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The Impact of Artificial Intelligence on Financial Decision-Making among Young Investors

Lenin Joseph Stanly B.Com (3rd Year)
Department of Commerce
St. Joseph's University, Bengaluru
leninstanlyavk@gmail.com

Abstract - *Artificial Intelligence* (AI) is increasingly becoming an important component of the financial ecosystem, influencing how individuals access financial information, analyse investment opportunities, and make financial decisions. The growing availability of AI-powered tools such as generative AI applications, investment analysis platforms, robo-advisory services, and financial planning applications has created new opportunities for *young investors* while also raising concerns regarding accuracy, transparency, privacy, and overdependence on technology. This study examines the impact of *Artificial Intelligence* on *financial decision-making* among *young investors*, with particular emphasis on their awareness, intended usage, reliance on AI-generated financial information, and perceptions of its influence on investment decisions. The study adopts a quantitative research approach and relies primarily on primary data collected through a structured questionnaire using Google Forms. The study seeks to provide insights into how young individuals perceive and engage with AI as a *financial decision-making* tool and whether technological convenience is accompanied by sufficient trust, verification, and awareness of associated risks. The findings are expected to contribute to a better understanding of responsible *AI adoption* in personal finance and highlight the importance of accuracy, transparency, data security, and human judgement in AI-assisted *financial decision-making*.

Keywords: *Artificial Intelligence; Financial Decision-Making; Young Investors; FinTech; Investment Behaviour; AI Adoption; Financial Technology*

1. INTRODUCTION

Artificial Intelligence (AI) is transforming the financial sector by changing how individuals access financial information, analyse investment opportunities and make financial decisions. AI-powered applications, including generative AI tools, robo-advisors and investment analysis platforms, provide users with accessible financial information and assistance with financial planning. According to the OECD (2026), AI is creating new opportunities for accessibility, personalisation and *financial decision-making*, while also raising concerns regarding accuracy, privacy and potential bias. The growing availability of AI tools is particularly relevant to *young investors*, who can use these technologies to understand financial concepts, compare investment alternatives and evaluate market information. AI may simplify complex financial information and support more informed decisions. However, the reliability of AI-generated recommendations remains an important consideration, as inaccurate information, limited transparency and excessive dependence on technology may expose users to financial risks. The OECD (2021) also highlights the importance of managing the opportunities and risks associated with AI, machine learning and big data in finance.

Understanding how *young investors* perceive and use AI is therefore essential. Their trust in AI-generated information, frequency of usage, verification practices and awareness of potential risks may influence the extent to which AI affects their financial decisions.

Against this background, the present study examines the impact of AI on *financial decision-making* among *young investors*. It

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adopts a quantitative approach using primary data collected through a structured Google Forms questionnaire. The study explores AI awareness, usage patterns, perceived usefulness, trust, risk perceptions and the influence of AI on investment decisions. It aims to provide insights into responsible *AI adoption* and the role of human judgement in *financial decision-making* within the evolving digital financial ecosystem.

2. LITERATURE REVIEW

2.1. The Growing Role of *Artificial Intelligence* in Finance: The Organisation for Economic Co-operation and Development (OECD, 2021) examined the use of *artificial intelligence*, machine learning and big data in financial services. The report identified potential applications in investment research, risk management, trading and financial advice. It also highlighted challenges involving data quality, transparency and consumer protection. This suggests that AI can support *financial decision-making*, but its usefulness depends on the reliability and responsible application of the technology. The International Organization of Securities Commissions (IOSCO, 2025) examined the applications, risks and challenges of AI in capital markets. Its report identified uses including robo-advisory services, investment research, algorithmic trading and sentiment analysis. It also discussed risks arising from AI models, data limitations, third-party dependencies and human–AI interactions. This research provides a regulatory perspective on the growing role of AI in investment-related activities.

