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# The Influence of Investment Experience, Risk Tolerance, Overconfidence, and Financial Literacy on Investment Decisions in Purchasing Gold through Pegadaian's Online Platform in Jakarta

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### Abstract

*This study aims to analyze the influence of investment experience, risk tolerance, overconfidence, and financial literacy on gold investment decisions through Pegadaian's digital platform in Jakarta. The study used a quantitative approach with a survey method. Data were collected through an online questionnaire from 240 respondents residing in the Jakarta area and experienced in online gold investment. Data analysis was conducted using the Partial Least Squares (PLS) method.*

*The results indicate that investment experience, risk tolerance, overconfidence, and financial literacy have a positive and significant influence on gold investment decisions. These findings suggest that psychological and cognitive factors play a significant role in determining gold investment decisions in the digital era. This research is expected to provide theoretical contributions to the study of investment behavior and provide practical considerations for Pegadaian in developing digital gold investment services.*

**Index Terms-** Investment Decisions, Gold Investment, Investment Experience, Risk Tolerance, Overconfidence, Financial Literacy

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## INTRODUCTION

Gold has long been recognized as one of the most favored investment instruments among Indonesian society, primarily due to its relative stability and resilience during periods of economic uncertainty. Unlike other assets that are highly sensitive to global economic fluctuations, gold is often regarded as a safe haven or hedging asset during financial crises. This tendency is reflected in long-term gold price data, which consistently show an upward trend. Based on data from PT Aneka Tambang (Antam), gold prices increased by 60.7% over the past five years, rising from IDR 670,000 per gram in May 2018 to IDR 1,077,000 per gram in May 2023 (Databoks, 2023). Although gold prices experienced temporary declines, such as during the early stages of the COVID-19 pandemic, overall growth remained positive, reinforcing gold's position as a secure and profitable long-term investment.

This trend is further supported by projections from the World Bank's Commodity Markets Outlook (April 2023 edition), which estimated that global gold prices would average USD 1,900 per troy ounce in 2023. This projection was driven by

several factors, including the weakening of the US dollar, persistently high inflation, and prolonged geopolitical conflicts such as the Russia-Ukraine war. Such global uncertainty has encouraged investors to seek stable assets, with gold remaining a primary choice due to its resilience against macroeconomic pressures.

Geopolitical developments also play a significant role in influencing gold prices. In June 2025, gold prices surged sharply following Israel's military strikes against Iran, which escalated political tensions in the Middle East. At that time, spot gold prices rose to USD 3,428.10 per ounce, or approximately IDR 55.79 million, approaching record-high levels (Reuters, 2025). According to Oanda analyst Kelvin Wong, this surge was driven by increased political risk premiums, prompting global investors to shift their portfolios toward safer assets such as gold. Precious metals are widely perceived as assets that retain value even amid conflict or financial crises (Gold Market France, 2025).

This price surge also had a direct impact on domestic investor behavior in Indonesia. During the period of April 9–11, 2025, Pegadaian Galeri 24 recorded sales of 170.8 kg of gold bullion and 4.2 kg of gold jewelry, with demand increasing up



to threefold compared to normal days. The most popular sizes ranged from 5 grams to 100 grams, with total transaction values estimated at IDR 307.44 billion over three days, based on an average price assumption of IDR 1.8 million per gram (CNBC Indonesia, 2025). This phenomenon confirms that Indonesian society increasingly perceives gold as a safe asset, even for short-term investment, amid both global and domestic uncertainty.

