



# The Importance of Financial Literacy for Investment

## Decisions

Samin Yasar Rafi<sup>1</sup> \* and Bohi Shajahan<sup>2</sup>

<sup>1</sup>Department of Business Administration, American International University-Bangladesh, Dhaka, Bangladesh

<sup>2</sup>Department of Business Administration, American International University-Bangladesh, Dhaka, Bangladesh

Corresponding author: [saminkhraf02@gmail.com](mailto:saminkhraf02@gmail.com)

**Abstract.** Financial literacy is an essential component of investment behavior that empowers individuals to measure risks, diversify portfolios, and make informed choices. In Bangladesh, where formal financial participation is constrained, knowing the impact of literacy on investment decisions is crucial for economic advancement. The primary objective of this study is to assess the level of financial literacy among individuals and examine its impact on investment decision-making. To achieve greater outreach, primary data was collected through a structured online questionnaire. For analysis purposes, 309 responses were considered acceptable for data analysis, representing respondents from various demographic groups. The main variables evaluated comprised financial knowledge, risk awareness, investment duration, social influence, and investment intention, quantified by a five-point Likert scale. Descriptive statistics and multiple regression analysis were conducted using SPSS to examine how these factors influence future investment intention. Findings reveal that most respondents understand basic financial concepts such as risk–return calculation and diversification. The regression results show that financial knowledge, financial skill, and risk perception significantly and positively shape future investment intentions. In comparison, social influence and past investment behavior were statistically insignificant, indicating that investment decisions in Bangladesh are increasingly driven by personal competency rather than external pressure or habitual tendencies. Despite progress in awareness, many respondents still struggle with practical application of financial knowledge, highlighting the need for experiential financial education. Improving national financial literacy initiatives, incorporating practical training, and leveraging digital learning tools are needed to improve investment confidence and foster sustainable financial inclusion.

**Keywords:** Financial literacy, Investment behavior, Risk awareness, Sustainable Economy, Financial Inclusion.

## 1. Introduction

Financial literacy defines an individual's ability to understand and effectively use financial skills and plays an important role in shaping investment behavior by equipping individuals with the knowledge and capability to make informed financial decisions. According to The Financial Express (Shoikot, 2024)<sup>[1]</sup>, the growing complexity of financial markets and the rapid rise of digital financial services have highlighted an important need for financial education in Bangladesh. Similarly, New Age Bangladesh (Hasan, 2023)<sup>[2]</sup> highlighted that limited financial literacy among Bangladeshi investors often results in poor financial health, dependency on informal advice, and lower participation in formal investment channels. As Ahmed (2019)<sup>[3]</sup> in The Financial Express noted, Bangladesh continues to face challenges in boosting private investment due to inadequate investor confidence and lack of awareness about structured financial instruments. Although Akter (2025a, 2025b)<sup>[4]</sup> pointed out that despite the country's growing digital economy, financial literacy programs remain

fragmented and insufficient to meet the needs of new and young investors, particularly in rural areas. Recent insights from World Bank reveal that many Bangladeshi investors are still unaware of key concepts such as portfolio diversification and risk-return assessment, leading to inconsistent investment outcomes<sup>[5]</sup>. This finding aligns with *The Financial Express* (Akter, 2025b), which underscores the importance of coordinated national strategies to integrate financial education into the broader investment and inclusion agenda<sup>[6]</sup>. As *The Financial Express* (Shoikot, 2024) reported, structured literacy programs and awareness campaigns are essential to prepare individuals for modern investment decisions.

## 1.1 Purpose of the Study

The primary purpose of this study is to find out how financial literacy affects the investment choices of individuals in Bangladesh. It seeks to identify key factors—such as financial knowledge, skill, and risk perception—that shape investment intentions and behaviors. By analyzing data from both urban and rural respondents, the research evaluates how demographic and geographic variations influence financial literacy levels.

## 1.2 Objectives and significance

The study has the following six objectives:

1. To identify the current pattern of investors in Bangladesh;
2. To determine if financial knowledge significantly influences future investment decision intentions;
3. To determine if financial skill significantly influences future investment decision intentions;
4. To determine if investment behavior significantly influences future investment decision intentions;
5. To determine if social influence significantly impacts future investment decision intentions; and
6. To determine if risk perception significantly impacts future investment decision intentions.

