

INVESTMENT DECISION, BEHAVIORAL BIAS AND FOMO OF YOUNG INVESTORS IN INDONESIA

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ABSTRACT

This research aims to see the influence of behavioral bias in the form of herding behavior, availability bias, and loss aversion bias on investment decisions taken by young investors in Indonesia. Besides that, this research also aims to see the influence of Fear of Missing Out (FOMO) in moderating the influence of the three behavioral bias variables on investment decisions.

The population in this study includes young investors who have previously invested in the Indonesian Stock Exchange. The sample was determined purposively, and a sample of 243 people was used. Data collection techniques were carried out through questionnaires. The data analysis used in this research is Partial Least Square- Structural Equation Modeling (PLS-SEM). The research results show that herding has a positive effect on investment decisions. Likewise, availability bias and loss aversion bias each have a positive effect on investment decisions. The result of the moderating variables shows that FOMO does not moderate the influence of behavioral bias, whether herding, availability bias, or loss aversion bias on investment decisions.

Kata Kunci: *investment decision, herding, availability bias, loss aversion bias, Fear of Missing Out*