

UNIVERSITAS INTERNASIONAL BATAM

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ANALYSIS OF THE IMPACT OF OVERCONFIDENCE, REPRESENTATIVENESS, ANCHORING, GAMBLER'S FALLACY, AND HERDING TOWARDS INVESTMENT DECISION ON PROPERTY IN BATAM

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ABSTRACT

The purpose of this study is to find out the influence of people's behaviour towards their investment decision on property in Batam City. Variables in this research are Overconfidence, Representativeness, Anchoring, Gambler's Fallacy, dan Herding. Data were obtained by distributing questionnaires using social media. Totally, data obtained from respondents are 215 data. To analyze the data, this study utilized Smart PLS version 3.

The data tested fulfilled the requirements of validity test, reliability test, outer and inner model test, and goodness of fit. The result shows that overconfidence, anchoring and herding have a significant positive impact toward investment decision of property investor in Batam City. While, representativeness and gambler's fallacy do not show a significant impact or influence toward property investor in investment decision in Batam City. Result from the variables compatibility test of R Square Adjusted shows that dependent variable can be explained 61,6% by the independent variable, while 38,4% are explained by other factors that wasn't included in this study.

Keywords: *Investment Decision-Making, Anchoring, Herding Behaviour, Overconfidence, Property Investment.*