## 2. Literature Review

### 2.1 Financial Literacy and Investment Behavior

Financial literacy has emerged as one of the most crucial factors shaping individuals' investment behavior and financial decision-making across the world. Lusardi and Mitchell (2023)<sup>[8]</sup> describe financial literacy as the capability to understand and effectively use financial information when managing personal finances and investments. It empowers individuals to evaluate financial opportunities, manage risks, and achieve long-term financial stability. Research evidence shows that financial literacy enhances rational decision-making, reduces impulsive financial behavior, and encourages portfolio diversification (Batsaikhan & Demertzis, 2024)<sup>[9]</sup>. In developing economies like Bangladesh, where participation in formal investment channels is still growing, understanding the link between financial literacy and investment behavior becomes especially relevant.

### 2.2 Financial Literacy in the Context of Bangladesh

Financial literacy is not only about knowledge, but it also reflects an individual's ability to apply that knowledge in real-world financial decisions (OECD, 2023)<sup>[10]</sup>. Research by Chowdhury et al. (2021)<sup>[11]</sup> and Rahman & Uddin (2019)<sup>[12]</sup> shows that individuals with

higher financial literacy are more likely to engage in diversified investments such as equities, bonds, and mutual funds, whereas those with limited knowledge prefer fixed deposits, gold, or informal schemes. Similarly, Rabeta and Sumi (2023)<sup>[13]</sup> found that while middle-class Bangladeshi investors demonstrate growing interest in financial products, their ability to assess risk and return remains weak, leading to inconsistent investment outcomes. Hasan (2023)<sup>[2]</sup> emphasizes that the lack of structured financial education—particularly among youth and small business owners—contributes to short-term and speculative financial decisions. Furthermore, *The Financial Express* (Shoikot, 2024)<sup>[1]</sup> reported that many investors in Bangladesh continue to rely on social networks and informal sources of advice, rather than institutional guidance, which often leads to poor diversification and emotional decision-making. The *National Financial Inclusion Strategy (NFIS, 2020)* and the *Bangladesh Bank Financial Literacy Guidelines (2021)* outline complete plans to incorporate financial education into schools and expand digital learning opportunities.

### 2.3 Role of Financial Institutions and Digital Platforms

Microfinance institutions such as BRAC and Grameen Bank have also implemented financial literacy programs for women and small business owners. Sarker (2020)<sup>[14]</sup> observed that such initiatives have moderately improved saving habits and small-scale investments in rural areas. However, their effectiveness is often constrained by resource limitations, inconsistent delivery, and low scalability. The Access to Information (a2i) project has introduced digital training programs aimed at improving basic financial knowledge among citizens.

The Digital Financial Inclusion Report (GSMA, 2022) states that fintech platforms improve mobile transaction functionality but do not educate advanced investment principles<sup>[7]</sup>. Therefore, while institutional and government initiatives have increased access, the transition from basic knowledge to full financial competency is inadequate.

### 2.4 Behavioral and Cultural Influences on Investment Decisions

Cultural and behavioral factors strongly influence Bangladeshi financial decision-making. Traditionally, individuals preferred gold or real estate to riskier investments. Islam et al. (2021)<sup>[15]</sup> found that family influence, social norms, and institutional distrust greatly influence Bangladeshi investment behavior. Bangladeshi investors' loss aversion, anchoring, and herd mentality decrease their risk-taking, according to behavioral finance. According to Kahneman and Tversky's Prospect Theory (1979)<sup>[16]</sup>, people fear losses more than gains, therefore they bail out of investments or avoid markets. Recent research demonstrates a slowly changing culture. Investar BD reported that 63% of 20–35-year-old investors use internet information, tutorials, and financial applications instead of family assistance in 2025, indicating a shift toward independent, knowledge-based decision-making. Maliha Rabeta and Sumi (2023)<sup>[13]</sup> found that digital learning and financial media are changing young Bangladeshis' investment views.

