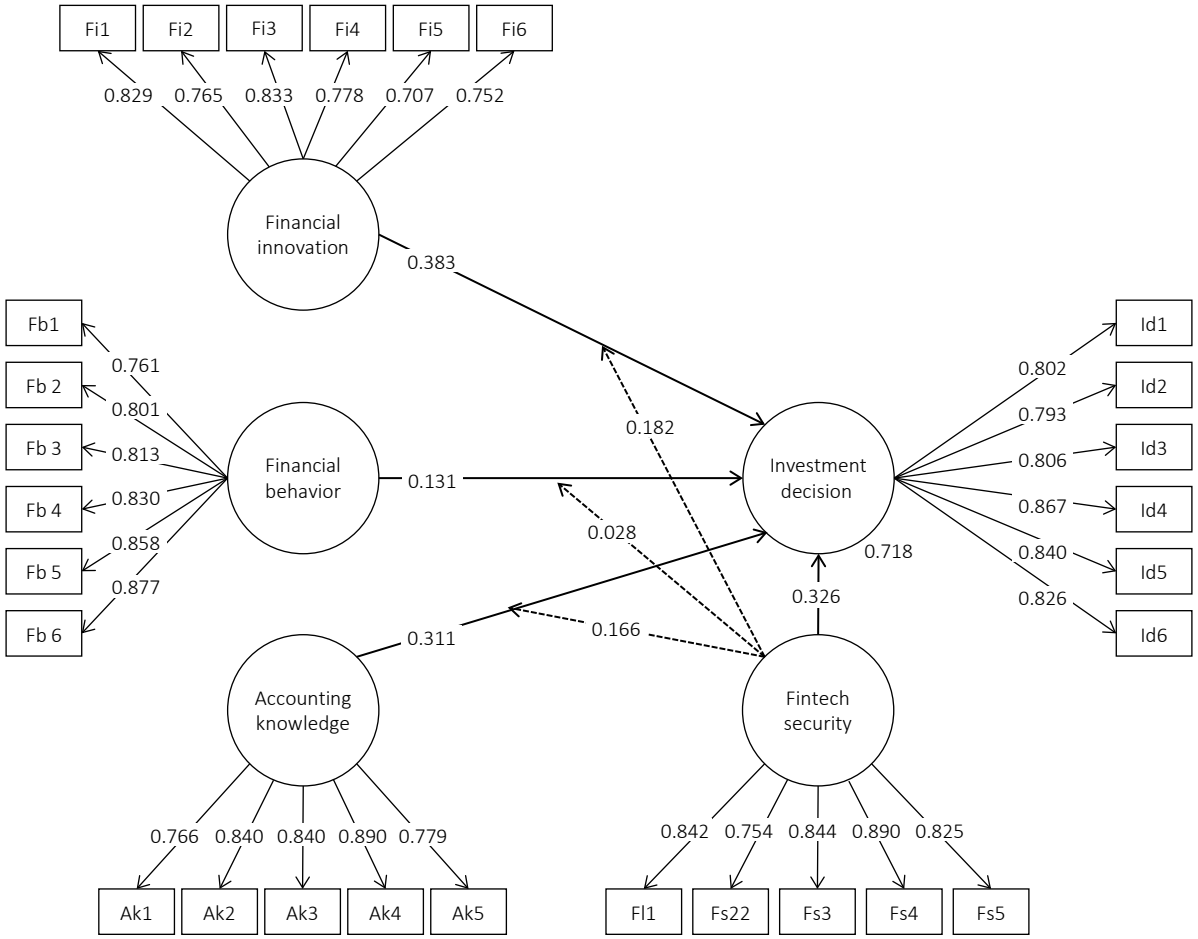

Figure 2. Outer model

Table 3. R-squared and adjusted R-squared

Variable	R-squared	R-squared adjusted
Investment Decisions (Y)	0.726	0.718

Table 3 indicates that R-squared = 0.726. That is, independent variables of the model explain 72.6% of the variance in "Investment Decisions (Y)". That is, predictors explain a high percentage of investment decisions, accounting for most of the variation that exists. R-square adjusted = 0.718. R-squared adjusted estimates the R Square based on the number of predictors used in the model compared to the sample size. The adjusted R-squared is a little lower (71.8%), the more conservative of the two, to utilize in reporting the explanatory power of models. Overall, these measures indicate that the model explains investment decision variation extremely well, with scarcely a small percentage (about 27.4%) left unexplained; a good, significant finding and a good-fitting model.

