## External Factors Effect On Investment Decisions Between Intention And Financial Advisory Recommendations As Confounding Exogenous: Emperical Case From Indonesia Individual Investors

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#### Abstract

This objective of the research was to find and analyse the influence of financial and non-financial information on investment decisions of individual investors in North Sumatra with the intention of mediating and recommendations of financial advisors as moderator. This research was causality, with primary data. Data collection technique was to use questionnaires and documentation. The data analysis technique was to use statistical analysis based on partial least square (PLS). The results found that financial and non-financial information positively affected investor's intentions and investment decisions. Investor's intention was to mediate the influence of financial and non-financial information on investment decisions, while the recommendations of financial advisors did not moderate the influence of financial and non-financial information on investor's intentions.

Keywords: Financial Information, Non-Financial information, Investor's Intentions, FinancialAdvisor Recommendations, Investment Decisions

## 1. INTRODUCTION

A person decides not to spend all his current income, he is faced with an investment decision (Tandelilin, 2017). Investments are made for welfare, getting a more decent life in the future. In investing investors must understand the basic basis of investment decisions and how to organize investment decision process activities. The level of return on investment is the main reason people invest. In the capital market there is no denying that information is able to shape investor expectations, encourage investors in investment decision making, so that in making investment decisions, investors need information that is an important factor as the basis for determining investment options. From the information available, then it forms a decision-making model in the form of investment valuation criteria to allow investors to choose the best investment among the available investment alternatives.

Individual investors in Indonesia themselves tend to choose stocks based on speculative issues or rumors. This is because investors actually have access and response to existing information, but have a limited ability to process the information into a decision to choose the right stock. As a result, often decisions made by investors are speculative and onlyflow on rumors and outstanding issues, investor decisions are not always based on rational factors but also influenced by psychological factors (Sehgal and Singh, 2012; Murgea, 2008). Psychological factors can leave a significant impact on investor attitudes and behaviors i.e. when they are in a good mood, they become more optimistic in their investment valuation butwhen they are not, they become more pessimistic. So, in this research it is necessary to examine the influence of psychological factors on the behavior of individual investors, because it is very important in predicting the investment behavior of individual investors on the Indonesia Stock Exchange. This research is very important to determine the study and model of investment decision behavior of individual investors, because this research will test the influence of financial and non-financial information on the behavior of individual investors in North Sumatra in making investment decisions with the intention of investors as mediator and recommendations of financial advisors as moderator. The intentions of investors, the recommendations of financial advisors based on their belief in the information available, including financial information, non-financial information, assumptions used are conscious human behavior and always consider the implications of their actions (Ajzen and Fishbein, 1975).

Some of the thinking that underlies this research are various factors that can influence investors' decision to act in investment decision making such as, news, information, politics, risk, security, policy, rumors, external factors (global market), as well as consideration of market participants' confidence in making intentions to invest in stocks (Adhikara, 2013). Cognitive aspects in the form of information influences that can affect investors in investment decision making (Pompian, 2006) (Listyarti, 2014), (Shafi, 2014), (Masrurun, 2015), (Aroni, 2014). The use of non-financial information such as economic performance and sustainability, corporate governance information, social information and environmental management can influence investment decisions, (Farooq, 2015) (Ikbal, 2107), (Ghanavat 2016), (Gonzalez, 2017). Research on factors that affect the investment intentions of individual investors, shows that attitudes, subjective norms, and perceptions of behavioral control affect the investors

intentions in investing. (Ali, 2011), (Phan, 2014), (Njuguna, 2016), (Dewi, 2017), (Sondari, 2015), (Sang, 2018). Financial advisory recommendations influence investors' affective reactions in investment decision making, (Sultana, 2012) (Faries et al, 2014), (Shafi, 2014), (Calcagno, 2014), (Tauni, 2017), (Chen, 2017), (Lieber, 2018).