International research confirms the link between financial literacy and investing performance. India (Sharma & Jain, 2024)<sup>[17]</sup>, Malaysia (Abdullah et al., 2023)<sup>[18]</sup>, and Indonesia (Yuliani, 2024)<sup>[19]</sup> show that higher literacy increases stock market participation, portfolio diversity, and returns. Early financial education in schools and public-private literacy efforts have promoted investment discipline in these countries. Bangladesh could adopt similar approaches like integrating financial education into school curricula, promoting public–private partnerships, and expanding digital financial literacy programs to increase participation in formal investment channels.

Behavioral finance theories explain why financial literacy doesn't always lead to investing. Attitudes, subjective standards, and perceived behavioral control drive intention, according

to the Theory of Planned Behavior (Ajzen, 1991)<sup>[20]</sup>. This paradigm explains why people with knowledge fail to act without confidence or social support. According to the OECD Financial Capability Framework (2023), literacy must be combined with financial confidence, opportunity, and resources to achieve behavioral outcomes. This means Bangladeshi educational efforts must create financial self-efficacy and trust in financial institutions as well as knowledge.

### **2.5 Theoretical Framework**

This study is focused on established behavioral and financial theories to explain investment decision-making. The Theory of Planned Behavior (Ajzen, 1991)<sup>[20]</sup> is used to explain how financial knowledge and financial skill contribute to perceived behavioral control, which in turn influences investment intention. Social influence reflects subjective norms. Also, Prospect Theory (Kahneman & Tversky, 1979)<sup>[16]</sup> explains how individuals evaluate risk and uncertainty, thereby connecting risk perception to investment behavior. By integrating these theories, the study provides a stronger conceptual foundation for understanding how financial literacy components helps to shape investment intentions in Bangladesh.

## **3. Methodology**

### **3.1 Research Approach**

To examine the importance of financial literacy for investment decisions, a quantitative approach was employed. This approach allows the study to analyze statistical patterns alongside behavioral insights, helping identify existing trends and understanding how individuals make financial decisions.

### **3.2 Method of Data Collection**

A structured questionnaire was administered both online and offline which included demographic questions and Likert-scale items, ensuring broad participation across different demographic groups. A total of 309 responses (293 valid responses) were collected through Google Forms.

### **3.3 Sample Size and Sampling**

The total sample size consisted of 309 participants. After applying data cleaning and screening procedures, 293 valid responses were retained for the final analysis. The study employed a purposive sampling technique as this research is totally focused for the investors to collect data from individuals across Bangladesh (Mostly Youth) who are currently investing or intend to invest in the future. This method helped obtain diverse perspectives efficiently while maintaining practicality during data collection. It ensured the inclusion of participants with varying backgrounds and levels of financial knowledge. It is focusing primarily on individuals who are currently investing or intend to invest in the future. However, it may limit the generalizability of the findings to the broader population of Bangladesh. Also, the use of online survey methods may have resulted in a higher representation of younger, urban, and digitally literate respondents.

### **3.4 Usage of Questionnaire**

The structured questionnaire was designed based on prior literature and previous studies examining the influence of financial literacy on investment behavior. The questionnaire was distributed electronically to all online participants. Its structured design ensured clarity, comparability, and consistency in evaluating the key study variables.

### **3.5 Instrument Validity and Reliability**

To ensure validity, the questionnaire underwent a pretest involving five academicians, who reviewed the items and provided feedback. Their suggestions were incorporated into the

final survey, ensuring clarity, relevance, and strong content/face validity. Reliability tests confirmed internal consistency across the constructs. According to Hair et al. (2013)<sup>[21]</sup>, a reliability score between 0.60–0.70 is acceptable. The study's reliability scores exceeded these thresholds, confirming strong measurement consistency.

### 3.6 Data Cleaning and Screening

Before data analysis, the dataset was thoroughly cleaned. Straight-lined responses (participants giving the same answer to all items) were removed. Next, outliers were identified and removed using case-wise diagnostics. A total of 16 cases were eliminated during screening. After cleaning, reliability tests were performed again. This resulted in Cronbach's Alpha: 0.951 and McDonald's Omega: 0.950. These values confirm excellent reliability, indicating that the measurement instruments used in this study are highly consistent.