2.2. *AI Adoption* and *Financial Decision-Making* among *Young Investors*: The OECD (2026), in its report *Artificial Intelligence* and Personal Finance, examined how AI is changing the way consumers access financial information, education and advice. It identified benefits such as accessibility, personalisation and decision support. The report also highlighted concerns involving inaccurate AI outputs, privacy, bias and commercial influence. These findings are relevant to understanding how *young investors* may adopt AI tools for financial research and investment decisions.

2.3. Trust, Reliability and Perceived Usefulness of AI: The OECD (2026) highlighted the opportunities associated with AI-assisted personal finance while drawing attention to the limitations of AI-generated information. Issues such as hallucinations, bias and commercial influence may affect users' confidence in AI recommendations. Consequently, perceived usefulness alone may not determine whether individuals trust AI; users must also consider the reliability and suitability of the information provided.

2.4. Risks of AI-Based Financial Advice: The OECD (2021) identified several concerns associated with AI in finance, including data management, explainability, model robustness and governance. If users cannot understand how an AI system produces a recommendation, they may find it difficult to assess its limitations or determine whether it is appropriate for their financial circumstances. Such challenges are particularly important when AI-generated information is used to make decisions involving potential financial losses.

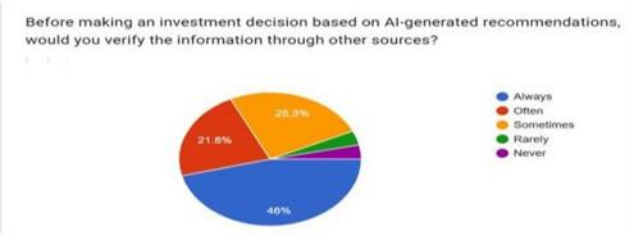
2.5. Verification Behaviour and the Role of Human Judgement: The OECD (2026) emphasised the need to strengthen financial literacy competencies to support the responsible use of AI in personal *financial decision-making*. As AI tools become more accessible, users need to understand their limitations and critically evaluate the information they receive. This supports the importance of examining whether *young investors* cross-check AI-generated financial information before acting on it.

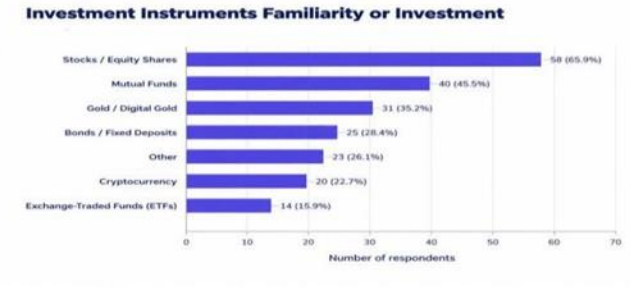
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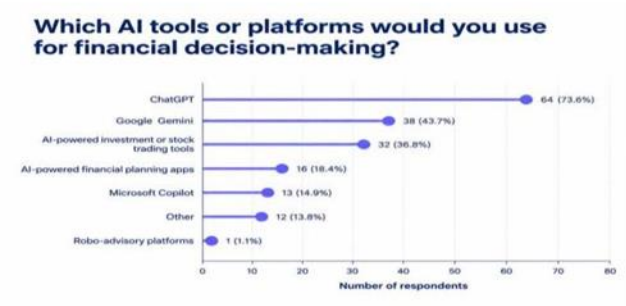
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3. Research Methodology

The present study, titled "The Impact of *Artificial Intelligence* on *Financial Decision-Making* among *Young Investors*," adopts a quantitative research approach to understand how *artificial intelligence* influences individuals' financial awareness, investment choices, and decision-making processes. The study is based on primary data collected through a structured questionnaire created using Google Forms. A total of 89 responses were collected from participants belonging to different age groups. The questionnaire focused on respondents' awareness of AI tools, frequency of usage, purposes of using AI for financial information, trust in AI-generated recommendations, and concerns regarding accuracy, privacy, and reliability. The age distribution indicates that most respondents belong to the 18–21 years category, accounting for 76.1% of the responses. Participants below 18 years represent 13.6%, while 6.8% belong to the 22–25 years age group. Respondents aged 26–30 years account for 2.3%, and those above 30 years represent 1.1%. This distribution suggests that the study primarily reflects the perspectives of younger respondents. The collected data will be analysed using percentage-based analysis and graphical representations to identify patterns in *AI adoption*, trust, and *financial decision-making*. The findings will help assess the perceived benefits and limitations of using AI in financial decision.



