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THE ROLE OF SOCIAL MEDIA IN INFLUENCING INVESTMENT DECISIONS IN THE MILLENNIAL GENERATION

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ARTICLE INFO	ABSTRACT
Keywords: Social Media, Investment Decision, Millennial Generation.	The purpose of this research is to look into the influence of social media in influencing investment decisions among the millennial age. Because the millennial generation is thought to be the most reliant on digital technology and information, the influence of social media on them is growing. As a data gathering tool, this study employs quantitative methodologies with survey techniques. The research sample consists of 400 Bogor City millennials who use social media regularly. According to the study's findings, social media has a considerable influence on investment decisions among the millennial age. Based on these data, the study indicates that social media has a significant impact on millennial investment decisions. Therefore, investment companies and financial institutions need to consider using social media as a marketing and communication tool to attract the attention of the millennial generation and strengthen their brand image. In addition, the millennial generation needs to increase their self-awareness about investment risks and make investment decisions that are more rational and based on fundamental considerations.
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1. INTRODUCTION

Information technology and decision support systems are two of the many factors that affect how people, businesses, and other organizations choose to invest their money. Over the past half-century, the interconnectedness and power of IT have steadily increased (Suprasta & Nuryasman, 2020). Social networks are now simple, highly distributed, mostly uncontrolled, and omnipresent as a result of recent advancements in user interfaces for social tools and the rising use of mobile wireless computers. The development of information technology keeps opening up fresh possibilities (Country & Febrianto, 2020).

Previously, investors had long made use of information intermediaries (financial analysts, business press, credit rating agencies, auditors). To obtain timely and relevant information (Ismanto et al, 2019). But now with current technological developments, internet access can reach a wider community so as to create new sources of information dissemination. However, the biggest revolution in the dissemination of information on the internet is social media, such as Facebook, Twitter, LinkedIn, Instagram, which allow users to instantly post information and their views on information that is disseminated to the public (Sihombing et al, 2022).

The function of social media has changed, from a friendship media to information media. Many social media owners use social media as informational content (Lontoh et al, 2020). Using social media there is a change in the way information is spread from conventional (mass and electronic media) to social-based digital media that can reach a broad range of backgrounds from social media

users that can be accessed anytime and anywhere as long as they are connected to internet access (Kamil & Tanno, 2022).

Social media has become an inseparable part of modern human life. With the development of technology and easy access to the internet, social media is increasingly popular and widely used by various groups, especially the millennial generation (Sari, 2019). The millennial generation is considered the most dependent on digital technology and information, so the influence of social media on them is becoming increasingly significant. Social media not only influences their behavior patterns and consumption preferences, but also influences the investment decisions they make (Sitorus, 2021).

Investment is one way that can be done to achieve long-term financial goals. However, investment also contains risks and uncertainties that need to be taken into account before making decisions (Nuzula & Nurlaily, 2020). In making investment decisions, factors such as fundamental analysis, technical analysis, and risk assessment are generally the main considerations. However, the influence of social media, especially from influencers and friend recommendations, is also increasingly influencing the investment decisions of the millennial generation (Mar'ati, 2014).

Social media's presence is becoming increasingly significant in Indonesia's financial sector. Financial and investment firms could benefit from adopting social media as a marketing and communication tool to reach millennials and improve their brand's reputation. Therefore, studies on the impact of social media on millennials' financial decisions are required.

The problem statement for this investigation is as follows, given the foregoing context: How much do millennials' social media connections play into their choice of stocks and mutual funds? The study's overarching goal is to learn how much of an impact social media has on young Indonesians' financial decisions.

2. LITERATURE REVIEWS
A. Social media

The rapid development of technology has caused social activities to evolve into cyberspace. In addition to communication, many activities and activities are carried out through social media (Sidik, 2013). According to Henderi, Yusup, and Graha (2007), social media is a social network in the form of a web that can connect a person with other users in a system and can make users create profiles that can be accessed by the public.

Social media facilitates freedom of access, and the internet's scope is expanding, so that anyone, anywhere can access social media. As a result of the current expansion of the social media industry, investment firms and stock analysts are utilizing social media. In contrast to corporate social media, which concentrates on company image and branding, social media investment firms and stock analysts can present a variety of information because they are not affiliated with the company. On social media, investment firms and stock analysts are allowed to evaluate company performance, allowing investors to obtain diverse data for making investment decisions (Sari & Khalid, 2020; Hermawan et al., 2022).

B. Investation decision

Consumer decision is the process of solving human problems by selecting and purchasing goods and services. Problem detection, information search, alternative appraisal, decision making,

and post-purchase behavior are the five steps that make up the decision-making process, which is a problem-adjustment strategy carried out by customers (Mongi et al, 2013).

Investment decisions are financial decisions taken by company managers that are important to the company. Investment decisions can be influenced by the company's available cash, the company's level of sales, debt levels, and company size. There are 2 possibilities in making investment decisions by managers, namely managers using cash flows into investments with optimal returns or to enrich themselves (Nurvianda & Ghasarma, 2018).

C. Millennial Generation

Young individuals born between the early 1980s and the early 2000s make up what Haroviz (2012) calls generation Y or the millennial generation. This generation is also at ease with socializing in a diverse and technologically advanced group. This generation is generally defined as one that is particularly comfortable with change because, as stated by Choi et al (in Onibala, 2017), they are more open to new experiences and possibilities.

This millennial generation has high expectations and is looking for work meaning in the work they do Choi et al (in Onibala, 2017). This generation will change jobs on average twenty times in their lifetime, compared to traditionalists who work for the same employer until they retire. Millennials are unfaithful.