At the national level, PT Pegadaian plays a crucial role in democratizing access to gold investment. After becoming part of the Ultra Micro Holding alongside PT Bank Rakyat Indonesia (Persero) Tbk and PT Permodalan Nasional Madani (PNM), Pegadaian demonstrated strong performance. In 2021, the company recorded a net profit of IDR 2.43 trillion, representing a 19.99% year-on-year increase, despite declining revenue (Databoks, 2022). Pegadaian has expanded beyond traditional pawn services by facilitating digital gold purchases through its Tabungan Emas feature. Through the Pegadaian Digital application, individuals can purchase gold starting from as little as 0.01 grams (approximately IDR 10,000) with an affordable annual fee of only IDR 30,000. This service allows users to save gold on a daily, weekly, or monthly basis and to liquidate or pawn their gold when emergency funds are needed. Such innovation enhances financial inclusion and enables individuals from diverse economic backgrounds to participate in secure and flexible investment opportunities (Pegadaian, 2025).

In the regional context, DKI Jakarta represents a highly relevant area for examining gold investment behavior through Pegadaian. According to Statistics Indonesia (BPS), as of November 7, 2022, the average monthly wage of workers in DKI Jakarta reached IDR 5.25 million, reflecting a year-on-year increase of 30.46% and positioning Jakarta as the province with the highest average wages in Indonesia. This increase indicates strong purchasing power and investment potential among Jakarta residents, particularly for instruments such as gold. This condition aligns with Pegadaian's continued expansion of digital services in urban areas, where access to technology and digital literacy levels are relatively higher.

Nevertheless, gold investment decisions are not solely influenced by external factors such as economic volatility or rising income levels, but also by internal individual characteristics. Variables such as investment experience, risk tolerance, overconfidence, and financial literacy play essential roles in shaping investment decision-making processes. Individuals with greater investment experience tend to develop more structured strategies and are better able to objectively assess risks. Risk tolerance determines the extent to which individuals are willing to make investment decisions under uncertainty. Meanwhile, overconfidence may lead individuals to rely on intuition or personal assumptions rather than rational analysis. Financial literacy provides foundational knowledge of financial concepts, risk management, and investment products, enabling individuals to make more informed and prudent decisions.

The development of Pegadaian's digital services and the growing public interest in gold investment indicate a shift in investment decision-making patterns. This shift is influenced not only by market dynamics or macroeconomic conditions, but also by individual factors such as experience, risk attitudes, overconfidence, and financial literacy. The accessibility of Pegadaian's Tabungan Emas through digital platforms makes gold investment more inclusive and flexible, encouraging participation from both novice and experienced investors.

Investment experience reflects an individual's level of prior involvement in investment activities. Experienced investors tend to exhibit higher confidence, better market awareness, and stronger portfolio management skills. Ferdiansyah and Kustiandi (2025) argue that experience strengthens perceptions of risk and opportunity, leading investors to act more rationally and selectively. Moreover, investment experience may mediate the effect of financial literacy on investment decisions, meaning that financial knowledge becomes more meaningful when accompanied by real market experience.

Risk tolerance refers to an individual's willingness to accept potential losses arising from investment decisions. Each individual possesses a different level of risk tolerance, influenced by factors such as age, income, financial goals, and educational background (Isu et al., 2024). Individuals with high risk tolerance are generally more willing to accept higher risks for greater returns, whereas those with low risk tolerance prefer conservative approaches. Even though gold is commonly regarded as a safe-haven asset, investors must still tolerate short-term price fluctuations.

Overconfidence is a psychological condition in which individuals exhibit excessive confidence in their investment decision-making abilities. Overconfident investors tend to underestimate risks, ignore relevant information, and overestimate their predictive capabilities. Wijaya and Setiawati (2021) find that overconfidence significantly influences investment decisions by encouraging impulsive behavior without thorough analysis. In the dynamic gold market, overconfidence can function as a double-edged sword—providing decisiveness while simultaneously increasing the risk of poor investment choices.

Financial literacy refers to an individual's ability to understand basic financial concepts, risks, and financial management strategies. Seraj et al. (2022) emphasize that financial literacy enables individuals to interpret investment information accurately, assess risks and returns, and avoid cognitive biases such as overconfidence. Individuals with higher financial literacy are better equipped to design long-term investment strategies, diversify portfolios, and understand investment products such as Pegadaian's gold savings. In the era of financial digitalization, financial literacy becomes increasingly critical to ensure safe and efficient use of technology.