## 4. Analysis and Interpretation of the Data

### 4.1 Descriptive Analysis

*Table 1. Demographic Characteristics of Respondents (n=293)*

Variable	Category	Frequency (n)	Percentage (%)
Gender	Male	151	51.5
	Female	142	48.5
Age Group	Below 30 years	157	53.6
	30–39 years	67	22.9
	40–50 years	30	10.2
	Above 50 years	69	13.3
Education Level	Bachelor's Degree	155	52.9
	Doctoral Degree	31	10.6
	Higher Secondary Level	30	10.2
	Postgraduate Degree	71	24.2
	Others	6	2.0
Occupation	Business Owner	43	14.7
	Retired	16	5.5
	Salaried Employee	106	36.2
	Student	128	43.7
How long have you been investing in the stock market?	1–3 years	63	21.36
	3–5 years	31	10.68
	Less than 1 year	136	46.28
	More than 5 years	64	21.68
How frequently do you invest in the stock market?	Daily	33	11.26
	Frequently	95	32.42
	Occasionally	84	28.67
	Rarely	81	27.65

*In Table 1* the results indicate a balanced gender distribution, with 51.5% male and 48.5% female participants. The majority (53.6%) were below 30 years old, suggesting that younger investors are increasingly participating in the stock market. Most respondents held a bachelor's degree (52.9%), while 24.2% had completed postgraduate studies. In terms of occupation, 43.7% were students, followed by 36.2% salaried employees, indicating that a

large portion of young professionals and students are actively involved in investment activities. Regarding investment experience, 46.3% had less than one year of investing experience, and 32.4% reported investing either daily or frequently, reflecting a growing trend of short-term trading behavior among new investors.

#### 4.2 Regression Analysis

Table 2. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	230.719	5	46.144	175.451	.000 <sup>b</sup>
Residual	75.481	287	.263		
Total	306.200	292			

In Table 2, the ANOVA results show that the regression model is statistically significant ( $F = 175.451$ ,  $p < 0.001$ ), indicating a good fit between the independent variables and Future Investment Intention.

Table 3. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.868 <sup>a</sup>	.753	.749	.51284

In Table 3, The model summary as depicted shows that all the 5 independent variables together explained an  $R^2$  of 0.749 indicating that 74.9% of the variance in Future Investment Intention can be explained by these 5 independent variables.

Table 4. Hypothesis Testing

Hypothesis	Construct	Unstd. B	Std. Error	Std. B	t-value	Sig.	LL	UL	Tol	VIF
	(Constant)	.219	.173		1.263	.208	-.067	.505		
H1	Financial Skill	.141	.056	.130	2.514	.012	.048	.233	.323	3.094
H2	Risk Perception	.152	.053	.162	2.851	.005	.064	.241	.267	3.740
H3	Social Influence	.035	.040	.033	.888	.375	-.030	.101	.615	1.625
H4	Financial Knowledge	.760	.077	.622	9.904	.000	.633	.887	.218	4.596
H5	Investment Behavior	-.064	.044	-.050	-1.456	.146	-.137	.009	.736	1.358

In Table 4, results show that Financial Skill, Risk Perception, and Financial Knowledge significantly influence Future Investment Intention, while Social Influence and Investment Behavior do not have significant effects. This implies that personal competencies and

financial understanding are stronger predictors of investment intention than social or habitual factors.

In analyzing multicollinearity in the model, the result is said to have no multicollinearity problem if the variance inflation factor (VIF) value is below 10, the tolerance value is within 0.1 and 1. For our analysis all VIF is below 5, indicating no multicollinearity. Testing the hypothesis it was found that Financial Skill ( $\beta = 0.141, p < 0.05$ ), Risk Perception ( $\beta = 0.152, p < 0.05$ ) and Financial Knowledge ( $\beta = 0.760, p < 0.05$ ) were positively and significantly influencing the future investment intention while the impact of Social Influence ( $\beta = 0.035, p > 0.05$ ) and Investment Behavior ( $\beta = -0.064, p > 0.05$ ) were not significant. Thus, H1, H2 and H4 of this study are supported while H3 and H5 are unsupported.

