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When Digital Hype Meets Crypto Literacy in Bitcoin Investment Indonesia

By

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Abstract

This study aims to analyze the effects of Fear of Missing Out (FOMO) and Crypto Literacy on Bitcoin investment decisions in Indonesia, with Social Media Exposure serving as a moderating variable. A quantitative approach using Partial Least Squares–Structural Equation Modeling (PLS-SEM) was employed to examine the relationships among variables. The findings reveal that FOMO has a positive effect on Bitcoin investment decisions, confirming the role of psychological factors in driving speculative investment behavior. Crypto Literacy also significantly influences investment decisions, although the level of crypto literacy among Indonesian investors remains relatively low. Social Media Exposure not only has a direct effect but also strengthens the relationships between FOMO and Crypto Literacy with investment decisions, functioning as an amplifier in the dynamics of investment behavior. These findings extend behavioral finance literature by emphasizing the interaction between psychological factors, literacy, and social influence in the context of digital asset investment. This study is expected to contribute insights for investors, regulators, and social media platforms in developing more effective educational strategies, regulations, and consumer protection policies in the digital era.

Keywords: FOMO, Crypto Literacy, Social Media, Behavioral Finance, Investment Decision, Bitcoin.

1. Introduction

The global popularity and volatility of Bitcoin have attracted extensive attention from investors and the general public. Cryptocurrencies, particularly Bitcoin, have achieved market valuations reaching trillions of dollars, reflecting strong investment interest alongside substantial profit potential and high risk. Previous research indicates that Fear of Missing Out (FOMO) plays both direct and indirect roles in crypto and stock investment decisions, closely associated with investors' financial literacy and risk tolerance (Gerrans et al., 2023).

In Indonesia, cryptocurrency investment has grown rapidly. As of March 2025, the number of crypto investors reached 13.71 million, increasing from 13.31 million in February 2025 (Andrianto, 2025). Data from the Financial Services Authority (OJK) further report that by April 2025, the number of investors had risen to 14.16 million (RS, 2025). Future projections also indicate a promising trend, with Statista estimating that the number of crypto investors in Indonesia will reach 28.65 million by the end of 2025 (Coinvestasi, 2025). From a demographic perspective, more than 60% of Indonesian crypto investors are aged between 18 and 30 years, with 26.9% aged 18–24 and 35.1% aged 25–30, indicating the dominance of younger generations (Gen Z and Millennials) in this market (Coinvestasi, 2025).

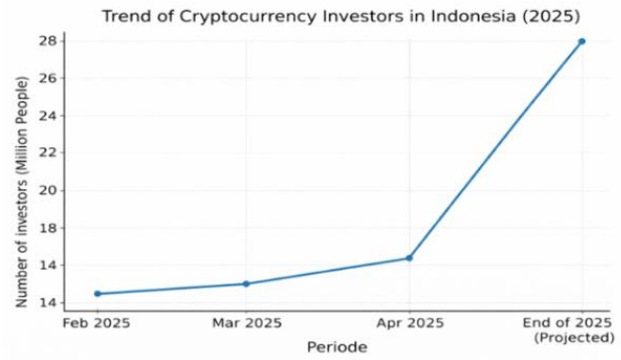

Figure 1. Growth of Cryptocurrency Investors in Indonesia in 2025

Source: Andrianto (2025), RS (2025), Coinvestasi (2025), processed by the author (2025).

According to a study conducted in Semarang (2025), most Bitcoin traders, particularly university students, experience moderate to high levels of Fear of Missing Out (FOMO), primarily driven by social media exposure, peer influence, and market volatility (Bahri & Aeni, 2025). In response to growing public participation in crypto markets, the Indonesian Financial Services Authority (OJK) launched the "Crypto Literacy Month" program in 2025 to enhance public understanding of cryptocurrency and to prevent misinformation and irresponsible investment behavior (OJK, 2025). The following visualization presents the levels of FOMO among Bitcoin traders and the key factors contributing to this phenomenon.

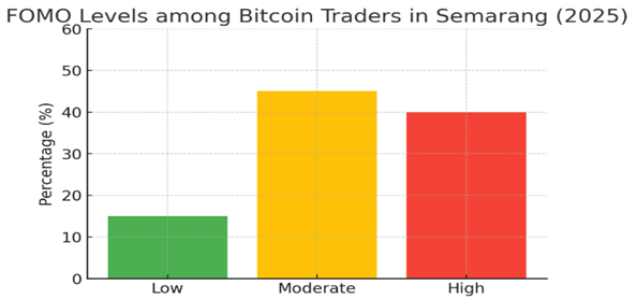

Figure 2. Bar Chart of FOMO Levels among Bitcoin Traders

Source: Bahri & Aeni (2025).

