Predictors of Investment Decision among Selected Individuals in Key Cities of Laguna: An Extended Theory of Planned Behavior Approach

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Abstract

Investment participation in the Philippines remains limited, and decisions to invest are shaped not only by financial capacity but also by evaluative beliefs, risk appraisal, institutional trust, and perceived readiness to engage with capital markets. Guided by an extended Theory of Planned Behavior, this study examined correlates and predictors of investment decision among 483 respondents from Calamba City, Santa Rosa City, and Biñan City, Laguna. A descriptive, cross-sectional design was implemented using an online questionnaire that measured risk tolerance, attitude toward capital markets, knowledge on capital markets (financial literacy), government trust/political climate, attitude toward investment, and self-reported investment decision using a six-point scale. Descriptive results indicated relatively high ratings for risk tolerance (M = 4.81, SD = 1.19) and attitude toward capital markets (M = 4.60, SD = 1.23), moderate capital market knowledge (M = 4.10, SD = 1.32), and comparatively lower government trust (M = 3.85, SD = 1.33). Investment decision differed significantly by sex (p = .002) and by monthly salary bracket (p < .001). Investment decision also showed positive associations with capital market knowledge (r = .210, p = .001) and attitude toward investment (r = .179, p = .003). Stepwise regression identified attitude toward investment (coefficient = 0.345) and monthly salary (coefficient = 0.368) as significant predictors, explaining 16.2% of the variance (R^2 = 0.162, p < .001). The findings suggest that investment-readiness initiatives should integrate capability-building in capital market knowledge with attitude-focused interventions, while addressing socioeconomic constraints that shape the feasibility of investing.

Keywords: *investment decision; theory of planned behavior; capital market knowledge; financial literacy; risk tolerance; government trust; Laguna, Philippines*

1. Introduction

Investment activity plays a central role in economic expansion by enabling households and institutions to allocate resources toward productive enterprises and long-term capital formation. In developing contexts, capital-market participation may broaden the base of domestic financing and strengthen the link between household financial behavior and national development outcomes. Despite this macroeconomic relevance, investment—particularly participation in formal capital markets—often remains limited and unevenly distributed across socioeconomic groups. Within the Philippine context, investing has historically been framed as the preserve of the affluent, the financially literate, or those willing to assume significant risk. Reflecting this, market participation remains limited; the Philippine Stock Exchange (PSE) reported 2.86 million stock market accounts in 2024 (Philippine Stock Exchange [PSE], 2025). Such perceptions function as de facto behavioral barriers, constraining consideration of investment options even among individuals with the capacity to save.

These constraints are not solely structural (e.g., income constraints, access limitations) but also behavioral and perceptual. Decisions to invest are shaped by how individuals interpret economic conditions, evaluate risk, and appraise the credibility

of institutions and market actors. Accordingly, an exclusive focus on financial capacity can be insufficient for explaining observed differences in investment participation and decision patterns. For instance, individuals with comparable incomes may display different investment orientations depending on their perceived readiness to engage with markets, their confidence in their own understanding, and the degree to which they view investment as compatible with personal goals and acceptable risk exposure. In this framing, investment decision-making is not reducible to a single determinant but is more plausibly associated with a configuration of demographic characteristics, financial knowledge, and attitudinal factors.

The Theory of Planned Behavior (TPB) provides a parsimonious framework for explaining investment-related decision tendencies by emphasizing evaluative beliefs, perceived capability/constraints, and social influences. In applied field settings, TPB is commonly extended by incorporating additional antecedents that are behaviorally salient in the local context and measurement design. Accordingly, the present study adopted TPB as a guiding lens for examining how individual and contextual perceptions relate to investment decision, while also considering demographic attributes. The operational definitions, item structure, and construct measurement approach used to represent TPB-aligned domains and extended predictors are detailed in the methodology section.