Investment decisions represent actions taken by individuals when allocating funds to specific instruments with the

expectation of future returns. These decisions are influenced by both rational and psychological factors. Ferdiansyah and Kustiandi (2025) state that investment experience and financial literacy directly affect investment decisions, while risk tolerance and overconfidence may strengthen or weaken the decision-making process. In the context of Pegadaian, decisions to purchase gold result from complex considerations involving these factors.

Therefore, a theoretical understanding of investment experience, risk tolerance, overconfidence, and financial literacy is essential in analyzing investor behavior, particularly in gold purchases through Pegadaian. The presence of digital services such as Tabungan Emas enhances accessibility to gold investment in a practical and affordable manner. Accordingly, this study aims to examine the relationships between individual factors and investment decisions within the context of digital financial services, contributing to both academic literature and the advancement of inclusive finance practices in Indonesia.

## IDENTIFY, RESEARCH AND COLLECT IDEA

The identification, research, and collection of ideas represent the fundamental preliminary stage of this research. At this stage, the researcher conducted a comprehensive conceptual exploration to ensure the relevance, feasibility, and originality of the study topic, namely investment decision-making in gold purchases through Pegadaian's digital platform. This process began with an extensive review of previously published studies addressing investment experience, risk tolerance, overconfidence, financial literacy, and investment decisions in both traditional and digital financial contexts (Perayunda & Mahyuni, 2022; Wijaya & Setiawati, 2021; Seraj et al., 2022; Ferdiansyah & Kustiandi, 2025).

In addition, the researcher conducted systematic online searches through academic databases, journal repositories, and reputable financial and economic publications to identify current trends, empirical findings, and theoretical frameworks related to digital gold investment and investor behavior. These activities helped refine the research gap and confirm the novelty of focusing on gold investment decisions through Pegadaian's online services, particularly in the Jakarta region.

Further insights were obtained by examining discussions, reports, and proceedings from conferences, workshops, and symposiums related to behavioral finance, financial technology (fintech), and financial inclusion. These sources highlighted the growing relevance of psychological and experiential factors in digital investment behavior, especially in emerging markets. To ensure conceptual clarity, the researcher also examined and clarified key scientific terms and constructs relevant to the study, including investment experience, risk tolerance, overconfidence, financial literacy, and investment decision-making, based on established definitions in prior literature (Aristiwati & Hidayatullah, 2021; Isu et al., 2024; Selviana et al., 2024).

## WRITE DOWN YOUR STUDIES AND FINDINGS

### 4.1 Data Description

This study involved 246 respondents who met the research criteria and completed the questionnaire. The demographic profile indicates that respondents were predominantly female, within the productive age group of 26–35 years, mostly married, and generally held a bachelor's degree. In terms of employment, respondents were largely private-sector employees or not yet employed, with most earning a monthly income between IDR 5,000,000 and IDR 10,000,000.

Cross-tabulation analysis reveals meaningful demographic patterns. Married respondents were dominated by females, while unmarried respondents were largely male. Higher education levels were associated with employment as private employees or entrepreneurs, indicating a link between educational attainment and occupational status. Furthermore, income levels tended to increase with age, peaking in the middle-age groups, reflecting greater financial stability during productive working years. Overall, the respondent profile represents economically active individuals who are relevant to the context of online gold investment through Pegadaian.

### 4.2 Descriptive Analysis of Research Variables

#### 4.2.1 Investment Decision

The descriptive analysis shows that respondents generally demonstrate a strong inclination toward investing in gold through Pegadaian's online platform. Most respondents agreed that gold investment is a priority in their financial planning, motivated primarily by financial objectives such as returns and long-term value preservation. Respondents also indicated consistent monthly investment behavior, reliance on economic and financial data, and extensive use of internet-based information sources.

However, the findings also reveal a degree of emotional and intuitive decision-making, as some respondents admitted to making investment decisions based on personal beliefs or feelings. This suggests that while investment decisions are largely rational, behavioral elements still play a role.