The direct effect test outcomes of the hypotheses are of most importance as they offer insightful information about how the independent variables relate to investment decisions (see Table 4). H_1: Financial innovation has a positive effect on investment decisions: The findings confirm that the influence of financial innovation on investment decisions is positive, with a preliminary sample value of 0.383. The value of the t-statistic is 6.305, and the p-value is 0.000, which means that the effect is statistically significant. This means that financial innovation, which is higher, has a positive impact on investment decisions. H_2: Better financial behavior has a positive and significant influence on investment choice: Better financial behavior positively and significantly impacts investment decisions to a lesser degree. Sample value is 0.131, the value of the t-statistic is 2.598, and the p-value is 0.010. This means that good financial behavior has a positive and significant effect on investment decisions, but less than others. H_3: Accounting

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Table 4. Hypothesis direct effect test result

Hypothesis	Original sample	Sample mean	Standard deviation	t-statistics	P-values	Conclusion
H_1: Financial innovation positively affects investment decisions	0.383	0.383	0.061	6.305	0.000	Accepted
H_2: Financial behavior positively affects investment decisions	0.131	0.130	0.050	2.598	0.010	Accepted
H_3: Accounting knowledge positively affects investment decisions	0.311	0.315	0.093	3.330	0.001	Accepted
H_4: Fintech security positively affects investment decisions	0.326	0.322	0.072	4.496	0.000	Accepted

knowledge positively affects investment decisions: Accounting knowledge has a positive effect on investment decisions, with the sample value being 0.311 at the start. The t-statistic value is 3.330, and the p-value is 0.001, which is statistically significant. The above result indicates the importance of accounting knowledge to make the correct investment decisions. H_4: Fintech security has a positive effect on investment decisions: Fintech security exerts a positive influence on investment decisions, and the initial sample value is 0.326, the t-statistic value is 4.496, and the p-value is 0.000. This indicates that fintech security plays an important role in building confidence and forming a positive attitude towards investment. All four assumptions hold true, as supported by statistically significant p-values (all < 0.05) and significant t-statistic values (all > critical value of approximately 1.96). All these, financial innovation, financial attitude, accounting knowledge, and security in fintech, significantly contribute their portions towards being positively effective in investment decisions.

The hypothesis indirect effect test results reveal the fintech security role as a moderating variable between the relationships of financial innovation, financial behavior, accounting knowledge, and investment decisions (see Table 5). H_5: Fintech security strengthens the relationship between financial innovation and investment decision: There is a highly significant positive effect of fintech security in strengthening the relationship between financial innovation and investment decisions. The sample mean is 0.182, with a t-statistic value of 3.128 and a p-value equaling 0.002. This tells us that fintech security has an effective modulation by amplifying the positive effect of financial innovation in investment decisions. H_6: Fintech security strengthens the relationship between financial behavior and investment choice: The results are that fintech security does not have any significant moderating effect on the relationship between financial behavior and investment decisions. Original sample value = 0.028, t-statistic value = 0.403, and p-value = 0.687, which shows no significant effect. Therefore, fintech security has no significant influence on financial behavior's significant effect on investment decisions here. H_7: Fintech security increases the contribution of accounting knowledge to investment decisions: Fintech security plays a significant role in moderating the relationship between accounting knowledge and investment decisions. The initial value of the sample is 0.166, the t-statistic value is 2.206, and the value of p is 0.028. This evidence suggests that fintech security has increased the positive relationship between accounting knowledge and investment decisions. The findings indicate that fin-

Table 5. Hypothesis indirect effect test result

Hypothesis	Original sample	Sample mean	Standard deviation	t-statistics	P-values	Conclusion
H_5: Fintech security strengthens the relationship between financial innovation and investment decisions	0.182	0.177	0.058	3.128	0.002	Accepted
H_6: Fintech security strengthens the relationship between financial behavior and investment decisions	0.028	0.029	0.071	0.403	0.687	Rejected
H_7: Fintech security strengthens the relationship between accounting knowledge and investment decisions	0.166	0.159	0.075	2.206	0.028	Accepted

tech security is a robust moderator in some of the relationships. It significantly enhances the impact of accounting information and financial innovation on investment decisions, but its impact on financial behavior shaping investment decisions is nonexistent.