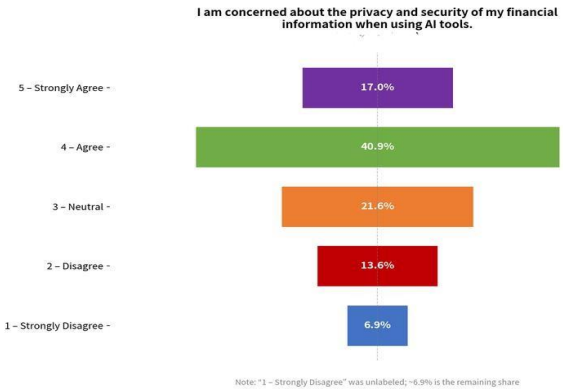


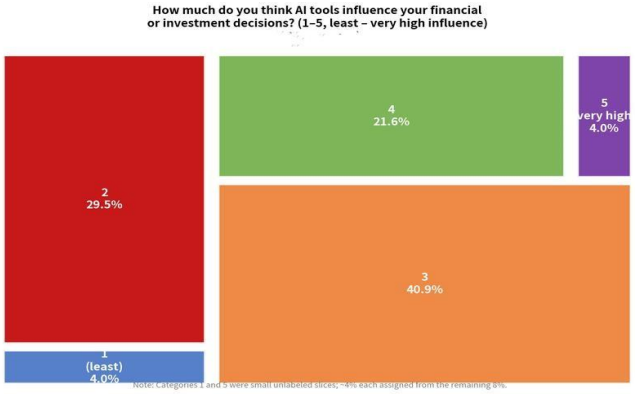


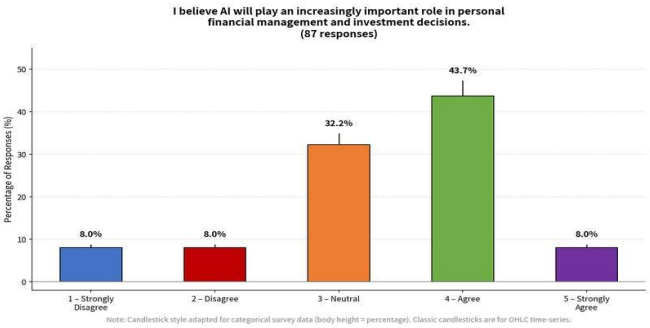


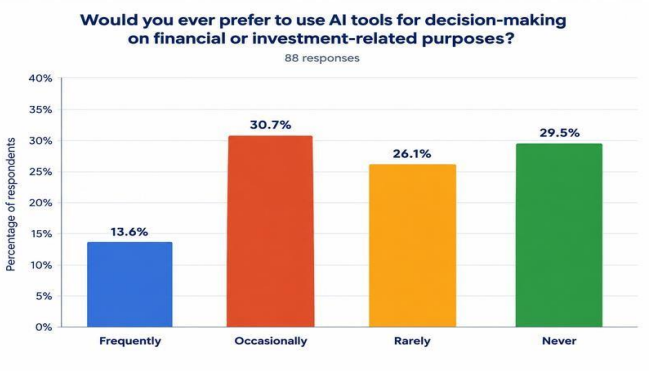
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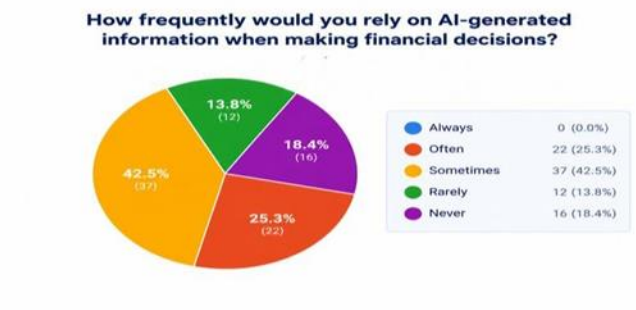
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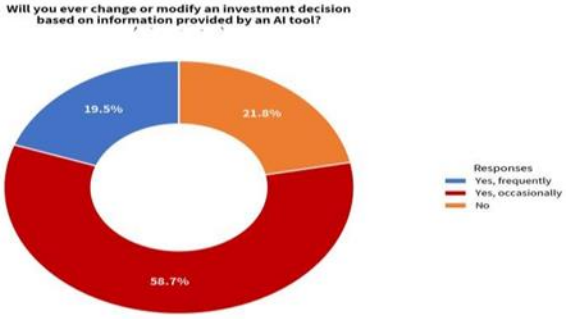


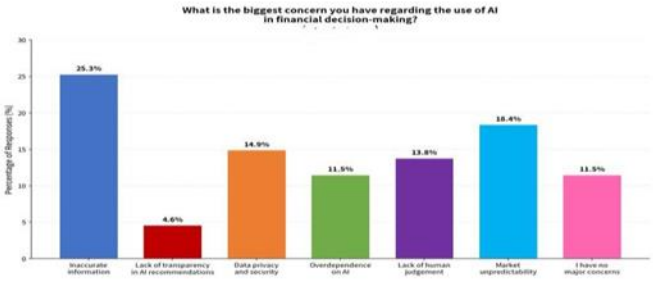


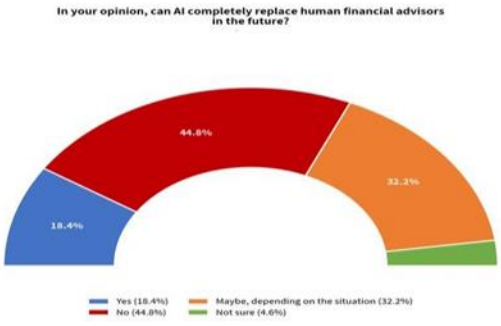












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4. Data analysis and interpretation

(Note: Some questions allowed multiple answers, so percentages may be more than 100%)

4.1 Age-Wise Distribution of Respondents- The survey received 89 responses. Of those who reported their age, 76.1% were 18–21, 13.6% under 18, 6.8% aged 22–25, 2.3% aged 26–30, and 1.1% over 30. The majority of participants are young respondents, particularly those aged 18–21 years. Therefore, the study primarily reflects the views of younger individuals regarding AI tools and *financial decision-making*. However, the smaller representation of older age groups limits the extent to which the results can be compared across generations.

4.2 Familiarity with Investment Instruments- Stocks and equity shares are the most familiar investment instrument among respondents at 65.9%, followed by mutual funds (45.5%) and gold or digital gold (35.2%). Fixed deposits and bonds account for 28.4%, while cryptocurrency is familiar to 22.7% and exchange-traded funds (ETFs) to 15.9%. Other options were selected by 26.1%. Stocks and equity shares are the most recognised investment options among the participants, followed by mutual funds. This suggests that respondents have varying levels of exposure to different financial instruments. Their familiarity with these options provides useful context for understanding how they might use AI tools to obtain investment information, compare alternatives, and support financial decisions. However, familiarity does not necessarily indicate actual investment experience or expertise.