#### 4.2.2 Investment Experience

Respondents generally reported adequate investment experience, particularly in analyzing risk, seeking market information, and developing investment strategies. Many respondents acknowledged having experienced losses due to insufficient planning or diversification, which subsequently influenced their future financial planning. This indicates that experiential learning plays a significant role in shaping more cautious and structured investment behavior over time.

#### 4.2.3 Risk Tolerance

The results indicate that respondents possess a moderate to high level of risk tolerance. While many are willing to accept higher risks for greater returns, respondents still emphasize risk–return balance and long-term investment objectives. Gold is perceived as a relatively safe instrument, and respondents tend to avoid extreme price volatility. This reflects a rational risk attitude where respondents seek returns while maintaining financial security.

#### 4.2.4 Overconfidence

The overconfidence variable shows that respondents exhibit a relatively high level of confidence influenced by investment influencers. Many respondents rely heavily on influencer recommendations, often without conducting independent analysis. Herd behavior is evident, as confidence increases when others follow the same influencers. This condition may lead to biased decision-making and potential underestimation of investment risks.

#### 4.2.5 Financial Literacy

Overall, respondents demonstrate good financial literacy, particularly regarding gold as an inflation-resistant investment, timing strategies, and the use of market data. Respondents are generally confident in adjusting investment strategies to their personal financial conditions and maintaining consistency despite market fluctuations or external advice. This level of literacy supports more informed and rational investment decisions.

#### 4.3 Validity and Reliability Testing

The measurement model evaluation confirms that all indicators meet convergent validity criteria, with standardized loading factors exceeding the recommended threshold of 0.70. This indicates that each indicator accurately represents its respective construct. Additionally, the constructs meet discriminant validity requirements, as the square root of AVE values exceeds inter-construct correlations, confirming that each variable is empirically distinct.

Overall, the results demonstrate that investment experience, risk tolerance, overconfidence, and financial literacy are well-measured constructs and provide a solid foundation for subsequent structural model analysis and hypothesis testing.

In this approach combine all your researched information in form of a journal or research paper. In this researcher can take the reference of already accomplished work as a starting building block of its paper.

#### 4.4 Structural Model (Inner Model) Evaluation

Evaluation of the structural (inner) model was conducted to examine the relationships between investment experience, risk tolerance, overconfidence, financial literacy, and investment decision in online gold purchases through Pegadaian. The assessment focused on the coefficient of determination ( $R^2$ ), path coefficients, and hypothesis testing using the bootstrapping procedure in SEM-PLS.

##### 4.4.1 Coefficient of Determination ( $R^2$ )

The coefficient of determination ( $R^2$ ) was used to measure the model's predictive power on the endogenous variable, namely investment decision. The  $R^2$  value indicates the proportion of variance in investment decision explained by investment experience, risk tolerance, overconfidence, and financial literacy.

The results show that the  $R^2$  value for the investment decision variable falls within the moderate to substantial category, indicating that the proposed model has adequate explanatory power. This implies that the four exogenous variables

collectively play an important role in explaining respondents' investment decisions in online gold products.

##### 4.4.2 Path Coefficient Analysis

Path coefficients were analyzed to determine the direction and strength of the relationships between variables. A positive path coefficient indicates that an increase in the independent variable leads to an increase in investment decision, while a negative coefficient indicates the opposite.

The analysis reveals that:

Investment experience has a positive effect on investment decision, suggesting that respondents with more experience tend to make more confident and structured investment choices.

Risk tolerance positively influences investment decision, indicating that individuals who are more willing to accept risk are more inclined to invest in gold through online platforms.

Overconfidence also shows a positive effect, implying that higher self-confidence—often reinforced by influencer recommendations—encourages respondents to engage in gold investment, although this may increase behavioral bias.

Financial literacy has a positive and significant influence on investment decision, demonstrating that better understanding of financial concepts leads to more rational and consistent investment behavior.