Empirical work on investing commonly highlights that demographic and socioeconomic attributes can coincide with differences in investment engagement, but these attributes tend to operate through intervening mechanisms such as perceived risk, confidence in financial decision-making, and interpretive frames about institutional trustworthiness and market fairness. In practical terms, understanding whether investment decisions are more strongly associated with attitudinal orientations, knowledge-based readiness, or socioeconomic position is consequential for designing interventions. If investment decisions are primarily associated with knowledge gaps and interpretive uncertainty, capacity-building and structured investor education may be prioritized. If investment decisions are more closely aligned with perceived risk constraints and market anxiety, interventions may need to emphasize risk-management literacy, decision scaffolding, and credibility-building measures. If demographic stratification is salient, interventions may require

tailored approaches that account for differential access, exposure, or decision contexts across groups.

This study focused on selected individuals in key cities of Laguna—Calamba, Sta. Rosa, and Biñan—where rapid urbanization and proximity to major economic corridors may shape both financial opportunities and exposure to investment-related information. By examining investment decision in this setting, the study contributes localized evidence on the correlates of investment-oriented behavior and helps clarify which factors show the strongest empirical association with reported investment decisions within the sampled population. The analysis was organized around descriptive profiling, assessment of perceptions across domains, and the identification of predictors associated with investment decision, with the goal of generating findings that can inform financial education and related policy or institutional initiatives.

Accordingly, the study examined predictors of investment decision among selected individuals in key cities of Laguna using an extended TPB framing. Specifically, it sought to (a) describe the respondents' demographic profile in the identified cities; (b) assess respondents' perceptions toward risk tolerance, government trust/political climate, attitude toward capital markets, capital market knowledge/financial literacy, and attitude toward investment; and (c) identify the best predictors of investment decision among selected individuals in the three key cities in Laguna.

2. Review of Related Literature

Investment decision-making in emerging markets is typically shaped by a combination of financial capability (knowledge and literacy), evaluative orientations (attitudes), risk appraisal (perceived risk and risk tolerance), and demographic or socioeconomic positioning (income, sex/gender, education, and related factors). The studies reviewed below are organized into four thematic strands aligned with the core predictors examined in the present study: (1) financial literacy and capital market knowledge; (2) attitudes toward investing within TPB-informed models; (3) perceived risk and risk tolerance; and (4) demographic and socioeconomic factors.

2.1 Financial Literacy / Capital Market Knowledge and Investment Participation or Decision-Making

Across Southeast Asian contexts—including Philippine settings—financial literacy and capital market knowledge are commonly reported as

positive correlates of investment participation and investment decision quality. Syntheses and empirical studies indicate that individuals with higher financial literacy tend to display greater confidence and make more informed choices, whereas limited literacy is frequently associated with avoidance of perceived investment risk or lower engagement in equity markets (Parsai & Chandok, 2025; Medalla et al., 2025; Tiwari & Saxena, 2025). Within Indonesia and the Philippines, evidence further suggests that financial literacy operates alongside risk perception and self-efficacy in shaping investment decisions across younger demographic segments such as millennials and early-career professionals (Salampessy & Krisnawati, 2025; Medalla et al., 2025; Kusuma & Mesacahyani, 2023). In these accounts, literacy is not merely informational; it functions as an enabling resource that supports appraisal of investment products, interpretation of market signals, and calibration of risk–return expectations.

Several studies also note that literacy interacts with behavioral tendencies and decision biases. For instance, financial literacy has been discussed as a moderating factor that can attenuate behavioral distortions such as overconfidence and risk aversion, while also revealing differentiated pathways by sex/gender in how literacy-related competence translates to investing behavior (Salampessy & Krisnawati, 2025; Adil et al., 2021). Complementary evidence from applied entrepreneurial contexts in the Philippines likewise indicates that investor behavior characteristics are meaningfully linked with capital market decision-making, reinforcing the argument that improving literacy supports broader market engagement (Perez et al., 2025).

Philippine-based evidence also supports the association between knowledge-oriented constructs and investment behavior. In a student sample, monetary policy awareness was positively associated with investing behavior ($r = .24$, $p = .001$), and regression models indicated that awareness and perception variables jointly predicted investment behavior ($R^2 = .15$), suggesting that knowledge-related awareness can be statistically linked with participation tendencies (Espelita et al., 2025). In a market-analytics extension, Atento and Atento (2025) reported that a Price-to-Cash ratio measure—treated as a proxy for cash-flow-based valuation literacy—was the only predictor with a significant overall effect in discriminating performance tiers of actively traded PSE firms ($\chi^2(4) = 16.308$, $p = .003$), implying that applied valuation

knowledge may be relevant to differentiating investment outcomes at the firm-selection level.