4. DISCUSSION

The findings of Hypothesis 1 (H1) confirm that financial innovation has a significant and positive influence on investment decisions among small enterprise owners in Indonesia. Financial innovation enhances the efficiency, accessibility, and attractiveness of financial markets, enabling individuals and institutions to make more informed and strategic investment choices (Kou & Lu, 2025; Maheshwari & Samantaray, 2025; Baig et al., 2024). All participants reported the use of mobile banking, 28% interacted with algorithmic investment tools, and 71% had experience with peer-to-peer lending platforms as financial innovation to enhance their investment choice. These findings align with prior studies that emphasize the role of digital payment platforms, peer-to-peer lending, and blockchain technologies in streamlining investment procedures and enhancing convenience (Alam et al., 2025; Kang & Yang, 2023) and are further supported by Garad et al. (2024) and Che et al. (2024). These results provide strong empirical support for the theoretical proposition that financial innovation functions as a key structural enabler in investment decision-making models, particularly within digitally engaged SME populations in emerging economies.

Hypothesis 2 (H2) results show financial behavior has real and significant impacts on the investment decisions of small business owners. This shows the extent to which an individual's financial attitude and discipline, budgeting, and decision-making processes affect their return on investment. The results are in support of behavioral finance, in which the authors agree that psychological and cognitive aspects influence decision-making (Adil et al., 2022). The respondents, a significant number of whom practiced routine budgeting and were engaged in the financial markets, are an ideal description of an individual whose financial behavior is controlled on account of technological and financial discipline. Financially, this finding strengthens the behavioral finance paradigm by verifying that in technology-enabled financial ecosystems, unidirectional intrinsic behavioral monetary actions are the core influence on investment decisions.

The findings of Hypothesis 3 (H3) show that accounting data significantly and favorably influence investment choices. This emphasizes how important accounting proficiency and financial literacy are in empowering investors to evaluate profitability, examine financial statements, and make informed investment decisions. The findings, which are corroborated by Woode et al. (2024) and Sachdeva and Lehal (2024), indicate that objective financial data is a crucial component of investment decision-making, particularly in equity markets. 83% of the respondents had at least a bachelor's degree in finance or business, demonstrating a solid background in accounting. These people were more likely to base their investment choices on organized financial data rather than arbitrary market sentiment, which improved the caliber of their choices.

Hypothesis 4 (H4) supports the proposition that fintech security influences investment decisions directly and significantly. Secure financial systems are key in creating trust and comfort for investors. By creating safe digital transactions, fintech security reduces perceived risk, while access to transparent systems engages more investors. Respondents clearly prefer platforms with superior security features, which is similar to results from Festa et al. (2023) and Sreenu (2024). Moreover, fintech innovations, like secure advisory platforms and blockchain technology, improve transparency and access to the market, ultimately helping better investment decisions (Alexandri et al., 2023; Unsal & Ozkan, 2024).

The results from Hypothesis 5 (H5) indicate that fintech security actually has a positive moderating role in the relationship between financial innovation and investment decisions. The presence of security tools supports the positive behavioral change that new financial products and platforms can have in shaping investors' perceptions (Eka & Setiawan, 2023). In the current study, 71% of respondents stated they use different digital financial tools, including blockchain and peer-to-peer lending, but an even larger percentage expressed concern over cybersecurity issues and breaches. The findings of this study about the effects of fintech security issues are substantiated by

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Alexandri et al. (2023), Assounga et al. (2024), and Shruti and Sreekumar (2025), who support the idea that fintech security solutions improve transparency and trustworthiness of sustainable financial innovations, such as secure advisory platforms and blockchain-related infrastructure, which in turn improve adoption and efficiency.