##### 4.4.3 Hypothesis Testing

Hypothesis testing was conducted using the bootstrapping method with a significance level of 5%. A hypothesis is considered supported if the t-statistic exceeds 1.96 and the p-value is less than 0.05.

The results indicate that:

H1: Investment experience has a significant positive effect on investment decision.

H2: Risk tolerance has a significant positive effect on investment decision.

H3: Overconfidence has a significant positive effect on investment decision.

H4: Financial literacy has a significant positive effect on investment decision.

Thus, all proposed hypotheses in this study are empirically supported, confirming that both rational factors (investment experience, risk tolerance, and financial literacy) and behavioral factors (overconfidence) significantly influence investment decisions in online gold purchases.

##### 4.4.4 Discussion of Findings

The findings confirm that investment decision-making is a multidimensional process influenced by cognitive, experiential, and behavioral aspects. Financial literacy and investment experience enhance rational evaluation and risk management, while risk tolerance reflects individual preferences toward uncertainty. Meanwhile, overconfidence—largely driven by social media influencers—plays a substantial role in shaping investor behavior, highlighting the relevance of behavioral finance in digital investment contexts.

These results support behavioral finance theory, which suggests that investment decisions are not purely rational but are also shaped by psychological biases and social influences. In the context of Pegadaian's online gold platform, both financial competence and behavioral tendencies jointly determine investor participation.

#### 4.6 Discussion

##### a. Investment Experience and Investment Decision

The first hypothesis proposes that investment experience influences investment decisions. The results of this study confirm that investment experience has a positive and significant effect on investment decisions, indicating that individuals with prior investment experience are better able to evaluate market conditions and assess risks before purchasing gold. Experience enables investors to learn from past mistakes, understand gold price fluctuations, and identify appropriate timing for investment decisions. These findings are consistent with Sani and Paramita (2024), who argue that investment experience shapes rational thinking patterns and enhances decision-making quality.

Experienced investors are less affected by short-term market volatility and tend to make more strategic and long-term-oriented decisions.

This result is also supported by Mandagie, Febrianti, and Fujianti (2020), who found that investors with prior experience are more capable of understanding risk levels and potential returns of selected investment instruments. Such investors tend to allocate funds more proportionally and determine optimal entry and exit timing. This indicates that investment experience not only encourages more cautious behavior but also strengthens managerial skills in financial resource management.

Furthermore, Ramadhani and Luthan (2023) explain that greater investment experience improves investors' understanding of the risk–return trade-off. Experienced investors are better equipped to evaluate potential gains and losses and develop stronger self-confidence when facing market volatility. This experience also facilitates more effective risk mitigation strategies based on previously encountered market conditions.

From a practical perspective, Niswah and Cahya (2023) emphasize that investment experience functions as a learning mechanism that enhances decision-making competence. Investors with transaction histories tend to have deeper insights into market mechanisms, price dynamics, and economic indicators affecting investment performance. Consequently, they are more adaptive to changing macroeconomic conditions.

These findings have important managerial implications. Investment service providers such as Pegadaian can develop experience-based learning programs, including investment simulations, investor communities, and case-based training, to accelerate learning for novice investors. In addition, providing portfolio evaluation and analytical features within digital platforms can help investors reflect on past decisions, learn

from errors, and formulate more rational investment strategies. Such initiatives can foster an educational and sustainable investment ecosystem while strengthening customer loyalty.

##### b. Risk Tolerance and Investment Decision

The second hypothesis examines the effect of risk tolerance on investment decisions. The findings demonstrate that risk tolerance has a positive and significant influence on investment decisions. Investors with higher risk tolerance tend to adopt a long-term perspective on gold as a relatively stable asset. They are less prone to panic during price declines and remain focused on long-term value appreciation. This result aligns with Alivia and Nadhifah (2024), who suggest that individuals with greater risk tolerance exhibit more rational investment management, reflecting not merely courage but also maturity in dealing with market uncertainty.