This theme supports the inclusion of financial literacy and capital market knowledge as capability-related predictors that may differentiate investment decision tendencies, including in Philippine and Southeast Asian contexts (Parsai & Chandok, 2025; Medalla et al., 2025; Tiwari & Saxena, 2025; Espelita et al., 2025).

2.2 Attitudes toward Investing and the Intention–Behavior Link in TPB-Informed Studies

Attitudes toward investing—often operationalized as perceived desirability, perceived benefits, or favorable evaluation of market participation—have repeatedly been identified as significant predictors of investment intention and, in many designs, as correlates of investment behavior. Studies framed using the Theory of Planned Behavior (TPB) commonly report that positive attitudes toward investing exert meaningful influence on intention to invest, which is then related to subsequent investment actions among millennials and other investor groups in emerging-market settings (Mahardhika & Zakiyah, 2020; Rahadjeng & Fiandari, 2020; Lyngdoh et al., 2025). Within these TPB-informed models, attitude is frequently treated as a central pathway by which informational and perceptual factors become motivational commitment to invest.

Beyond attitude alone, several studies emphasize that attitudinal pathways are often embedded in broader psychological and contextual systems. Some work positions attitude as a mediator linking financial literacy, risk perception, and social influences to investment intention, suggesting that knowledge and risk appraisals may affect investing partly through evaluative orientations (Mishra et al., 2022; Goel, 2025; Akhtar & Das, 2019). Related studies highlight that subjective norms and perceived behavioral control can complement attitudes in explaining intention and investment decisions, and that individual-level efficacy in using financial technology may condition the strength of the attitude–decision relationship (Hassan et al., 2024). Other work indicates that dispositional characteristics and experience may shape investment attitudes and thereby influence intention, implying that attitudinal formation is not strictly informational but also dispositional (Lai, 2019). Evidence from broader emerging-market samples similarly reports that attitudes are relevant predictors across diverse population segments (Kumar et al.,

2025), and structural modeling studies in retirement-related investment contexts also emphasize the role of attitude in predicting intention to invest (Lin et al., 2025).

Philippine evidence is consistent with the relevance of attitude-like system evaluations. Espelita et al. (2025) found that perceived monetary policy effectiveness—conceptually aligned with evaluative attitudes toward the financial system—significantly predicted investment behavior (β = .20, p = .004), and that the joint model with awareness explained 15% of the variance in investment outcomes. In a cross-domain conceptual extension, Atento et al. (2025) propose that competency alignment and readiness can function as mediating mechanisms that strengthen the translation of capacity into deployment outcomes, reinforcing the general behavioral principle that favorable attitudes and perceived readiness support action tendencies.

This theme supports the inclusion of attitudes toward capital markets and attitudes toward investment as theoretically grounded predictors that may explain variation in investment decision tendencies within a TPB-informed frame (Mahardhika & Zakiyah, 2020; Akhtar & Das, 2019; Espelita et al., 2025).

2.3 Perceived Risk and Risk Tolerance as Determinants of Investment Decisions

Risk-related constructs are consistently emphasized in the investment decision literature, particularly in contexts where market participation is constrained by uncertainty, limited financial buffers, or low institutional confidence. Distinctions are commonly made between perceived risk (how uncertainty is appraised) and risk tolerance (the individual's disposition or capacity to accept risk exposure). Empirical studies frequently report that higher risk tolerance is positively associated with investment decisions and with the allocation of resources to riskier assets, whereas lower risk tolerance is associated with preference for safer securities or reduced market participation (Ababneh et al., 2025; Oktaviani et al., 2025; Ari et al., 2025). In related accounts, risk tolerance is positioned as a key behavioral determinant that may interact with cognitive biases and financial knowledge in shaping investment decisions (Lei, 2025; Mubaraq et al., 2021).

