

CHAPTER V

CONCLUSION AND SUGGESTION

5.1 Research Conclusion

This study aims to discover the effect of risk perception, level of confidence, financial literacy, personality traits, and women's investment decision making. This study concerns about risk perception, level of confidence, financial literacy, personality traits in Indonesia, and how this variable influences women's investment decision making. The researcher uses primary data by distributing 170 questionnaires randomly to investment product users from different types of investment products. There are four hypotheses development in this study. After conducting a test in Smart PLS 3.28, the four hypotheses can be concluded as follows:

- a. According to the results of this study, risk perception does affect women in making investment decision. This study shows that how women respond to investment risks will greatly influence the outcome of their decision, and overall questions about the level of investment risk women tend to give neutral statements about or do not want to make risky investment decision and priorities suggest that they are not risk-takers.
- b. The results of this study indicate that the level of self-confidence will not affect how women make their decision. overconfidence will indeed make someone rush, but it will not affect women in making decision because it will depend on their knowledge and experience in making decision.
- c. Based on the results of this study, financial literacy gives any impacts to women's investment decision making, women have a fairly high level of literacy, which can be seen from the question of investment knowledge, the majority answered correctly.
- d. Personality traits do not affect women in making investment decision. In this study, women tend to be more logical in making decision so that behavioral variables do not influence their decision making.

5.2 Research Implication

This study has some implications that can be used to improve the understanding of women's investment decision making.

In making decision, it is important to consider the risks of every decision taken, one of which is investment risk. however, if the desired risk perception is too low, the potential benefits that will be obtained are also not optimal. Perceptions of risk greatly affect how women make investment decision so women need to understand their respective risk perceptions so that the investment decision that women will make are optimal. The majority of women do not act as risk-takers and have a low-risk perception so that investment products with low-risk levels are very likely to be an option for women. According to the results of the questionnaire, the majority of women agree that they have good planning skills while the majority also stated that they have not often invested in the investment market, preferably with good planning skills they are safe enough to invest in low-risk investment markets such as mutual funds or deposits and not in investment. recommend women investing in high-risk investment products.

The level of self-confidence does not appear to have much influence on women's decision making. It could be that too much confidence causes someone to be in a hurry but to make a woman's decision will depend on her knowledge and experience. Therefore, women should increase their knowledge and experience to be more confident in plunging into the investment market. Based on the answer to the question of overconfidence, it seems that women are not over-investment in the investment market, the majority of women are not too confident about their knowledge of the investment market, especially the stock market, but this can be overcome by continuing to improve financial literacy.

A decision without knowledge will indeed end in speculation and put the decision-maker at risk. The better a person's financial literacy, in this case

especially women, the better they will be in making decision. In various studies including this study, it has been proven that financial literacy greatly influences investment decision or other investment actions, and also women have a fairly good understanding of literacy, the majority of respondents in this study answered questions about general knowledge about investment products correctly. With good literacy skills, women should not hesitate to try investment products and make their own investment decision.

Each person's personality is different, but in this study, women's investment decision making, personality is not a variable that affects their investment decision making. What differentiates women in making their investment decision is their risk perception and financial literacy. Therefore, investment consultants or investment managers can ignore the differences in women's personalities in providing investment recommendations but focus on risk perceptions and their financial literacy. In this study the majority of respondents have a conscientious personality, are careful, and diligent personality traits. Although it does not affect women's investment decision making, this personality is also good for daily activities and controlling investments or investment products that women have.

5.3 Research Limitation

The researcher found several limitations when conducting the research which is as follows:

- a. This study has limitations due to the biased responses of respondents. Some respondents who did not understand the investment products they owned or only understood some investment products and made investment decision only followed suit, not based on the respondents' considerations.
- b. This study only looked at five variables that used risk perception, level of self-confidence, financial literacy, personality traits, and investment decision making for women. The limitation is that there are not many previous studies that discuss this topic specifically with the female gender

as a research object. Therefore, researchers need to compile some previous research findings to formulate research hypotheses.

- c. This study only looks at whether the variables of risk perception, level of self-confidence, financial literacy, and personality traits affect women in making investment decision. and did not look specifically at their risk perceptions, level of self-confidence, financial literacy, and personality traits.
- d. Not all the distributed questionnaires can be processed in this research. The questionnaires that are distributed are 170 units, only 150 units can be processed.

5.4 Research Recommendation

- a. For future researchers who are interested in conducting similar research, it is advisable to use a brief explanation of the variables in the questionnaire that will confuse users of investment products or the researcher needs to assist respondents when filling out the questionnaire.
- b. Further researchers can research more specific areas such as provinces in Indonesia and can also select male gender as the research object. This can help to enrich knowledge and understanding of investment decision-making topics such as this research.
- c. The researcher recommends that further researchers be able to examine more specifically how each variable affects the investment decision making of women or men.
- d. For further research, a questionnaire on financial literacy variables is recommended to use the Guttman scale so that the results obtained are more specific.
- e. For the personality traits variable, the researcher recommends examining more specifically whether each personality type based on The Big Five personality traits has its share in investment decision making.

- f. For further research, other variables can be used because investment decision making can also be influenced by other variables directly or indirectly.