Individual investors are individuals who conduct investment activities, (Tandelilin, 2017), people who have funds to invest in the capital market, based on IDX data nationally the number of investors is increasing. (KSEI, 2018). Judging from the demographic profile of investors recorded most are investors aged 21-30 years around 46.14%. Individual SID is dominated by investors with male gender as much as 59.41%, jobs dominated by private employees 53.69% and education dominated by Bachelor Degree as much as 48.23%. This is an interesting question about investment decisions made by investors, what drives them to become investors at a young age and when viewed from education dominated by Bachelor Degree, what drives millennials to become investors. But there is one strange question, when viewed the number of retail investors who trade in July 2020 as many as 93,000 investors who experienced an increase from March 2020 as many as 51,000 investors. What makes them inactive. Do they not intend to revise the performance of their shares? or are they less responsive to changes in stock prices? Similarly, seeing the number of individual investors in North Sumatra greatly increased, in July 2020 the number of individual investors in North Sumatra increased from 41,093 in early 2019. The average investment transaction in North Sumatra per month is 3.7 T with an average per day of 200 Billion, this indicates that the higher the investor's intentions and the big question of what investors consider in deciding to invest and whether the influence of financial, non-financial information affects investor behavior in investment decision making as well as how much the influence between variables that investors consider in investment decision making so that it needs to be discussed and further researched about the influence of financial and non-financial information on the behavior of individual investors in North Sumatra in determining investment decisions with the intention of mediating and recommending financial advisors as moderator.

#### 2. LITERATURE REVIEW

The theories underlying this research are: Agency Theory, Theory of Reasoned Action, Signaling Theory, Asymmetry Information Theory and Prospect Theory. Theory of Reasoned Action (TRA), a theory of reasoned action explains behavior that changes based on the results of behavioural intentions, and behavioral intentions are influenced by social norms and individual attitudes towards behavior (Eagle, 2013).

Investment decision making is a process of selecting the best alternativesfrom a number of alternatives available under the influence of complex situations, Mahastanti (2011), Kusumawati (2013), Aren (2015), Bakara (2016), Young (2017), Pranyoto (2018), Abreu (2018) stated in the development of investment shows that financial behavior plays a role in investment decision making, demographic factors, economic factors and behavioral motivation into investor consideration before investing. Puspitaningtyas (2012) stated that investment decision making will be influenced by information received by investors and the level of understanding, knowledge of investors about investments. Investors in the investment decision making process consider accounting information, the information presented remains an important consideration in the investment decision making process. Quality accounting information is a consideration in investment decision making. (Anggraiawan, 2017).

Research on investment decision-making behavior influenced by various factors gives rise to different results in determining variables that are considered in investment decision making. Islam (2015) explores the factors investors consider in the Bangladescapital market. Ahmad (2017) tested factors against 30 variables that influenced investor behavior in the Pakistani capital market. Aduda (2012) tested the financial behavior and performance of individual investors in stock trading of companies listed on the Nairobi Stock Exchange, Kenya. Herding behavior by domestic investors following foreign investors in the Indonesian capital market, this occured due to asymmetry information between domestic investors and foreign investors. Riaz (2012) stated that Investor behavior depends on the way available information is presented to them and how much they tend to take risks whenmaking decisions thus playing an important role in determining an investor's investmentstyle.

Sultana (2012) identified 40 factors that influenced investor investment decisions in India, Kengataran (2014), Farooq (2015), Susilawaty (2018) stated that heuristic-like behavioral factors had a positive and significant effect on investment decision making. Tanusdjaja (2018) stated that competence, overconfidence and investor education influence investment decisions. Phan (2014), Septyanto (2013), Sondari (2015), Dewi (2017) explained that the investment intentions of individual investors are influenced by their attitude towards investment, subjective norms and perceived behavior control, Sang (2018) stated that the investment intentions of individual investors are influenced by investor knowledge of investments. Njuguna (2016) showed that subjective investment knowledge, compatibility of expected investment value, perceived behavioral control have a positive and statistically significant influence on the investment intentions of individuals. The expected sacrifice effecton the investment intentions of individual investors is positive but 5209

statistically insignificant.