Perceived risk, conceptualized as the subjective appraisal of uncertainty and potential loss, also appears as a distinct pathway influencing investment behavior. Evidence indicates that investors who perceive lower risk may demonstrate higher likelihood of participation, while elevated perceived risk is associated with reluctance to engage (Ramu et al., 2021; Saivasan & Lokhande, 2022). Demographic modifiers (e.g., education and sex/gender) are sometimes observed to shape risk tolerance and perceived risk profiles, which can then influence investment choices (Ghosh, 2025; Saivasan & Lokhande, 2022). Studies focused on young or university investors in Indonesia likewise report that risk tolerance remains salient alongside financial literacy in explaining investment decisions (Setiawan et al., 2025).

In applied equity evaluation work, perceived risk is also operationalized through technical indicators that function as decision heuristics. For example, RSI, MACD configuration, and volume participation thresholds are used to infer risk conditions and guide hold-versus-accumulate stances, illustrating how risk appraisal may be embedded in practical decision gates during investment evaluation (Dela Costa & Atento, 2025; Del Mundo & Atento, 2025; Mangubat & Atento, 2025; Nona & Atento, 2025). While these analyses are firm-specific, they support the broader conceptual point that perceived risk signals—whether psychological or indicator-based—often operate as constraints on action.

This theme supports the inclusion of risk tolerance (and risk appraisal framing) as a central predictor domain in understanding variation in investment decisions in emerging-market contexts (Ababneh et al., 2025; Saivasan & Lokhande, 2022; Setiawan et al., 2025).

2.4 Demographic and Socioeconomic Factors (Income/Salary and Sex/Gender) and Investment Decisions

Demographic and socioeconomic variables are widely examined as correlates of investment participation and preferences, although findings vary across contexts and samples. Income is frequently reported as a significant predictor, with higher income levels associated with greater likelihood of investing and higher amounts invested (Yusnita et al., 2022; Saini & Habil, 2025; Jasmin.K et al., 2025). Sex/gender differences are also commonly reported, often with men exhibiting greater preference for higher-risk instruments while women show stronger inclination toward safer options; however, some studies report non-significant gender effects depending on sample composition and measured outcome (Musa et al., 2024; Jasmin.K et al., 2025; Yusnita et al., 2022).

Education and marital status are also discussed as correlates of investment behavior, typically reflecting differential access to knowledge, decision socialization, and financial responsibilities (Musa et al., 2024; Saini & Habil, 2025; Jasmin.K et al., 2025).

Age-related effects are less consistent. Some studies identify age as significant in shaping risk preferences and investment type decisions, while others report minimal or non-significant associations, suggesting that age may operate through context-specific mechanisms such as lifecycle financial obligations, exposure to markets, or cohort-specific economic experiences (Wahyuni & Astuti, 2020; Senda et al., 2020; Metawa et al., 2019). Broader evidence on socioeconomic determinants similarly suggests that demographic factors can matter, but their effects may depend on market maturity, financial access, and the availability of trusted investment channels (Ghosh, 2022; Sarla & Arora, 2023; Gayathri & Ganesan, 2024).

Philippine evidence provides an important qualification to simplistic gender generalizations. Espelita et al. (2025) found no statistically significant gender difference in monetary policy awareness (t(198) = 0.31, p = .756), whereas educational level demonstrated large and significant differences (F = 47.83, p < .001). This pattern suggests that human capital development and domain-specific training may be more salient determinants of market-relevant knowledge than sex/gender alone in certain Philippine samples. At the market-structure level, Atento (2025) argues that semi-strong inefficiency may coexist with abundant information, implying that the constraint may lie not only in access to information but also in conviction, capability, and participation conditions—factors likely to differentially affect demographic segments with weaker financial socialization.

This theme supports subgroup examination by monthly salary and sex/gender, while also situating these variables within a broader set of socioeconomic determinants whose effects can be context-dependent (Yusnita et al., 2022; Espelita et al., 2025).

