

ABSTRACT

This study aims to analyze the influence of behavioral determinants on stock investment decision-making among Gen-Z investors in Semarang, Indonesia. The independent variables examined include greed, gambler's fallacy, conservatism, regret aversion, and mental accounting, while the dependent variable is investment decisions. The study employs a quantitative approach using Structural Equation Modeling–Partial Least Squares (SEM-PLS) analyzed through SmartPLS 4. The sample consists of 227 active Gen-Z stock investors in the capital market of Semarang.

The results indicate that all independent variables have a positive and significant effect on stock investment decisions. Greed emerges as the most dominant factor influencing investment decisions, followed by gambler's fallacy, regret aversion, conservatism, and mental accounting. The R-square value of 0.560 shows that these five behavioral determinants collectively explain 56% of the variance in investment decisions. These findings reinforce Behavioral Finance Theory and Prospect Theory, emphasizing that investment decisions are not entirely rational but are influenced by psychological biases, subjective perceptions, and cognitive factors.

Practically, this study suggests that Gen-Z investors should enhance their financial literacy and awareness of behavioral biases to improve investment decision-making. In addition, brokerage firms and capital market regulators can design educational programs that focus on mitigating psychological biases and improving decision framing. The study also provides opportunities for future research to explore the moderating effects of financial literacy, trading experience, and market conditions on investment decision-making.

Keywords: *Behavioral Finance, Prospect Theory, Greed, Gambler's Fallacy, Conservatism, Regret Aversion, Mental Accounting, Investment Decisions, Gen-Z Investors, SEM-PLS*