Hidayat and Pamungkas (2022) further explain that investors with high risk tolerance view gold not only as a safe asset but also as part of a portfolio diversification strategy. They are more likely to retain gold holdings despite temporary price declines, unlike risk-averse investors who prioritize security and are more inclined to sell assets prematurely during market fluctuations.

Similarly, Hafidh and Cindiyasari (2024) found that among students, risk tolerance influences the type of gold investment chosen. High-risk-tolerance individuals are more open to digital gold or fintech-based platforms despite technical risks, whereas risk-averse investors prefer physical gold due to its tangible and perceived safety characteristics.

Novitasari et al. (2024) emphasize that risk tolerance reflects investors' readiness to accept short-term losses in pursuit of long-term gains. This is particularly relevant for gold investment, as gold prices are affected by external factors such as interest rates, currency movements, and geopolitical tensions.

From an organizational perspective, these findings suggest that investment providers should implement risk-profile-based education programs, including training and digital content on risk management and portfolio diversification. Moreover, integrating risk profiling and personalized product recommendations into investment applications can improve decision-making accuracy, consumer trust, and satisfaction. Segment-based marketing strategies tailored to different risk profiles can further enhance customer engagement and market competitiveness.

##### c. Overconfidence and Investment Decision

The third hypothesis states that overconfidence affects investment decisions. The results indicate that overconfidence has a positive and significant effect on investment decisions. Investors with high self-confidence tend to be more active in making gold investment decisions. While this confidence can encourage investment participation, excessive overconfidence may lead to less cautious decision-making. This finding supports Thesman and Wahyudi (2024), who argue that

overconfidence increases investment activity but also introduces bias due to excessive reliance on personal intuition.

Aristiwati and Hidayatullah (2021) note that overconfident investors often underestimate risks and believe their decisions will consistently yield profits, including in gold investments. Although gold is commonly perceived as a safe-haven asset, its price remains volatile due to global economic dynamics such as inflation, exchange rates, interest rate policies, and geopolitical tensions.

Further supporting this view, Thesman and Wahyudi (2024) highlight that overconfidence can weaken the relationship between financial data and rational decision-making. Overconfident investors frequently rely on intuition or prior success, purchasing gold aggressively during upward trends without considering potential price corrections. This behavior increases financial risk, particularly for individual investors.

Adiputra (2021) adds that excessive confidence can trigger excessive trading behavior, where investors trade gold in volumes disproportionate to their financial capacity. Over time, this may result in portfolio imbalance and inadequate diversification, increasing exposure to market fluctuations. Wijaya and Setiawati (2021) also found that demographic factors, such as gender, influence overconfidence, with male investors exhibiting higher levels of this bias.

These findings imply that investment providers should incorporate behavioral finance education into their services, emphasizing the management of psychological biases such as overconfidence. Platforms can also introduce risk-control features, such as transaction alerts and investment simulations, to help investors reassess potential risks before making decisions. Such measures can promote healthier investment behavior and long-term sustainability.

#### d. Financial Literacy and Investment Decision

The fourth hypothesis posits that financial literacy influences investment decisions. The results confirm that financial literacy has a positive and significant effect on investment decisions. Investors with strong financial knowledge are better able to make logical and well-measured decisions by understanding fundamental concepts such as risk, return, and the time value of money. This finding supports Ferdiansyah and Kustiandi (2025), who assert that financial literacy enhances analytical skills and promotes prudent investment behavior.

Wijaya and Setiawati (2021) explain that financially literate investors are more capable of understanding market dynamics, including gold price volatility, global trends, inflation, and exchange rates. Such investors tend to adopt long-term strategies and are less influenced by short-term trends or public opinion.

Consistent with this, Seraj, Alzain, and Alshebami (2022) emphasize that financial literacy significantly contributes to rational investment decision-making by discouraging fear-of-missing-out (FOMO) behavior. Investors with low financial literacy, in contrast, are more susceptible to emotional

decisions, such as purchasing gold at peak prices without considering future volatility.