Research conducted by Listyarti (2014) that tests the influence of financial information, macro environment, subjective norms on investor behavior in makinginvestment decisions in the Indonesian capital market. Patrick (2017) tested the Influence of Financial Information on investment decision making by bank shareholders in Nigerika. Ghanavat (2016) tested the effect of financial and nonfinancial variables on financial information and investment efficiency on Tehran exchanges. Aroni (2014) tested the Effect of Financial Information on investments in stocks by conducting a survey of retail investors in Kenya. The results of the research showed that the variable quality of financial information, intention has a significant positive influence on the decision to invest in stocks. Ikbal (2017) tested the need for non-financial information by investors, digged up information on how they use non-financial information in the framework of investment decisions. Supit (2014) stated that non-financial performance is needed and important in measuring the company's performance. Financial advisory recommendations influence investors' affective reactions in investment decision making. Lieber (2018) stated financial advice coming from peers, broadly defined as social groups that may include members of different ranks, seems to play an important role in charitable giving programs, but not in other outcomes. Lieber assessed a number of potential reasons for the different findings and provided suggestive evidence that the observability of individual choices was key. Chen (2017) stated that peer securities are more pronounced when companies have higher information excellence and the quality of peer company information disclosure, or if theyface stiffer competition. When companies are followers of the industry, young or have financial constraints, they are very sensitive to their partner companies. We also measure the economic consequences generated by peer effects, which can improve the company's performance in the coming period. Kerl and Walter (2007) explained that financial advisor recommendations influence the affective reaction of investors in investment decision making, Sultana (2012), Faries et al, (2014), Shafi (2014) identified the recommendations of financial advisors consisting of recommendations from brokers, family and friends as characteristic of internal pressures and external influences can influence investment decisions. Kelly et al, (2008) investors who were less experienced in investing relied on the results of the analysis of the wear advisory, the recommendations of the analysis made by financial advisers influence the investment decisions of investors.

#### 3. RESEARCH METHODOLOGY

To provide the level of homogeneity desired by respondents in this

research they are potential investors consisting of individual investors who have made investment decisions, have read investment analysis, have investment accounts, are in the cities of Medan, Tebing Tinggi and Deli Serdang, registered in the directory of individual investors as registered in the securities company in IDX North Sumatra region with the number of individual investors in July 2020 was 58,880 investors.

This research was to use Partial Least Square (PLS) analysis based on SEM application, where PLS was able to estimate large and complex models with hundreds of latent variables and thousands of indicators, at least 30 > samples can be used (Falk and Miller, 1992). It recommends that the sample size should be 100 or larger. As a general rule the minimum sample count is at least five times more than the number of question items analysed (Hair et al, 2014), the minimum sample size guide in SEM-PLS analysis is equal to or greater than the condition (Hair, 2013). The number of variable indicators formed for the research design is 38 so the minimum number of samples in this research is  $38 \times 5 = 190$  people. The data collection in this research was primary data derived from questionnaire answers distributed to individual investors. The instruments in this research was to use guestionnaire data with size techniques used, namely The Likert Scale technique (Sugiyono, 2016). Questionnaire distribution was done by sending questionnaires and or delivering directly to respondents. For postal delivery it was prepared envelopes and the returns were provided replied stamps, while for questionnaires delivered directly it would be taken at the agreed time. This data would be analysed with a quantitative approach using statistical analysis.