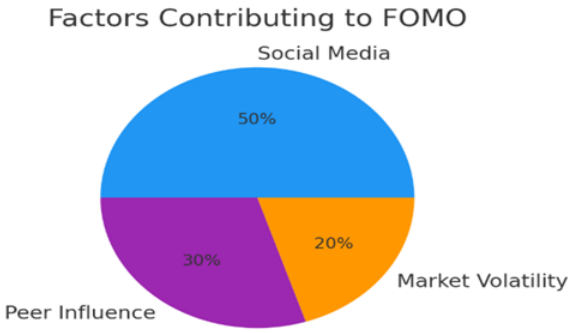

Figure 3. Pie Chart of Factors Contributing to Fear of Missing Out (FOMO)

Source: OJK (2025).

In the context of Indonesia's financial technology ecosystem, the use of fintech platforms and exposure to social media influencers have been shown to positively influence cryptocurrency investment decisions, although financial literacy does not always strengthen this effect (Rijanto & Utami, 2024). While FOMO has been consistently proven to drive investment decisions in global literature, how this dynamic operates in local contexts such as Indonesia remains insufficiently explored. Moreover, crypto literacy among Indonesian investors is still relatively low. Although regulatory initiatives by the Financial Services Authority (OJK) emphasize crypto literacy as a key instrument for investor protection, the quantitative relationship between crypto literacy and investment decisions has not been extensively examined empirically in Indonesia. Social media further represents a crucial yet ambiguous factor: the influence of online content and financial influencers on crypto investors is evident, but the mechanism through which social media acts as a moderator either amplifying or weakening the effects of FOMO and literacy has not been clearly mapped.

Previous studies indicate that cryptocurrency investment behavior is shaped by a combination of psychological factors, literacy, and social media exposure. Sinaga and Usman (2023) found that social media influencers and easy access to information positively affect cryptocurrency investment decisions, with FOMO acting as a mediating factor that strengthens this relationship among Indonesian Generation Z. Similarly, Imamah and Nafisa (2024) reported that Indonesian crypto investors generally exhibit low financial literacy, tend to be motivated by speculative motives, and are strongly influenced by social media and news in selecting crypto assets. Maukar and Sudyasjayanti (2025) further revealed that FOMO significantly influences Gen Z investment behavior, functioning as a moderator that strengthens the relationship between adoption intention and actual investment behavior, while rational considerations such as risk and price value are often overlooked. Mahendrata et al. (2025) added that Bitcoin literacy and influencer exposure affect investment intention, with FOMO mediating the relationship between literacy and investment intention. On a global scale, Friederich et al. (2024), in their CRYPTO-MANIA study, demonstrated that FOMO increases crypto investment intention by shaping risk perception and encouraging reinvestment even after financial losses, particularly in volatile markets.

In addition, social media factors have been identified as significant market drivers. Sundarasen and Saleem (2025) showed that social media sentiment especially on Twitter significantly influences cryptocurrency price volatility, with influencers and viral news acting as major triggers of price fluctuations. Within the Indonesian investor context, Tjondro et al. (2023) highlighted the role of intergroup bias and subjective norms as catalysts of irrational investment behavior, including continued investing during market downturns and even through debt. Meanwhile, Sa'diyah et al. (2024) confirmed that financial literacy directly affects investment decisions and indirectly influences them through mediators such as regret experience and risk tolerance.

Collectively, these findings indicate that while psychological factors such as FOMO and social factors such as social media exposure significantly influence cryptocurrency investment behavior, the integration of crypto literacy as an independent variable and social media exposure as a moderating variable within a single quantitative model remains rare particularly in the context of Indonesian crypto investors.

Integrating FOMO, crypto literacy, and social media exposure into one quantitative framework is therefore essential to understanding the psychological and informational mechanisms underlying

Bitcoin investment decisions in Indonesia. This study extends behavioral finance literature in the local crypto domain by employing a quantitative survey approach that unifies FOMO, literacy, and social media exposure within a PLS-SEM analytical framework. The findings are expected to provide valuable insights for regulators such as OJK, fintech industry stakeholders, and educational program developers in designing effective crypto literacy interventions and FOMO-mitigation strategies, whether through investor education or the regulation of social media financial content.

Accordingly, this research examines the influence of FOMO (X1) and Crypto Literacy (X2) on Bitcoin Investment Decisions (Y) in Indonesia, with Crypto Social Media Exposure (Z) serving as a moderating variable. The study aims to measure the extent to which FOMO and crypto literacy directly affect investment decisions and to analyze whether social media exposure strengthens or weakens the influence of these factors on Bitcoin investment behavior.

