

CHAPTER V

CONCLUSIONS AND SUGGESTIONS

5.1. Conclusion

Based on the data obtained and the analysis conducted by the researcher, the conclusions of this study are:

1. There is a significant difference of average abnormal return before and after Belvin tannadi's Instagram upload regarding the potential increase in the price of a share. This can be shown from the results of statistical processing with the asymp sig value. (2-tailed) $0.000 < 0.05$. Thus H1 is accepted. But this significant is negative because negative rank is bigger than the Positive ranks.
2. There is a significant difference in the average before and after Belvin tannadi's Instagram upload regarding the potential increase in the price of a share. Because asymp sig value. (2-tailed) $0.002 < 0.05$ thus H2 is accepted.
3. There is no significant difference of average bid ask spread before and after Belvin tannadi's Instagram upload regarding the potential increase in the price of a share. This can be shown from the results of statistical processing with a significance value of $0.076 > 0.05$. Thus H3 is rejected.
4. Overall, it can be concluded that the inclusion Belvin tannadi's Instagram upload regarding the potential increase in the price of a share has triggered share market reaction in term of the declining in share prices which impact on abnormal return and trading volume activity. Therefore this event line with Signaling Theory said that information published as an announcement will deliver a signal for the investors in making investment decisions. In this case Belvin tannadi's

instagram upload as negative signal by investor or trader therefore abnormal return is negative and in accordance with the efficiency market hypothesis which assumes past movements or trends of stock prices or the market cannot be used to predict future movements, so changes in stock prices in an efficient market follow a random walk model.

5.2. Research Implication

Based on the above conclusions, the implication of this research are:

1. For researcher, this research is to know the differentiation between Abnormal Return, Trading Volume Activity and Bid Ask Spread before and after Belvin tannadi's Instagram upload regarding the potential increase in the price of a share
2. For investor and traders, this research can give an insight about how non economic or non financial information especially content social media of Belvin tannadi can influence the Abnormal Return, Trading Volume Activity and Bid Ask Spread, so the investor can choose the right decision and also become smart investor or trader to assess information.
3. For new investors or new traders, when deciding to invest you must understand and know what you are investing in, don't follow other people's opinions and don't be afraid to miss out. Basically, the higher the return you want to get, the higher the investment risk that will be faced, therefore when you decide to invest you must be based on your decision, not someone else's decision. Because the good information you get from other people will not necessarily benefit you.

5.3. Research Limitation

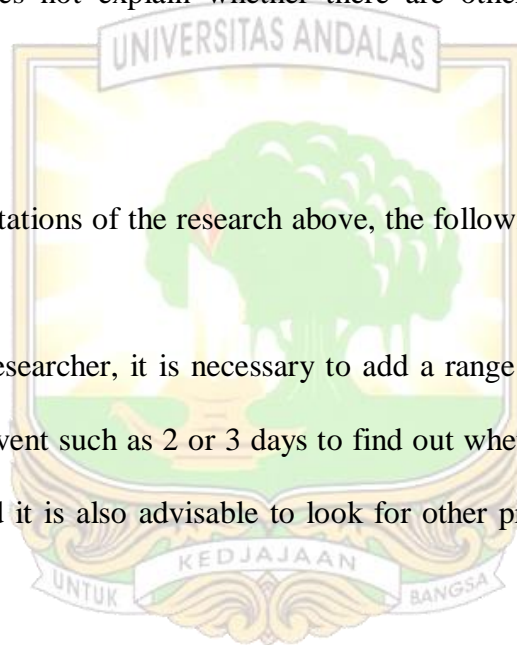
The limitation of this research are:

1. This research only focuses on looking at the market reaction one day before the event and one day after the event, so this research does not know how long the effect of the event on the market.
2. There are only 3 market reaction proxies used in this study, which are AAR, TVA and also bid ask spread.
3. This research only uses the Capital Asset Pricing Model (CAPM) to estimate the expected return on abnormal return computation.
4. This study does not explain whether there are other factors influencing the market.

5.4. Suggestion

Based on the limitations of the research above, the following are the suggestion for future research:

1. For the next researcher, it is necessary to add a range of days before the event and after the event such as 2 or 3 days to find out whether the event still affects the market and it is also advisable to look for other proxies to measure market reaction
2. This research only uses the Capital Asset Pricing Model (CAPM) to estimate the expected return on abnormal return computation. The selection of different estimation models such market adjusted model may be produce different research results.
3. This study shows an indication of the Pumb and dumb performed by Belvin tannadi so that further research is needed to prove this.
4. There is a need for a deeper study regarding whether there are other factors that



affect the shares posted on Belvin tannadi's social media on the market.