#### 4. **RESULTS**

#### 4.1 Descriptive Analysis

Descriptive analysis is used to describe the characteristics of respondents and researchvariables. Investors who filled out answers in questionnaires through google form, filled directly and via post numbered 240 people, the data analyzed amounted to 240 respondents. This research used descriptive analysis of independent variables and their dependents which further classified the total score of respondents. From the number of respondents' answer scores obtained then compiled the assessment criteria for each statement item. The analysis stage is carried out up to the scoring and index, where the score was the sum of themultiplication results of each value weight (1 to 7) frequency. In the next stage the index was calculated by the mean method, which was to divide the total score by the number of respondents. The index figures show the unity of the responses of all respondents as research variables. The score range is taken from the highest value subtracted by the lowest value

divided by the number of values (Score Range =  $\frac{7-1}{2}$  = 0.9). (Sugiyono, 5211





Figure 4.1 Research Model

Data analysis used was Structural Equation Modeling-Partial Least Squares (SEM- PLS) using SmartPLS software. The validity of convergence is part of the measurementmodel which in SEM-PLS is usually referred to as outer model while in covariance-based SEM is called confirmatory factor analysis (CFA) (Mahfud and Ratmono, 2013:64). Thereare two criteria for assessing whether an outer model meets the requirements of convergent validity for reflective constructs, i.e. (1) loading must be above 0.7 and (2) a significant p value (<0.05). (Hair, 2013), (Mahfud and Ratmono, 2013:65)

Stateme	IK	INK	KI	NI	RPK
nt	(X1)	(X2)	(Y2)	(Y1)	( <b>M</b> )
	0.88				
IK1	5				
	0.85				
IK2	6				
	0.84				
IK3	9				
	0.87				
IK4	6				
	0.90				
IK5	3				
	0.91				
IK6	1				
	0.92				
IK7	7				
	0.89				
IK8	1				

	0.91			
IK9	7			
	0.93			
IK10	3			
	0.90			
IK11	8			
	0.93			
IK12	7			
	0.91			
IK13	0			
INK1		0.904		
INK2		0.923		
INK3		0.942		
INK4		0.869		
INK5		0.904		
INK6		0.932		
INK7		0.946		

**Table 4.1** Validity Testing by Loading Factors

INK8	0.927		
INK9	0.919		
INK10	0.943		
INK11	0.943		
INK12	0.922		
INK13	0.952		
INK14	0.943		
INK15	0.936		
INK16	0.953		
INK17	0.908		
INK18	0.957		
INK19	0.918		
INK20	0.943		
INK21	0.952		
INK22	0.921		
KI1		0.926	
KI2		0.919	
KI3		0.916	
KI4		0.878	
KI5		0.931	
KI6		0.915	
KI7		0.934	
KI8		0.926	
KI9		0.939	
KI10		0.928	
KI11		0.944	
KI12		0.911	

KI13	0.889		
KI14	0.789		
KI15	0.812		
KI16	0.901		
KI17	0.892		
KI18	0.885		
NI1		0.927	
NI2		0.932	
NI3		0.957	
NI4		0.951	
NI5		0.959	
NI6		0.962	
NI7		0.939	
RPK1			0.930
RPK2			0.942
RPK3			0.946
RPK4			0.949
RPK5			0.966
RPK6			0.953
RPK7			0.952
RPK8			0.962
RPK9			0.958
RPK10			0.957
RPK11			0.954
RPK12			0.950

Source: Research Data (2020)

Based on the loading factor validity test in Table 4.1 the entire outer loading value > 0.7, which means it had qualified validity based on the loading value. Means all indicators met convergent validity or all construct indicators were valid.

Table 4.2 Validity Testing by Average Variance Extracted (AVE)	Table 4.2 Validity	y Testing by	Average	Variance	Extracted	(AVE)
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Construct	Average Variance Extracted (AVE)
Financial Information	0.811
Non-Financial Information	0.865
Investment Decision	0.815
Investor's Intention	0.897
Financial Advisor Recommendation	0.905

Source: Research Data Processing Results (2020)

The recommended AVE value is above 0.5 (Mahfud and Ratmono, 2013:67). It was known that the entire AVE value > 0.5, which meant it had qualified for validity under AVE. Furthermore, reliability testing was conducted based on composite reliability (CR) value.