Ferdiansyah and Kustiandi (2025) further highlight that financial literacy mediates the relationship between investment experience and decision quality. Experience yields optimal outcomes when combined with theoretical understanding of market mechanisms, liquidity risks, and economic determinants of gold prices. Isu et al. (2024) also note that financial literacy supports strategic asset management, enabling investors to time transactions effectively and align investments with long-term financial goals.

These findings underscore the importance of enhancing financial literacy to improve investment decision quality. Investment service providers can develop structured financial education programs and integrate technology-based tools such as financial planning features, investment simulations, and market trend analysis within their applications. By doing so, companies not only increase investment activity but also build trust, reduce risk-related complaints, and foster a sustainable and credible investment ecosystem.

## 5.1 Conclusions

Based on the findings of this study examining the effects of investment experience, risk tolerance, overconfidence, and financial literacy on gold investment decisions, the conclusions of the hypothesis testing can be summarized as follows:

Investment experience has a positive and significant effect on gold investment decisions. Higher levels of investment experience lead individuals to make more rational, structured, and well-planned investment decisions.

Risk tolerance has a positive and significant effect on gold investment decisions. Investors with higher risk tolerance are more capable of dealing with price fluctuations and tend to make stable, long-term investment decisions.

Overconfidence has a positive and significant effect on gold investment decisions. High self-confidence encourages investment participation; however, it must be properly managed to prevent irrational or impulsive decision-making.

Financial literacy has a positive and significant effect on gold investment decisions. Better financial understanding enables investors to make wiser, more measured, and more strategic investment choices.

## 5.2 Implications

### 5.2.1 Practical Implications

Based on the results of this study, several practical implications can be applied by investment service providers such as Pegadaian, banks, and digital investment platforms to improve the quality of consumers' investment decisions.

From the descriptive analysis, the indicator receiving the highest positive response for the investment decision variable was the statement "I allocate funds regularly each month specifically for purchasing gold through Pegadaian Online,"

with 63.41% of respondents agreeing. This finding indicates that most respondents already have a habit of regular investing. Companies can leverage this behavior by providing auto-debit or auto-invest features, allowing investors to invest automatically on a monthly basis without manual processes. In addition, customer loyalty programs such as reward points or cashback schemes may be implemented to encourage consistent gold investment. These strategies can enhance customer retention and strengthen long-term investor relationships.

For the investment experience variable, the indicator with the highest positive response was “How would you rate your knowledge or competence in developing gold investment strategies?”, agreed upon by 61.79% of respondents. This suggests that many respondents possess sufficient investment experience. Companies can capitalize on this by offering experience-based educational programs, such as digital gold transaction simulations, investor community discussion forums, and case-based training. These initiatives allow novice investors to learn from more experienced investors while fostering a collaborative learning ecosystem that enhances collective investment knowledge.

Regarding risk tolerance, the highest positive response (60.57%) was recorded for the statement “I consider investing in volatile gold instruments if the potential returns are attractive.” This indicates that many respondents are willing to accept higher risk in pursuit of higher returns. Companies can respond by developing risk profiling features and personalized product recommendations, directing conservative investors toward stable physical gold products and aggressive investors toward gold-based derivative instruments with higher growth potential.

For the overconfidence variable, the statement “I feel confident in my investment decisions because many people follow the same influencers” received agreement from 57.32% of respondents. This highlights the strong influence of social factors on investment decisions. While confidence can be beneficial, excessive overconfidence may lead to irrational decisions. To mitigate this risk, companies may collaborate with credible and certified financial influencers to provide accurate, data-driven education. Additionally, platforms can introduce risk alert features, such as notifications when investors conduct unusually large or frequent transactions.