2. Research Elaborations

The emergence of cryptocurrency markets has reshaped modern investment landscapes, introducing financial environments characterized by extreme volatility, rapid information diffusion, and strong social influence. Bitcoin, as the leading cryptocurrency, has attracted substantial participation from Indonesian investors, particularly younger generations who are highly exposed to digital platforms. However, investment decisions in crypto markets are not formed solely through rational financial evaluation but are increasingly shaped by psychological biases, levels of financial knowledge, and exposure to social media ecosystems. This condition necessitates a behavioral finance perspective to explain how emotional, cognitive, and social factors interact in determining Bitcoin investment decisions.

From the psychological dimension, Fear of Missing Out (FOMO) has been widely recognized as a major driver of speculative behavior in crypto markets. Herding theory explains that investors tend to imitate group actions, which amplifies FOMO effects when crypto prices experience extreme movements (Bogdan et al., 2023). Evidence from Indonesian crypto investors also confirms that social norms and intergroup bias significantly influence investment decisions, reinforcing the relevance of herding mechanisms in local market contexts (Tjondro et al., 2023). Moreover, FOMO operates as anticipatory regret and social comparison, where investors fear missing profitable opportunities taken by others, leading to riskier investment behavior (Friederich et al., 2024). Cross-asset evidence further indicates that FOMO has a stronger association with cryptocurrency ownership intentions than with stock investments, positioning FOMO as a distinctive psychological driver in crypto markets (Gerrans et al., 2023). Therefore, FOMO represents a critical emotional force that directly motivates Bitcoin investment decisions.

From the cognitive dimension, crypto literacy plays a crucial role in shaping informed investment behavior. Financial literacy among Indonesian investors has been found to improve crypto investment decisions by enhancing risk tolerance management and reducing regret-driven behavior, leading to more rational investment outcomes (Sa'diyah et al., 2024). This finding supports the argument that financial and crypto-related knowledge functions as a protective mechanism against emotionally driven market decisions (Sa'diyah et al., 2024). Furthermore, among Indonesian Gen Z investors, literacy is closely linked to crypto investment decisions and may interact with herding tendencies, indicating that knowledge-based reasoning and social influence coexist in determining final investment choices (Arriqoh & Zoraya, 2024). Consequently, measuring crypto literacy that encompasses blockchain understanding, wallet security, volatility awareness, and regulatory knowledge is essential to distinguish rational evaluation from socially driven impulses in empirical modeling (Sa'diyah et al., 2024).

From the social dimension, exposure to crypto-related content on social media has become a dominant external force shaping investment decisions. Social media platforms provide continuous streams of financial content, influencer opinions, and community discussions that guide retail crypto investors' behaviors. Empirical evidence shows that exposure to social media content and influencer recommendations correlates positively with retail crypto investment behavior, indicating a social influence pathway that can magnify FOMO-driven purchase decisions (Joseph et al., 2025). Recent literature also positions social networks and digital media as primary financial information sources that shape investment intentions and actions in cryptocurrency markets, validating their role as a moderating factor in behavioral investment models (Qi et al., 2025). Additionally, systematic-bibliometric reviews demonstrate that social media sentiment significantly affects crypto market dynamics and investor behavior through influencer activity and information contagion (Sundarasen & Saleem, 2025). Therefore, social media exposure is expected not only to influence Bitcoin investment decisions directly but also to strengthen the effects of FOMO and crypto literacy through real-time information and sentiment amplification mechanisms (Sundarasen & Saleem, 2025).

From the outcome dimension, Bitcoin investment decisions reflect both behavioral intention and actual investment actions. Studies applying the Technology Acceptance Model (TAM) reveal that Bitcoin adoption and usage decisions are driven by perceived usefulness and ease of use, which translate into transactional and recommendation behaviors in digital payment contexts (Mofokeng et al., 2024). Extensions of TAM further confirm that perceived risk plays a central role in shaping investment intention, which subsequently manifests as actual crypto investment behavior (Springer, 2024). Contemporary crypto adoption literature also emphasizes that behavioral intention serves as a strong predictor of real investment activity in digital asset ecosystems, making investment decision constructs measurable through indicators such as purchase intention, portfolio allocation, and transaction frequency (Mofokeng et al., 2024; Sa'diyah et al., 2024).

Despite extensive studies examining FOMO, financial literacy, and social media influence separately, integrated empirical models

combining these psychological, cognitive, and social dimensions remain limited, especially in emerging crypto markets such as Indonesia. By simultaneously examining FOMO and crypto literacy as independent variables and social media exposure as a moderating variable in explaining Bitcoin investment decisions, this study fills an important empirical and theoretical gap. The proposed framework extends behavioral finance theory into digital asset markets by demonstrating that crypto investment decisions are not merely individual cognitive processes but socially embedded behaviors reinforced by digital information ecosystems.