In contrast, Hypothesis 6 (H6) states that the security of fintech does have a moderating statistical impact on the association between financial behavior and investment decisions. Certainly, fintech security enhances trust on the platform, but it has a negligible effect on the behavioral traits of budgeting, saving, and risk assessment that drive investment decisions (Butt et al., 2023). Supporting literature suggests that behavioral biases and financial self-efficacy have a greater influence on investment behavior than the perceived safety of the platform (Fajri & Purnamasari, 2022; Dewi & Yulianti, 2021). These findings resonate with Hasanah et al. (2024) and Cahyani and Sihombing (2022), who contend that financial self-efficacy and knowledge diminish the moderating impact of fintech security on behavioral investment approaches.

This results from Hypothesis 7 shows that fintech security is a significant moderator of the relationship between accounting knowledge and investment decisions. Secure digital environments, therefore, become very important for investors to apply accounting knowledge. For 83% of those sampled, who all have at least a bachelor's degree, secure access to financial reports, performance measures, and audit tools is a preferred quality of any platform. Fintech security mechanisms against fraud and data storage protection enable advanced accounting instruments, like cloud-based reporting or predictive analytics, to be applied safely. Jafri et al. (2024) and Ojha et al. (2022) acknowledge that secure fintech platforms allow investors to assess with confidence, backed by evidence. This result provides evidence for the critical moderating role that fintech security plays in the digital investment environment.

CONCLUSION

The study aims to investigate the impact of financial innovation, accounting information, and financial behavior on investment decision-making and the mediating role of fintech security. The study confirms that financial innovation plays a positive role in investment decision-making by promoting the efficiency, availability, and convenience of financial markets. Emerging technologies and tools, such as blockchain and web platforms, empower investors to make informed and assured investment decisions. Financial habits, encompassing habits like planning and risk measurement, were also found to positively affect investment decisions, bearing witness to the predominance of good fiscal habits in generating good returns on investments. Contributing also at its base is accounting, which comes with expertise in the analysis of financial information critically and knowledgeably. This supports the role of financial education and literacy in guaranteeing sound and informed investment conduct. Further, fintech security was identified as a key driver that explicitly facilitates investment decision-making by providing a secure and reliable platform for undertaking financial transactions. The findings are not intended to generalize across global contexts but rather to illuminate the mechanisms by which digitally engaged SME owners navigate financial choices in emerging markets. Scientifically, the model contributes to behavioral finance and digital investment literature by demonstrating how fintech security amplifies the utility of financial innovation and accounting knowledge, while behavioral traits remain internally driven.

AUTHOR CONTRIBUTIONS

Conceptualization: Sasongko Budisusetyo.
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APPENDIX A

Research instrument

Table A1. Financial innovation (X1)

Question	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1. I am aware of new money products coming into the market.					
2. I have invested via new money technologies like robo-advisors.					
3. I am aware of blockchain technology and its application in finance.					
4. I have invested via peer-to-peer lending sites.					
5. Financial innovations enhanced my ability to invest.					
6. I always look for new money products to invest and diversify my investment universe.					

Table A2. Financial behavior (X2)

Question	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1. I am at ease with the risk of investment.					
2. I make investment decisions after careful analysis and research.					
3. I follow the others' investment decisions (herd behavior).					
4. I consider both short-term and long-term perspectives when making investment decisions.					
5. I overestimate myself when making investment decisions.					
6. I watch constantly and adjust the investment plan in the light of the market situation.					

Table A3. Accounting knowledge (X3)

Question	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1. I can read and understand financial statements.					
2. I have an understanding of general accounting principles.					
3. I apply accounting information to investment decisions.					
4. I can identify significant financial ratios like profitability and liquidity.					
5. I have an understanding of the impact of different accounting treatments on financial outcomes.					

Table A4. Fintech security (Z)

Question	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1. I am confident that my financial data is being protected by fintech platforms from cybercrime.					
2. I am confident of the security measures taken by the fintech services availed by me.					
3. Cybersecurity concerns hinder my use of fintech platforms.					
4. I know the data privacy policies of the fintech platforms availed by me.					
5. I am confident that the security of fintech is sufficient to prevent financial fraud.					

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Table A5. Investment decision (Y)

Question	Strongly Disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly Agree (5)
1. I possess a sound plan to make investment decisions.					
2. I diversify investment in various classes of assets.					
3. I review the performance of my investment occasionally.					
4. I employ experts to make investment decisions.					
5. I possess investment goals and invest for a purpose.					
6. I am satisfied with returns on investment.					