## Table 4.3 Reliability Testing by Composite Reliability (CR)

Construct	Composite Reliability
Financial Information	0.982
Non-Financial Information	0.993
Investment Decision	0.988
Investor's Intention	0.984
Financial Advisor Recommendation	0.991

Source: Research Data Processing Results (2020)

The recommended composite reliability value is above 0.7 (Mahfud and Ratmono, 2013:67). It was known that all composite reliability values > 0.7, which meant it had qualified reliability based on composite reliability. Furthermore, reliability testing was conducted based on cronbach's alpha (CA) value.

## Table 4.4 Reliability Testing based on Cronbach's Alpha (CA)

Construct	Cronbach's Alpha
Financial Information	0.981
Non-Financial Information	0.993
Investment Decision	0.987
Investor's Intention	0.981

Financial Advisor Recommendation
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0.991

Source: Research Data Processing Results (2020

Construct	Financial	Non-Financial	Investment	Investor's	Financial Advisor
	Information	Information	Decision	Intention	Recommendation
Financial	0.901				
Information					
Non-Financial	0.598	0.930			
Information					
Investment	0.673	0.695	0.903		
Decision					
Investor's	0.635	0.687	0.760	0.947	
Intention					
Financial	0.509	0.528	0.654	0.612	0.952
Advisor					
Recommendatio					
n					

## Table 4.5 Discriminant Validity Testing

Source: Research Data Processing Results (2020)

In discriminant validity testing, the AVE square root value of a latent variable, compared to the correlation value between that latent variable and another latent variable. The known AVE square root value of each latent variable was greater than the correlation value between that latent variable and other latent variables. So, it was concluded that it had qualified the validity of the discriminant.

## 4.2 Significance Test of Direct Effect

In the table below are presented the results of the coefficient of the path as well as the significance test of direct effect

	Original Sample (O)	Sample Mean (M)	Standar d Deviati on (STDEV)	T Statisti cs ( O/STDEV )	P Values
Financial Information (X1) -> investment decision(Y2)	0.251	0.250	0.087	2.869	0.004

## Table 4.6 Path Coefficient and P-Value Values (Direct Effect Significance Testing)

Financial Information (X1) -> Investor's Intentions(Y1)	0.349	0.349	0.121	2.893	0.004
Non-Financial Information	0.250	0.248	0.097	2.572	0.010

(X2) -> investment					
decision (Y2)					
Non-Financial					
Information(X2) ->	0.478	0.474	0.120	3.964	0.000
Investor's Intention					
(Y1)					
Investment Intention					
(Y1) -	0.430	0.428	0.110	3.921	0.000
> Investment					
Decision(Y2)					

Source: Research Data Processing Results (2020) Based on the results in Table 4.6 obtained results:

- Financial Information (X1) positively influenced investor's intentions (Y1) with accefficient of 0.349 and significant with a P-Values value of 0.004 < 0.05.</li>
- Non-Financial Information (X2) positively influenced investor's intentions (Y1) with accefficient of 0.478 and significant with a P-Values value of 0.000 < 0.05.</li>
- Financial Information (X1) positively influenced the Investment Decision (Y2) with accefficient of 0.251 and significant with a P-Values value of 0.000 < 0.05.</li>
- Non-Financial Information (X2) positively influenced the Investment Decision (Y2)with a coefficient of 0.250 and significant with a P-Values value of 0.010 < 0.05.</li>
- Investor's Intention (Y1) positively influenced the Investment Decision (Y2) with accefficient value of 0.430 and significant with a P-Values value of 0.000 < 0.05.</li>

To see the coefficient of determination below is presented the result of the valueof the coefficient of determination (r-square).

 Table 4.7 Determination Coefficient Values

Latent Dependent Variables	R Square	R Square Adjusted
Investment Decision (Y2)	0.669	0.665

Investor's Intention (Y1)	0.550	0.546

Source: Research Data Processing Results (2020)

Based on Table 4.7, it is known:

- The coefficient of determination for latent variable Investor Intention (Y1) was 0.550, which means Financial Information (X1) and Non-Financial Information (X2) were able to influence Investor's Intention (Y1) by 55%.
- The coefficient of determination for latent variables of Investment Decision (Y2) was 0.669, which means Financial Information (X1), Non-Financial Information (X2) and Investor Intention (Y1) were able to influence Investment Decisions (Y2) by 66.9%.