2.5 Synthesis of Literature and Identified Gap

Collectively, the literature indicates that investment decisions in emerging markets are associated with capability-related factors (financial literacy and capital market knowledge), evaluative orientations (attitudes toward investing and toward market participation), and risk-related constraints (perceived risk and risk tolerance). Demographic and socioeconomic variables—particularly income and sex/gender—may further differentiate investment outcomes, although the direction and significance of these relationships vary across settings and population groups. A practical gap remains in consolidating these predictors within localized Philippine settings that represent high-growth urban environments where exposure to markets is increasing but participation may remain uneven. The present study responds to this gap by examining these domains among selected individuals in key cities of Laguna, focusing on the predictors most relevant to investment decision tendencies within the sampled population.

3. Methodology

3.1 Research Design

This study employed a descriptive, quantitative, cross-sectional survey design to examine predictors of investment decision among selected individuals in key cities of Laguna. The design was appropriate for describing central tendencies of perception-based constructs and testing statistical associations among demographic variables, selected perception domains, and the dependent outcome variable (investment decision) at a single point in time.

3.2 Research Locale

The study was conducted in key cities of Laguna, specifically Calamba City, Santa Rosa City, and Biñan City. These localities were selected due to their urban-economic profiles and accessibility to working populations who are plausibly exposed to banking, financial services, and investment-related information.

3.3 Participants and Sampling Technique

Purposive sampling was utilized, yielding a final sample of 483 respondents (N = 483). Respondents were selected based on their relevance to the study context as individuals residing in or affiliated with the identified cities. Data were collected through an online survey administered via Google Forms.

3.4 Research Instrumentation

Data were gathered using a structured questionnaire administered online. The instrument

consisted of two major components: (1) demographic profile items, and (2) perception and investment-related constructs. Demographic variables included sex and monthly salary bracket, among other profile indicators included in the questionnaire. Perception-based constructs measured domains relevant to investment decision-making, including risk tolerance, attitude toward capital markets, knowledge on capital markets/financial literacy, attitude toward investment, and government trust/political climate. Responses to construct items were measured using a 6-point rating scale, and composite scores per domain were computed using the mean of item responses within each construct.

3.5 Data Gathering Procedure

Data collection was conducted through Google Forms. The survey link was disseminated through online channels accessible to respondents in the selected cities. An informed consent statement and brief study description were provided prior to participation. Completed responses were downloaded, screened for completeness, and prepared for statistical analysis through coding of categorical variables and scoring of composite measures.

3.6 Statistical Treatment of Data

Descriptive statistics were used to summarize demographic characteristics through frequency distributions and percentages, and to describe perception-domain ratings through means and standard deviations. Group comparisons were conducted to determine whether investment decision scores differed significantly by sex and by monthly salary bracket. Pearson correlation was used to assess associations between investment decision and selected predictor domains, including knowledge on capital markets and attitude toward investment. Stepwise multiple regression analysis was performed to identify the best predictors of investment decision among candidate variables. Statistical significance was evaluated using an alpha level of 0.05.

3.7 Ethical Considerations

Participation was voluntary. Respondent anonymity and confidentiality were maintained by collecting data through a secured online form and reporting results only in aggregate. Participants were informed of the study purpose and their right to discontinue at any point without penalty.

4. Results and Discussion

4.1 Demographic Profile of the Respondents

The study gathered responses from 483 individuals (N = 483) from key cities of Laguna. In terms of monthly salary distribution, a substantial proportion of respondents belonged to the 15,000 to 45,000 bracket (43.4%), while a smaller segment fell within the 45,000 to above 90,000 bracket (13.8%). These distributions indicate that the sample largely represents individuals within low-to-middle income categories, with a smaller group representing higher income earners.

4.2 Respondents' Perceptions Toward Investment-Related Domains

Respondents' perceptions across the measured domains were summarized using mean scores and standard deviations based on a 6-point scale. Among the reported domains, risk tolerance obtained the highest rating (M = 4.81, SD = 1.19), followed by attitude toward capital markets (M = 4.60, SD = 1.23). Knowledge on capital markets yielded a mean rating of 4.10 (SD = 1.32), while government trust obtained the lowest reported mean rating (M = 3.85, SD = 1.33). Overall, the results show relatively stronger ratings for risk tolerance and market-oriented attitudes compared with knowledge and institutional trust measures. *(See Table 1)*

4.3 Differences and Associations Related to Investment Decision

Investment decision scores differed significantly by sex (p = .002), with male respondents exhibiting higher investment decision scores than female respondents. Investment decision also differed significantly across monthly salary brackets (p < .001), wherein respondents belonging to the lowest salary bracket registered the lowest investment decision scores relative to other income groups.