Table 5. A Dependent Variable: Future Investment Intention

Hypothesis	Construct	Decision
H1	Financial Skill influences Future Investment Intention	Supported
H2	Risk Perception influences Future Investment Intention	Supported
H3	Social Influence impacts Future Investment Intention	Unsupported
H4	Financial Knowledge influences Future Investment Intention	Supported
H5	Investment Behavior influences Future Investment Intention	Unsupported

Overall, the analysis highlights that investors' knowledge and skills play a more crucial role in shaping investment intentions than social or behavioral factors. This emphasizes the importance of promoting financial literacy among potential and existing investors.

## 5. Findings of the Study

The study aimed to assess how financial literacy affects investment decisions among individuals in Bangladesh. Using responses from 293 participants across different demographic segments, the analysis explored how financial knowledge, skills, social influence, and behavioral tendencies influence investment intentions. Descriptive and regression analyses were conducted to identify significant predictors and interpret their practical implications.

### 5.1 Key Findings

1. Financial Knowledge and Skill Importance: Regression results indicated that *financial knowledge* ( $\beta = 0.760, p < 0.001$ ) and *financial skill* ( $\beta = 0.141, p < 0.05$ ) had the strongest and most significant influence on future investment intentions. Respondents with higher understanding of financial products, risk-return assessment, and diversification were more confident in making investment decisions. This highlights that conceptual and technical competence in financial matters directly enhances investment confidence and planning.
2. Risk Perception: The variable *risk perception* ( $\beta = 0.152, p < 0.05$ ) was also statistically significant, suggesting that individuals who are better able to evaluate and tolerate risks are more likely to intend future investments. Awareness of potential losses, market fluctuations, and long-term benefits encourages more rational investment behavior.

3. Limited Effect of Social Influence and Behavioral Factors: Contrary to expectations, *social influence* ( $\beta = 0.035$ ,  $p > 0.05$ ) and *investment behavior* ( $\beta = -0.064$ ,  $p > 0.05$ ) were found to be statistically insignificant. Although descriptive results showed that 35% of respondents were influenced by peers or family and 62% were inspired by financial media, regression analysis revealed that these do not significantly predict investment intention when compared to personal literacy and skills. This implies that investors' decision-making in Bangladesh is increasingly knowledge-driven rather than socially motivated.
4. Awareness–Application Gap: While 71.5% of respondents demonstrated awareness of diversification and 66.6% could calculate risks and returns, about one-third (34%) expressed uncertainty in applying this knowledge in real investment situations. This suggests a gap between theoretical understanding and practical application, emphasizing the need for experiential financial education.
5. Demographic Factors: Younger participants (below 30 years) represented over half of the sample (53.6%), and 43.7% were students. This reflects a growing interest in investment among the younger population, yet the majority (46.3%) had less than one year of investing experience, showing that most investors are still in the early learning stages. Their engagement underscores the urgency of structured literacy programs to strengthen practical competence and long-term commitment to formal investment channels.
6. Intentions for Future Investment: More than 70% of respondents indicated strong interest in investing in the capital market in the near future, showing an optimistic trend toward formal investments. However, this intent is highly dependent on their confidence and perceived financial literacy level, reinforcing the importance of targeted educational interventions.
7. The insignificance of social influence and investment behavior may indicate a gradual change in how people in Bangladesh make investment decisions. As access to digital financial information and educational resources increases, individuals, especially younger investors are becoming more independent and depending more on their own knowledge. This suggests that people depend less on others' opinions and past habits when making investment decisions.

## 6. Limitations of the Study

This study has a few limitations that should be considered when interpreting the findings. Firstly, the use of purposive sampling limits the generalizability of the results, as the sample may not fully represent the broader population of Bangladesh. However, this approach was appropriate given the exploratory nature of the study and the need to collect responses efficiently from active and potential investors. Secondly, the partial reliance on online survey methods may have resulted in a higher representation of younger, urban, and digitally literate respondents which reflects the growing role of digital platforms in financial participation but underrepresents individuals from rural or less technologically accessible areas. But this method is appropriate to collect data from respondent from different areas across Bangladesh.