Structural models were evaluated using R-square for dependent constructs, with criteriaR2 of 0.67; 0,33; and 0.19 which identified that the model was good, moderate and weak.

## 4.3 Indirect Effect Significance Test

Below are presented the results of the coefficient of the path as well as the test of thesignificance of indirect direct influence.

	Original Sample (O)	Sample Mean (M)	Standar d Deviati on (STDEV)	T Statisti cs ( O/STDEV )	P Values
Financial Information (X1) - >Investor's Intention (Y1) - > Investment Decision (Y2)	0.150	0.153	0.070	2.148	0.032
Non-Financial Information (X2) -> Investor's Intention (Y1) - >Investment Decision (Y2)	0.205	0.204	0.075	2.741	0.006

# Table 4.8 Path Coefficient and P-Value Values (Testing of Indirect DirectInfluence Significance)

Source: Research Data Processing Results (2020)

Based on the results in Table 4.8 obtained results:

 The indirect influence of Financial Information (X1) on Investment Decisions (Y2), through Investor's Intention (Y1) amounted to 0.150 and was significant with a P- Values value of 0.032 < 0.05. In other</li> words, investor intentions (Y1) significantly mediate the relationship between Financial Information (X1) and Investment Decisions (Y2).

 The indirect effect of Non-Financial Information (X2) on Investment Decisions (Y2), through Investor's Intention (Y1) amounted to 0.205 and was significant with a P- Values value of 0.006 < 0.05. In other words, Investor's Intention (Y1) significantly mediates the relationship between Non-Financial Information (X2) and Investment Decisions (Y2).

## 4.4 Moderation Testing

Furthermore, moderation testing was conducted, which was to test whether the Recommendation of Financial Advisors (M) was significant in moderating the influence of Financial Information (X1), Non-Financial Information (X2) on Investor's Intentions (Y1). Table 4.9 presented the test results of the Financial Advisor Recommendations (M) in moderating the influence of Financial Information (X1) on Investor's Intentions (Y1).

Table 4.9 Testing of Financial Advisor Recommendations (M) in	ı
Moderating the Influence of Financial Information (X1) on Investor's	5
Intentions (Y1)	

	Original Sample (O)	Sample Mea n (M)	Standard Deviati on (STDEV)	T Statisti cs ( O/STDEV )	P Values
Financial Information $(X1) - >$	0 342	0 335	0 107	3 197	0.001
Investor's	0.542	0.555	0.107	5.157	0.001
Intentions (Y1)					
Financial Advisor Recommendations	0.363	0.361	0.087	4,170	0.000
(M) -	0.000	0.001	0.007		0.000
> Investor's Intentions (Y1)					
Financial Information(X1)					
Financial	-0.123	-0.128	0.067	1.827	0.068
Advisor Recommendation (M)					
InvestorIntention (Y1) -> Investor's					
Intention (Y1)					

Source: Research Data Processing Results (2020)

Based on the results of moderation testing in Table 4.9, it was known that the value of P-Values X1MY1 -> investor's intention (Y1) was 0.068 > 0.05, so the Recommendation of Financial Advisors (M) was not significant in moderating the influence of Financial Information (X1) on Investor's Intention (Y1). Table 4.10 presented the test results of the Financial Advisor Recommendations (M) in moderating the influence of Non-Financial Information (X2) onInvestor's Intention (Y1).