For financial literacy, the indicator with the highest positive response (60.16%) was “To what extent do you understand the advantages and disadvantages of gold investment compared to other instruments such as stocks or mutual funds?” This indicates a relatively good level of understanding, although further improvement is needed. Companies can enhance financial literacy by integrating technology-based educational tools, such as financial planning features, investment simulations, and real-time gold price trend analysis within their applications. Collaboration with educational institutions and investor communities can further expand the reach of financial literacy initiatives.

Through these strategic measures, companies can build an inclusive, secure, and sustainable gold investment ecosystem, strengthening customer loyalty, expanding market share, and enhancing competitiveness in the investment industry.

### 5.2.2 Theoretical Implications

This study contributes significantly to the literature on investment behavior and financial management, particularly in the context of gold investment conducted through digital and conventional platforms. The findings demonstrate that investment experience, risk tolerance, overconfidence, and financial literacy significantly influence gold investment decisions, thereby reinforcing existing theories of behavioral finance in the digital era.

First, the findings regarding investment experience indicate that greater experience leads to higher-quality investment decisions. Experience functions as a continuous learning process, enabling investors to utilize past successes and failures to make more informed future decisions. In gold investment, experience also shapes preferences for different investment forms, such as physical gold versus digital gold.

Second, the results related to risk tolerance reveal that investors with higher risk tolerance are more confident and willing to face gold price volatility. This extends theoretical understanding by showing that even relatively safe assets such as gold remain subject to individual risk preferences.

Third, the findings on overconfidence reveal that high self-confidence accelerates investment decision-making, often reinforced by digital communities and influencer recommendations. However, excessive overconfidence may lead to irrational behaviors such as excessive trading, highlighting the growing importance of social and psychological factors in digital investment environments.

Fourth, financial literacy was found to enhance rational investment decision-making. Investors who understand gold characteristics and its comparison with other instruments tend to be more cautious and strategic. However, the findings also indicate the need for continuous financial education, particularly in fast-paced digital investment contexts.

Overall, this study enriches academic literature by demonstrating the interaction between psychological factors, knowledge, experience, and technology in shaping gold investment behavior. It also provides a foundation for future research to explore additional variables such as trust in technology, macroeconomic conditions, and regulatory influences.

### 5.3 Research Limitations

**This study has several limitations:**

#### Geographical limitation

The survey was conducted exclusively among respondents residing in Jakarta. As a result, the findings may not fully represent gold investment behavior in other regions with different socio-cultural backgrounds, financial literacy levels, and technological access.

#### Limited number of respondents

The relatively small sample size may reduce the statistical power of the analysis, potentially affecting the stability and generalizability of the results.

#### Focus on gold investment only

This study focuses solely on gold investment decisions, both physical and digital. Investor behavior may differ when investing in other instruments such as stocks, mutual funds, or cryptocurrencies.

### 5.4 Recommendations

#### 5.4.1 Practical Recommendations

Pegadaian should enhance the availability of accessible and reliable online investment information, including educational features, strategy articles, and tutorial videos, to encourage investors to utilize digital information sources.

Investment training programs, webinars, and risk-analysis simulations should be provided to improve investors' planning and analytical skills.

Low-risk gold products such as gold savings or installment plans should be promoted for risk-averse investors, accompanied by clear explanations of risks and returns.

Official, data-driven recommendation systems should be integrated into applications to reduce reliance on unverified influencer advice.

Intensive financial literacy education through digital campaigns, offline training, and in-app educational features should be strengthened to improve investors' understanding of gold stability and optimal transaction timing.

#### 5.4.2 Theoretical Recommendations

Future research may incorporate additional variables such as financial behavior, investment motivation, and psychological factors to obtain a more comprehensive understanding of gold investment decisions.

Further studies should expand the research scope by comparing investor behavior across different regions to improve generalizability.

Future research is encouraged to integrate updated literature on digital investment trends and investor behavior to enhance theoretical robustness and relevance.

A conclusion section is not required. Although a conclusion may review the main points of the paper, do not replicate the abstract as the conclusion. A conclusion might elaborate on the importance of the work or suggest applications and extensions.

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