4.3 AI Tools and Platforms Used for *Financial Decision-Making*- ChatGPT leads as the top AI financial tool (73.6%), followed by Google Gemini (43.7%) and AI trading tools (36.8%). AI financial planning apps, Microsoft Copilot, and other tools represent 18.4%, 14.9%, and 13.8%, respectively. Robo-advisors are least used at 1.1%. The results show that ChatGPT is the most popular AI tool among respondents, closely followed by Google Gemini. This suggests a strong preference for general-purpose AI platforms over specialized financial applications when seeking information. Additionally, the low uptake of robo-advisors points to limited awareness or adoption of automated investment advisory services. However, using these platforms does not necessarily imply regular reliance or execution of actual financial decisions.

4.4 Purposes for Which Respondents Use AI Tools- Respondents used AI mainly to understand stock market trends (48.9%), analyse stocks and companies (34.1%), and learn about investment risks (33%). Another 34.1% had never used AI for financial purposes. Other uses included financial planning and budgeting (25%), understanding financial news (20.5%), financial statements (15.9%), predicting market movements (14.8%), and comparing investment opportunities (11.4%).

Understanding stock market trends is the most frequently reported purpose for using AI tools. Respondents also use AI to learn about investment risks and analyse companies. These results suggest that AI may serve as an accessible source of financial information and preliminary analysis. However, the fact that 34.1% reported never having used AI for financial purposes indicates that adoption is not universal. The results also show that using AI for general information may be more common than using specialised tools for investment comparison or market prediction.

4.5 Frequency of Reliance on AI-Generated Financial Information- When asked how frequently they would rely on AI-generated information while making financial decisions, 42.5% selected “Sometimes,” followed by 25.3% who selected “Often.” A further 13.8% selected “Rarely,” while 18.4% selected “Never.” No respondents selected “Always.” The results indicate that respondents generally demonstrate a moderate or cautious level of reliance on AI-generated financial information. The largest group relies on AI only
sometimes, while a quarter report relying on it often. The absence of responses for “Always” suggests that complete reliance on AI

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is uncommon among the participants. This may indicate that respondents view AI as a supporting source of financial information rather than as the sole basis for making financial decisions.

4.6 Perceived Influence of AI on Financial or Investment Decisions- Respondents rated AI's influence on their financial or investment decisions on a 1–5 scale. The largest share (40.9%) gave a rating of 3, followed by 29.5% at 2 and 21.6% at 4. Only 4% selected 1 and
another 4% selected 5.

The results indicate that AI tools have a moderate perceived influence on *financial decision-making* for most respondents. The largest proportion selected the middle rating, suggesting that AI may help respondents understand financial information without necessarily determining their final choices. Only a small proportion reported very high influence.

Overall, the findings suggest that AI can contribute to *financial decision-making*, although its influence varies between individuals.

4.7 Willingness to Modify Investment Decisions Based on AI Recommendations-Regarding whether respondents would change an investment decision based on AI information, 58.7% would do so occasionally, 19.5% frequently, and 21.8% would not.

A majority of respondents are willing to reconsider their investment decisions based on AI-generated information, at least occasionally. This suggests that AI recommendations may influence the way individuals assess investment choices. However, the fact that 21.8% would not modify their decisions indicates that some respondents remain independent of AI recommendations. The findings highlight the importance of understanding the quality and reliability of AI-generated information, as it may affect the choices made by individual investors.

4.8 Verification of AI-Generated Financial Information- When asked if they verify AI-provided information before investing, 46% of respondents always do so, 25.3% sometimes, and 21.8% often. Only a small minority rarely or never cross-check information. The results highlight that verifying AI-generated advice is integral to *financial decision-making* for most participants. Nearly half always verify AI recommendations, while others do so frequently or occasionally, demonstrating widespread awareness of potential inaccuracies. However, those who cross-check information inconsistently remain vulnerable to misleading guidance, underscoring the necessity of consulting qualified financial professionals and trusted sources to ensure informed choices.