Correlational results further indicated statistically significant associations between investment decision and selected predictor domains. Knowledge on capital markets showed the highest reported correlation with investment decision (r = 0.210, p = .001), followed by attitude toward investment (r = 0.179, p = .003). These results suggest that both capability-related factors (knowledge) and evaluative orientations (attitude toward investment) are positively associated with investment decision.

4.4 Best Predictors of Investment Decision

To identify the best predictors of investment decision, stepwise multiple regression analysis was performed. Results indicated that attitude toward investment and monthly salary emerged as the best predictors in the model. The model explained 16.2% of the variance in investment decision ($R^2 = 0.162$), and the overall regression model was statistically significant ($p < .001$). The reported coefficients indicated positive predictive effects for attitude toward investment (0.345) and monthly salary (0.368), suggesting that both evaluative orientation toward investment and socioeconomic capacity are associated with higher investment decision scores. (See Table 2).

4.5 Discussion of Findings

This study examined predictors of investment decision among selected individuals in key cities of Laguna using an extended TPB-informed framing, emphasizing capability-related factors (capital market knowledge), evaluative orientations (attitudes), and constraint-related perceptions (risk tolerance and trust), alongside demographic attributes. Overall, the findings indicate that investment decision is associated with both psychological-evaluative factors and socioeconomic positioning, but the explanatory power of the predictive model remains modest, suggesting that investment decision is multifactorial and may be influenced by additional variables not captured in the present dataset.

First, the descriptive results suggest that respondents reported relatively stronger readiness to engage with investment risk than might be expected in populations where investing is presumed to be avoided due to fear or uncertainty. Risk tolerance obtained the highest domain rating (M = 4.81, SD = 1.19), while attitudes toward capital markets were also relatively favorable (M = 4.60, SD = 1.23). These patterns imply that, within this sample, respondents tend to endorse risk acceptance and market-oriented evaluations at moderate-to-high levels. From a behavioral perspective, this supports the view that investment-related dispositions may already be present even among non-elite segments, and that limited participation may not be explained by risk aversion alone. However, the mean levels also show that such favorable orientations coexist with weaker institutional confidence and weaker perceived capability. Government trust registered the lowest mean among the reported domains (M = 3.85, SD = 1.33), and capital market

knowledge/financial literacy was also comparatively lower (M = 4.10, SD = 1.32). This configuration is important because favorable attitudes and risk tolerance do not necessarily translate into actual decisions when individuals perceive low competence to evaluate investment options or hold reservations regarding the credibility of institutional conditions in which investment decisions occur.

Second, the correlational findings reinforce the salience of capability and evaluative orientations in shaping investment decision. Capital market knowledge exhibited the highest reported correlation with investment decision (r = 0.210, p = .001), followed by attitude toward investment (r = 0.179, p = .003). Although these effect sizes are modest, they are directionally consistent with prior evidence indicating that financial literacy supports more active investment engagement and that attitudes serve as proximal drivers of intention or decision tendencies. The implication is that respondents who report stronger familiarity with capital market concepts and who hold more favorable evaluations of investing tend to report stronger investment decision scores. In practical terms, this supports the position that expanding investment participation in similar urban Philippine settings requires not only motivational messaging but also capability-building interventions that strengthen interpretive competence and decision confidence.

Third, subgroup comparisons indicate that investment decision differs across key demographic stratifiers. Investment decision differed significantly by sex (p = .002), with male respondents scoring higher than female respondents. This finding is consistent with patterns frequently documented in investment behavior research where males tend to report greater investment engagement and higher willingness to take market-related risk, while females more often report risk caution and lower participation, partly due to differential financial socialization, confidence in technical domains, and protective financial orientations. At the same time, it is important to interpret the present finding conservatively because the analysis does not establish causal mechanisms. The observed difference may reflect underlying mediators such as differential access to investment information, differences in confidence to act on financial knowledge, or differing constraints tied to household roles and responsibilities. Nonetheless, the significant sex-based difference indicates that gender-sensitive investor education and support

mechanisms may be warranted, particularly those that reduce barriers to entry and build confidence in market interpretation.

