

ABSTRACT

THE ROLE OF HEURISTIC BIAS IN MEDIATING THE INFLUENCE OF HERDING BEHAVIOR ON SHARIA INVESTMENT DECISIONS IN Z-GENERATION

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The purpose of this research is to determine the magnitude of the role of heuristic bias consisting of representativeness and overconfidence in mediating the influence of herding behavior on sharia investment decisions in Z-Generation. The research method used is a verification method with a quantitative approach, while the sampling technique uses a purposive sampling method. The data collection technique used for primary data was carried out through questionnaires, secondary data was obtained from documentation studies and other relevant parties. The analysis tool uses Partial Least Square analysis. The research results show that: (1) Herding behavior has a significant positive effect on Representativeness, (2) Herding behavior has a significant positive effect on Overconfidence, (3) Representativeness has a significant positive effect on Sharia Investment Decisions, and (4) Overconfidence has a significant positive effect on Sharia Investment Decisions.

Keywords: Herding Behavior, Representativeness, Overconfidence, Sharia Investment Decisions.