Also, a significant portion of the respondents were students, which may not fully capture the behavior of experienced investors. Although, this is relevant as younger individuals represent a rapidly growing segment of new investors in Bangladesh.

Future research should consider using probability sampling techniques and more diverse demographic groups to enhance the representativeness and generalizability of the findings.

## 7. Recommendations and Conclusion

### 7.1 Recommendation

Based on the findings, this study highlights the urgent need to strengthen financial literacy and improve the translation of theoretical knowledge into practical investment capability. Primarily, Financial Literacy should be integrated into school, college, and university curricula to build foundational financial understanding at an early stage such as workshops, investment clubs, and simulation-based learning. In addition, Training programs like hands-on activities using online investment simulators, case studies, and interactive tools. Collaboration with fintech platforms and institutions like bKash, Shadhin Fintech, or BRAC Bank could help deliver user-friendly, technology-based financial education modules. Also, Government agencies and financial regulators, such as Bangladesh Bank, should expand national awareness campaigns to explain the benefits of formal investments, risk diversification, and long-term financial planning. Moreover, creating guided investment communities or mock trading sessions can help new investors gain exposure to financial markets in a risk-free setting. Universities and corporate organizations could jointly develop pilot investment labs to give students and employees hands-on experience in market participation. The study revealed that prior experiences and social influence have limited predictive power on investment intentions. This indicates the importance of addressing behavioral biases—such as overreliance on peers or emotional reactions to past outcomes—through behavioral finance training and advisory services. Governmental and regulatory bodies should ensure that financial literacy policies are standardized and implemented at the national level. Banks and financial institutions should design transparent, easy-to-understand investment products supported by clear educational resources, ensuring accessibility for all income groups.

Finally, these initiatives should align with Bangladesh's *National Financial Inclusion Strategy (NFIS)* and *Vision 2041*, ensuring that financial literacy is treated as a long-term national development goal. Digital inclusion, especially through fintech and e-learning platforms, should be a priority to equip future generations with the financial skills necessary for sustainable economic growth.

### 7.2 Conclusion

The research concludes that financial literacy—particularly financial knowledge, skills, and risk perception—has a direct and significant influence on investment decisions among Bangladeshi individuals. Investors with stronger financial understanding are more confident, rational, and proactive in their decision-making, while those lacking applied skills rely heavily on external advice or avoid market participation altogether. Although social influence and behavioral tendencies were found to be statistically insignificant predictors, they still play a contextual role in shaping investment attitudes. The gap between theoretical understanding and practical application remains the primary challenge to effective financial decision-making.

Overall, this study contributes empirical evidence showing that financial literacy — specifically financial knowledge, skills, and risk perception — plays a decisive role in shaping investment behavior in Bangladesh. It emphasizes the urgent need to integrate financial education within formal and informal learning structures to bridge the knowledge–application gap. Future research could explore longitudinal effects of financial training or digital investment platforms on real-world investment performance. By equipping citizens with practical financial competence, Bangladesh can advance toward a financially resilient and inclusive economy. Therefore, enhancing financial literacy through practical and

accessible learning approaches can play an important role in improving investment participation and financial well-being in Bangladesh.

## **8. Ethical Considerations**

Participation in this study was entirely voluntary, and informed consent was obtained from all respondents prior to data collection. Respondents were assured of the confidentiality and anonymity of their responses. No personal identifying information was collected or disclosed. The study was conducted for academic purposes only, and there is no conflict of interest associated with this research.