Investment decision also differed significantly across monthly salary brackets (p < .001), with the lowest salary group reporting the lowest investment decision scores. This pattern is theoretically coherent: income capacity influences the feasibility of investing by shaping surplus availability, liquidity constraints, and tolerance for potential short-term losses. Even when attitudes are favorable, limited disposable income can constrain action, particularly in contexts where financial shocks are common and precautionary saving is prioritized. The finding also suggests that the perception that investing is "only for the rich" may be reinforced behaviorally through income-linked constraints, even if higher-income status is not the sole determinant of investing. In the present sample, salary differences indicate that economic capacity remains an important structuring factor in investment decisions, particularly for individuals at the lowest income tiers.

Fourth, the regression analysis clarifies that among candidate predictors, attitude toward investment and monthly salary emerged as the best predictors of investment decision, explaining 16.2% of the variance ($R^2 = 0.162$, p < .001). This result implies that both an evaluative orientation toward investing and an economic capacity marker jointly predict higher investment decision scores. The importance of attitude toward investment is consistent with TPB-informed logic: favorable evaluations support decision tendencies and facilitate movement toward action. The inclusion of salary as a predictor suggests that the investment decision is not purely psychological; it remains structurally conditioned by socioeconomic capacity. However, the relatively modest R^2 indicates that most variance in investment decision remains unexplained by the included predictors, implying that other determinants—such as subjective norms, perceived behavioral control/self-efficacy, financial access, product availability, prior experience, trust in intermediaries, and exposure to investment education—may account for additional variability. Accordingly, the study's findings support a combined interpretation: investment decision is shaped by motivational-evaluative factors and capacity constraints, while also likely depending on omitted individual and structural variables.

Taken together, the findings suggest that strengthening investment decision readiness in comparable populations may require integrated interventions: (a) improving capital market knowledge and interpretive competence, (b) building favorable yet realistic investment attitudes anchored in risk management, and (c) reducing socioeconomic barriers to market entry, including mechanisms that allow low-income earners to participate through accessible products and structured guidance. In addition, the observed sex-based differences indicate the value of targeted approaches that address differentiated confidence, socialization, and constraint patterns across male and female respondents.

5. Conclusions and Recommendations

5.1 Conclusions

Based on the findings of the study, the following conclusions are drawn:

1. The respondent group in key cities of Laguna was predominantly within the low-to-middle income range, with a smaller proportion belonging to higher salary brackets. This profile indicates that the sample represents individuals with varying economic capacity to engage in investing.

2. Respondents reported generally favorable perceptions in risk tolerance and attitude toward capital markets, indicating moderate-to-high readiness to consider investing and market participation. However, comparatively lower ratings in knowledge on capital markets and government trust suggest that capability-related readiness and institutional confidence remain weaker areas.

3. Investment decision differed significantly by sex and by monthly salary bracket. Male respondents exhibited higher investment decision scores than female respondents, and respondents in the lowest salary bracket registered the lowest investment decision scores, indicating that demographic and socioeconomic factors are associated with investment decision tendencies.

4. Knowledge on capital markets and attitude toward investment were positively associated with investment decision, with knowledge on capital markets showing the highest reported

correlation among the tested predictor domains.

5. Stepwise multiple regression identified attitude toward investment and monthly salary as the best predictors of investment decision, explaining a modest proportion of variance. This indicates that investment decision is shaped by both evaluative orientations and socioeconomic capacity, while also suggesting that additional determinants beyond the measured constructs likely influence investment decision-making.

5.2 Recommendations

In light of the conclusions, the following recommendations are proposed:

1. Financial literacy and capital market education initiatives should be strengthened, with emphasis on practical competence in interpreting investment concepts, evaluating basic market instruments, and understanding risk–return trade-offs. Programs should be designed to build decision confidence, not only awareness.

2. Investment promotion efforts should incorporate attitude-building strategies that frame investing as a structured, goal-based behavior rather than a speculative activity. Communication should emphasize disciplined participation, long-term planning, and risk management to sustain favorable attitudes toward investment.