4.9 Preference for AI Tools in *Financial Decision-Making*- Regarding future AI use for financial decisions, **30.7%** plan to use tools occasionally, **29.5%** never, and **26.1%** rarely. Only **13.6%** intend to use AI frequently. The findings demonstrate mixed attitudes toward adopting AI for financial decisions in the future. While some respondents welcome occasional or regular AI usage, a substantial majority remain hesitant about frequent reliance. This low interest in regular adoption highlights ongoing reservations, indicating that future user acceptance will largely depend on improving the accuracy, transparency, and trustworthiness of financial AI tools.

4.10 Major Concerns Regarding the Use of AI in *Financial Decision-Making*- Top concerns about AI for financial decisions: inaccurate info (25.3%), market unpredictability (18.4%), data privacy/security (14.9%), lack of human judgment (13.8%), overdependence on

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AI and no major concerns (11.5% each), and lack of transparency (4.6%). Inaccurate information emerged as the primary concern, underscoring the critical necessity of verifying AI-generated advice prior to making financial decisions. Respondents also emphasized market unpredictability, reflecting a clear recognition of forecasting complexities. Coupled with notable worries regarding privacy, human judgment, and overdependence, these findings demonstrate that while AI aids financial analysis, users remain deeply cautious about its inherent limitations and potential risks.

4.11 Concerns About Privacy and Security When Using AI Tools- Regarding privacy and security of financial information with AI tools, 40.9% agreed and 17% strongly agreed, while 21.6% were neutral. Meanwhile, 13.6% disagreed and 6.9% strongly disagreed. A combined 57.9% of respondents expressed concern about privacy and security when using AI tools for financial purposes. This indicates that data protection is an important consideration for many participants. The responses suggest that users may be cautious about sharing sensitive financial details with AI platforms. Therefore, transparency regarding data handling and responsible use of personal information may be important factors in building users' confidence in AI-based financial services.

4.12 Can AI Completely Replace Human Financial Advisors? Respondents were asked whether AI could completely replace human financial advisors in the future. The results show that 44.8% believed AI could not completely replace human advisors. Meanwhile, 32.2% selected "Maybe, depending on the situation," and 18.4% answered "Yes." Only 4.6% selected "Not sure." The findings suggest that most respondents do not believe AI can completely replace human financial advisors in every situation. However, the considerable
proportion selecting "Maybe" indicates that some participants recognise the possibility of AI taking on certain advisory functions. The results suggest that respondents may view AI as a useful tool for information and analysis while continuing to recognise the value of human judgement, personal understanding, and professional guidance in complex financial decisions.

5. CONCLUSION

The study, *"The Impact of Artificial Intelligence on Financial Decision-Making among Young Investors,"* examines how AI tools influence financial awareness, investment choices, and decision-making among young respondents. The findings indicate that *artificial*

intelligence is becoming a useful source of financial information, particularly for understanding stock market trends, analysing companies, and learning about investment risks. ChatGPT emerged as the most commonly selected AI platform, followed by Google Gemini, highlighting the growing role of general-purpose AI tools in accessing financial information. The study also reveals that AI has a moderate influence on respondents' financial decisions. While many participants are willing to reconsider their decisions based on AI-generated information, most do not rely on it completely. The tendency of several respondents to verify information through other sources demonstrates the importance of accuracy and independent judgement in *financial decision-making*.

However, concerns regarding inaccurate information, privacy, security, and excessive dependence on AI remain significant. Most respondents also believe that AI cannot completely replace human financial advisors, indicating the continued importance of professional expertise and human judgement. In conclusion, AI has the potential to make financial information more accessible and support informed decision-making among young individuals. Nevertheless, it should be used as a supplementary tool rather than the sole basis for investment decisions. Users should verify AI-generated information, consider the risks involved, and seek qualified financial advice when necessary. As AI continues to develop, improving transparency, reliability, and responsible usage

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will be essential to building trust in AI-assisted *financial decision-making*. Since the sample is concentrated mainly among respondents aged 18–21, the findings should be interpreted within the limits of the study rather than generalised to all investors.

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