	Original Sample (O)	Sample Mea n (M)	Standard Deviati on (STDEV)	T Statisti cs ( O/STDEV )	P Values
Non-Financial Information (X2) ->	0.395	0.393	0.109	3.615	0.000
Investor's Intention (Y1)					
Financial Advisor	0 21 2	0 200	0 079	2 0 9 4	0.000
Recommendations (M) -	0.312	0.309	0.078	3.984	0.000
> Investor's Intentions(Y1)					
Non-Financial Information (X2)					
Recommendations of Financial					
Advisors (M)Investor Intentions	-0.131	-0.134	0.070	1.870	0.062
(Y1) -> Investor's					
Intentions (Y1)					

Table 4.10 Testing of Financial Advisor Recommendations (M) in Moderating the Influence of Non-Financial Information (X2) on Investor's Intentions (Y1)

Source: Research Data Processing Results (2020)

Based on the results of moderation testing in Table 4.10, it was known that the value of P-Values of Non-Financial Information (X2) recommendations of Financial Advisors (M) of Investment Decisions (Y1) -> NI (Y1) was 0.062 > 0.05, so the Recommendation of Financial Advisors (M) was not significant in moderating the influence of Non-Financial Information (X2) on Investor Intentions (Y1).

#### 5. CONCLUSIONS

Based on the analysis of the results of data processing and related to theory, it can be concluded in this research as follows:

- 1. Financial information positively affected investor's intentions, financial information available in the market, quality, easy to understand, can be checked and able to give predictions on the intention to own reputable shares, revision of shares owned, responsive to price changes.
- Non-financial information positively affected investor's intentions, non-financial information in the form of GCG reports, corporate social care, corporate ethics, company reputation, honesty in conducting business, product quality affected the intention of owning reputable shares, revises shares owned, and responsiveto changes in share prices.
- Financial information positively affected investment decisions, financial information that was easy to understand, clear, reliable, relevant, audited, contained historical stock prices, influenced investors' investment decisions in predicting investment returns,

investment experience, investment insights, preferences for risk, stock return and stock volume trading.

- 4. Non-financial information positively affected investment decisions, that non-financial information in the form of GCG reports, corporate social care, corporate ethics, company reputation, honesty in conducting business, product quality affects investments, was used by investors in determining investment decisions that indicated that non-financial information influenced in predicting investment returns, investment experience, investment insights, preferences for risk, return on invested shares and trading volume of shares.
- 5. Investor's intentions had a positive effect on investment decision, for investment decision making that of course running an investor's investment must have a strong intention and commitment in themselves. This is a trigger for how investors will try their best to be able to make the chosen investment decisions, committed to themselves of course the sense of responsibility will be more pronounced in investing. The intention to revise the shares as a desire to improve the performance of the stock and high returns, and some who do not want to revise because the shares owned still have good results and still provide profit.
- 6. Financial advisor recommendations were insignificant in moderating the influence of financial information on the investor's intentions, the investor was confident in the ability from within him to analyze and study the information available in the market that although one side there was also an investor relies on the results of analysis that is in the media. Financial advisory recommendations are not of concern to investors as information from financial advisorrecommendations is not updated.
- 7. Financial advisor recommendations were insignificant in moderating the influence of non-financial information on investor's intentions, financial advisor recommendations are not a concern or in other words financial advisor recommendations are not able to clarify the influence of non-financialinformation on the investment intentions of individual investors in North Sumatra
- 8. There was an indirect influence of financial information on investment decisions, through investor's intentions. In other words, significant investor intentions mediate the relationship between financial information and investment decisions. Intentions in the form of the desire to own reputable shares, revise the shares owned, responsive to price changes appear as a result of the latest information circulating in the market, and this information is devoted to the consideration to make investment decisions of investors in predicting investment results, investment experience, investment insights, preferences for risk, stock return and stock volume trading.
- 9. The indirect influence of non-financial information on investment

decisions through investor's intentions. In other words, significant investor intentions mediate the relationship between non-financial information and investment decisions. The intention in the form of the desire to own reputable shares, revise the shares owned, responsive to price changes arises as a result of the efforts of investors to seek non-financial information in choosing decisions on their investments.

10. Individual investors in North Sumatra are rational investors, because the actions taken in choosing stocks and determining their portfolios expect a high return and avoid risk (minimize risk).

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