3. Interventions should be designed with sensitivity to socioeconomic constraints. For lower-income groups, accessible entry pathways should be promoted, such as small-value investment products, structured savings-to-investment mechanisms, or guided participation models that reduce perceived barriers to entry.

4. Gender-responsive financial capability programs should be implemented to address observed differences in investment decision by sex. Such programs may focus on improving confidence in investment interpretation, expanding exposure to

investing practices, and addressing perceived barriers that may disproportionately affect female participants.

5. Future studies should expand the model by including additional TPB-aligned and contextual variables, such as perceived behavioral control/self-efficacy, subjective norms, access to financial services, prior investment experience, and trust in specific financial intermediaries, to improve explanatory power and to refine intervention targeting.

5.3 Implications

The findings of this study carry implications for financial educators, financial institutions, and policy stakeholders:

a. Financial Education Implication. The positive associations between capital market knowledge, attitudes toward investing, and investment decision imply that improving financial capability remains a primary lever for strengthening investment participation. Investor education should prioritize applied learning and decision scaffolding.

b. Program Design Implication. The predictive role of attitude toward investment suggests that programs should not treat financial literacy as purely technical training. Interventions must also address evaluative orientations, investment motivation, and the psychological framing of risk and market participation.

c. Equity and Inclusion Implication. Significant differences by salary indicate that investing remains structurally constrained for lower-income groups. Inclusive investment strategies require product design and engagement mechanisms that acknowledge liquidity constraints and reduce entry barriers.

d. Gender Implication. The significant sex-based difference in investment decision highlights the need for gender-sensitive approaches in financial inclusion and investor development. Building confidence and reducing participation

barriers may help broaden investment engagement among women.

e. Research and Model Implication. The modest explained variance of the regression model implies that investment decision is influenced by additional determinants not captured in the current measures. Subsequent research should incorporate broader behavioral and access-related predictors and consider alternative modeling approaches to better explain investment decision-making in similar Philippine urban contexts.

5.4 Limitations and Future Research

This study has several limitations that should be considered when interpreting the findings. First, the study employed a cross-sectional survey design; therefore, the observed relationships among financial knowledge, attitudes, risk tolerance, salary, and investment decision should be interpreted as associations rather than causal effects. Second, purposive sampling and online data collection through Google Forms may limit representativeness, as participation depended on respondent accessibility and willingness to respond, and may have excluded individuals with limited digital access. Third, the constructs were measured using self-reported ratings, which may be influenced by social desirability tendencies, response style, and subjective interpretation of scale items. Fourth, the regression model explained a modest proportion of variance in investment decision ($R^2 = 0.162$), indicating that important determinants were not captured in the current model. Additionally, the use of stepwise regression, while useful for exploratory identification of predictors, may be sensitive to sample-specific patterns and may not generalize across settings.

Future research may address these limitations by employing probability-based or stratified sampling designs, expanding coverage to additional cities or provinces for broader generalizability, and incorporating longitudinal or mixed-method approaches to better capture causal pathways and contextual explanations. Studies may also enrich explanatory power by including additional behavioral and access-related variables such as perceived behavioral control or investing self-efficacy, subjective norms and social influence, prior investment experience, access to financial services or platforms, and trust in financial intermediaries. Alternative modeling strategies, including hierarchical regression or structural equation modeling, may also be considered to test theory-driven pathways and clarify the mechanisms linking financial capability, attitudes, and socioeconomic constraints to investment decision-making.

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7. Tables

Table 1. Descriptive Statistics of Key Constructs (6-Point Scale)

Construct / Domain	Mean (M)	Standard Deviation (SD)
Risk tolerance	4.81	1.19
Attitude toward capital markets	4.60	1.23
Knowledge on capital markets	4.10	1.32
Government trust	3.85	1.33

Table 2. Stepwise Multiple Regression Predicting Investment Decision (Coefficients and Model Summary)

Predictor	Coefficient
Attitude toward investment	0.345
Monthly salary	0.368

Model Summary	Value
R^2	0.162
Model significance (p-value)	< .001

Note. Dependent variable: Investment decision.