3. METHODS

This study employs a quantitative approach for both explanatory and explanatory (causal) aims. The information was gathered via sending out questionnaires to participants. The Likert scale is employed here. Bogor City's millennial social media users, of which the exact number is unknown, make up the population under study. Non-probability sampling with a purposive sampling strategy was utilized to collect data from 400 participants for this investigation. Descriptive statistics and linear regression were employed for this study's analysis. When it is believed that a single independent variable would effect a single dependent variable, the simple linear regression equation can be applied (Sekaran & Bougie, 2017; Yulianah, 2022). The t test is used to test the hypothesis. To determine if the social media variable influences the investment decision variable, a t test is used.

4. RESULTS AND DISCUSSION
A. Linear Regression Test

This study, which surveyed 400 residents of Bogor City, Indonesia, employed simple linear regression analysis to examine whether or not social media (variable X) influenced investment decisions (variable Y). The next table displays the outcomes of a linear regression analysis:

Table 1 Simple Linear Regression Results

Coefficients [a]

Model	Unstandardized Coefficient		Standardized Coefficient	t	Sig.
	b	std. error	Betas		
A. Constant	-0.084	0.183		-0.463	0.641
Social media	1.079	0.049	0.728	21.311	0.001

The Role of Social Media in Influencing Investment Decisions in the Millennial Generation.

Hasanudin

a. Dependent Variable: Investment Decision

Based on the table, a constant value of -0.084 is obtained. The constant value allows the emergence of other coefficients in the regression equation. If the observed data on variable X does not include a value of 0 or close to 0, then the constant has no significant meaning so it doesn't need to be interpreted. In this study the regression coefficient value is 1.079, meaning that the regression coefficient value is not close to 0 so that negative constant values are not a problem and can be ignored. From the constant values and regression coefficients, a simple linear regression equation model is obtained as follows:

$$Y = 0.086 + 1.079X$$

The given equation model suggests that the social media variable has a positive regression coefficient value of 1.079. This demonstrates that a 1% rise in social media will lead to a 1.079% increase in financial decisions. To the contrary, a 1.079-point drop in investment decisions can be expected for every unit drop in social media. This suggests that millennials in Bogor City, Indonesia, who are active on social media, are more likely to make wise financial investments.

B. Coefficient of Determination (R2)

Coefficient of determination is used to determine the extent to which independent factors contribute to or influence a dependent variable. Coefficient of determination values range from 0 to 1, with smaller values indicating less of an effect of the independent variable on the dependent variable. The independent variable is considered to have an effect on the dependent variable if the coefficient of determination is larger than or equal to one. Table 2 shows the results of the coefficient of determination:

Table 2 The coefficient of determination (R2)
Summary Model [b]

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	0.728 [a]	0.530	0.527	0.5192

From the calculation above, the determinant coefficient is 53.0%. This shows that social media has an influence of 53.0% on investment decisions. While the remaining 47.0% is influenced by other variables not examined in this study.

C. Hypothesis testing

With a 95% confidence level (alpha = 0.05) and degrees of freedom dk = (nkl) where n is the number of respondents, 400, and k is the number of variables, 2, the value of the t table is determined. Consequently, the degrees of freedom in this study are dk = (400-2-1) = 397, and the t table utilized is = 1,966.

Table 3 Test Results t
Coefficients [a]

Model	Unstandardized Coefficient	Standardized Coefficient	t	Sig.

	b	std. error	Betas		
1. Constant	-0.084	0.183		-0.463	0.641
Social media	1,079	0.049	0.728	21,311	0.001

b. Dependent Variable: Investment Decision

The results of the test of the hypothesis were determined using the calculated t value of 21,311 and the significance value of 0.001. This demonstrates that t count (21.311) is greater than t table (1.966) with a significance level of 0.000 < 0.05. Therefore, H0 is rejected and H1 is accepted, indicating that social media has a significant impact on investment decisions among millennials in Bogor City.

Discussion

The results of this research show that social media has a significant effect on investment decision variables among millennials in Bogor City. Social media has become an important part of the daily life of millennials around the world. This generation is also known as an active user of social media. As a result of this increasing use, social media has become an important source of information in decision-making, including investment decisions.

The city of Bogor is one of the cities that has a sizable millennial population. There are many investment companies and financial institutions operating in this city. The millennial generation in Bogor City often gets information about investment products and financial services through social media, such as Instagram, Twitter and Facebook. Influencers and financial accounts on social media are also an important source of information and investment recommendations for the millennial generation . However, along with the increasing influence of social media in investment decisions, the millennial generation in Bogor City also needs to overcome the risks associated with false information or hoaxes. which spread through social media. Incorrect or inaccurate information can influence investment decisions and even cause significant financial losses.

Investment companies and financial institutions in Bogor City also need to consider using social media as a marketing and communication tool. They can take advantage of social media platforms to increase brand awareness and expand marketing reach. However, they must also ensure that the content they share on social media complies with applicable regulations and ethical standards. In order to overcome risks and take advantage of the positive potential of social media in investment decisions, the millennial generation in Bogor City and investment companies and financial institutions need to work together in building financial literacy and digital literacy (Hasanudin et al., 2022). Millennials need to improve their understanding of investing and develop critical skills in evaluating the information they get from social media. Meanwhile, investment companies and financial institutions need to ensure that they provide accurate and high-quality information on social media.

5. CONCLUSION

In Bogor, the millennial generation's investment decisions are heavily influenced by social media. The magnitude of social media's impact on investment decisions is equivalent to 53.0%. Based on these findings, it is evident that social media has a 53.0% impact on the investment decisions of Bogor's millennials. In the meantime, another 467 percentage points are influenced by variables not examined in this study.

The Role of Social Media in Influencing Investment Decisions in the Millennial Generation.
Hasanudin

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