## References

1. Shoikot, A. M., “Enhancing people’s financial literacy,” *The Financial Express*, Nov. 2024. [Online]. Available: <https://today.thefinancialexpress.com.bd/editorial/enhancing-peoples-financial-literacy-1730818335>
2. Hasan, Z. A. M., “Financial literacy for investors' financial health,” *New Age Bangladesh*, Oct. 13, 2023. [Online]. Available: <https://www.newagebd.net/article/214809/financial-literacy-for-investors-financial-health>
3. Ahmed, M. T., “Challenges of boosting private investment in Bangladesh,” *The Financial Express*, Dec. 29, 2019. [Online]. Available: <https://thefinancialexpress.com.bd/views/views/challenges-of-boosting-private-investment-in-bangladesh-1577630991>
4. Akter, M. R., “Strengthening financial literacy in Bangladesh,” *The Financial Express*, Feb. 13, 2025. [Online]. Available: <https://thefinancialexpress.com.bd/views/views/strengthening-financial-literacy-in-bangladesh>
5. World Bank, *Global Findex Database 2021*, Washington, DC: World Bank, 2022. [Online]. Available: <https://www.worldbank.org/en/publication/globalfindex>
6. Bangladesh Bank, *National Financial Inclusion Strategy (2019–2024)*, Dhaka, 2019. [Online]. Available: <https://www.bb.org.bd/pub/publicitn.php>
7. GSMA, *State of the Industry Report on Mobile Money 2022*, London, 2022. [Online]. Available: <https://www.gsma.com/mobilemoney/resources/>
8. A. Lusardi and O. S. Mitchell, “The economic importance of financial literacy,” *Journal of Economic Literature*, vol. 61, no. 2, pp. 545–592, 2023. [Online]. Available: <https://doi.org/10.1257/jel.20221609>
9. U. Batsaikhan and M. Demertzis, “Financial literacy and resilience,” *Bruegel Policy Brief*, 2024. [Online]. Available: <https://www.bruegel.org/policy-brief/financial-literacy-and-resilience>
10. OECD, *OECD/INFE Financial Literacy Framework 2023*, Paris: OECD, 2023. [Online]. Available: <https://www.oecd.org/financial/education>
11. M. S. Chowdhury, T. Hossain, and M. T. Rahman, “Financial literacy and its impact on investment decisions in Bangladesh,” *Journal of Finance and Development Studies*, 2021.

12. M. Rahman and R. Uddin, "Assessing financial knowledge and investment behavior," *Bangladesh Journal of Economics*, 2019. [Online]. Available: [https://www.bb.org.bd/pub/research/sp\\_research\\_work/srw1903.pdf](https://www.bb.org.bd/pub/research/sp_research_work/srw1903.pdf)
13. M. Rabeta and M. S. S. Sumi, "Impact of financial literacy on financial behaviour," 2023. [Online]. Available: <https://www.researchgate.net/publication/375413656>
14. S. A. Sarker, "Microfinance institutions and financial literacy in Bangladesh," *South Asian Journal of Microfinance*, 2020.
15. M. T. Islam, S. Ahmed, and F. Hossain, "Cultural influences on financial literacy," *Bangladesh Journal of Behavioral Economics*, 2021.
16. D. Kahneman and A. Tversky, "Prospect theory," *Econometrica*, vol. 47, no. 2, pp. 263–292, 1979. [Online]. Available: <https://doi.org/10.2307/1914185>
17. R. Sharma and V. Jain, "Financial literacy and retail investors' decision-making in India," *Asian Journal of Economics and Finance*, 2024. [Online]. Available: <https://doi.org/10.1108/AJEF-2024-0012>
18. R. Abdullah, N. M. Rahman, and Z. Ismail, "Financial literacy and investment decisions," *Journal of Financial Planning and Analysis*, 2023. [Online]. Available: <https://doi.org/10.1108/JFPA-2023-0025>
19. T. Yuliani, S. Nugroho, and D. Setiawan, "Financial literacy and portfolio diversification," *International Journal of Finance & Banking Studies*, 2024. [Online]. Available: <https://doi.org/10.20525/ijfbs.v13i2.2798>
20. I. Ajzen, "The theory of planned behavior," *Organizational Behavior and Human Decision Processes*, 1991. [Online]. Available: [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
21. J. F. Hair, W. C. Black, B. J. Babin, and R. E. Anderson, *Multivariate Data Analysis*, 7th ed., Pearson, 2013.

**Open Access** This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