Accordingly, this research elaborates a comprehensive behavioral model in which FOMO serves as an emotional trigger, crypto literacy functions as a rational control mechanism, and social media exposure operates as an amplifier that intensifies both psychological and knowledge-based influences on Bitcoin investment decisions. This elaboration contributes theoretically to the advancement of behavioral finance in cryptocurrency contexts, methodologically to the application of moderation analysis using PLS-SEM in crypto investment research, and practically to policy-making in investor protection, digital financial education, and ethical financial content governance in social media environments.

In summary, Bitcoin investment decisions in Indonesia emerge from a dynamic interaction between emotional bias, cognitive preparedness, and social media exposure. Understanding this interaction is essential for developing sustainable investor behavior, effective regulatory strategies, and responsible digital financial communication in the evolving cryptocurrency ecosystem.

3. Results or Finding

This research formulates prior empirical studies, and the theoretical framework, this study develops a research model and hypotheses to examine the effects of Fear of Missing Out (FOMO) and Crypto Literacy on Bitcoin investment decisions in Indonesia, as well as the moderating role of Social Media Exposure. The proposed conceptual framework (Figure 4) posits direct effects whereby FOMO, Crypto Literacy, and Social Media Exposure positively influence Bitcoin investment decisions. In addition, Social Media Exposure is hypothesized to moderate the relationships between FOMO and investment decisions, and between Crypto Literacy and investment decisions. These hypotheses are formulated to capture the behavioral finance perspective, emphasizing that psychological biases and information environments shape investment behavior beyond purely rational considerations (Barberis, 2018; Przybylski et al., 2013).

Methodologically, this study adopts a cross-sectional quantitative survey design targeting Indonesian Bitcoin investors, drawing on Indonesia's large crypto-user base of approximately 22.1 million investors (KPRI, 2024) and high internet penetration (APJII, 2024). Respondents are selected using purposive non-probability sampling with demographic quotas, applying inclusion criteria such as age above 18 years, recent Bitcoin investment experience, and exposure to financial content on social media (Mahendrata et al., 2025), while excluding duplicate or inattentive responses following OECD/INFE (2022) guidelines. Data are collected online through crypto communities and social media platforms, employing validated Likert-scale instruments measuring FOMO (Bogdan et al., 2023; Gerrans et al., 2023; Friederich et al., 2024; Tjondro et al., 2023), Crypto Literacy (Sa'diyah et al., 2024; Arriqoh & Zoraya, 2024), Social Media Exposure (Joseph et al., 2025; Qi et al., 2025; Sundarasen & Saleem, 2025), and Bitcoin Investment Decisions (Mofokeng et al., 2024; Springer, 2024). The data are analyzed using PLS-SEM with SmartPLS 4, evaluating measurement validity and reliability through convergent and discriminant criteria (Henseler et al., 2015), and testing structural relationships and moderation effects via bootstrapping procedures with at least 5,000 resamples, following contemporary PLS-SEM methodological standards.

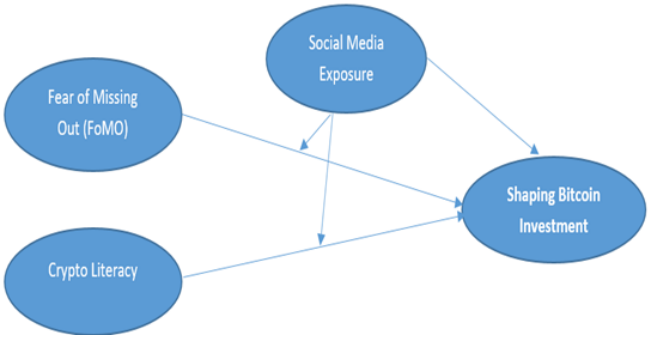

Figure 4. Research Framework

Source: Author's Research Model

3.1 Demographic Characteristics of Respondents

Here is a polished academic opening paragraph to introduce Section 3.1 Demographic Characteristics of Respondents. I provide one main version and one alternative, so you can choose the tone that best fits your thesis style.

Table 3.1 Demographic Characteristics of Respondents (N = 392)

Characteristic	Category	Frequency (n)	Percentage (%)
Gender	Male	248	63.3
	Female	144	36.7
Age Group	18–24 years	112	28.6
	25–30 years	156	39.8
	31–35 years	74	18.9
	>35 years	50	12.7
Education Level	Senior High School	96	24.5
	Diploma /	258	65.8

Characteristic	Category	Frequency (n)	Percentage (%)
	Bachelor's Degree		
	Postgraduate	38	9.7
Occupation	Student	138	35.2
	Private Employee	162	41.3
	Entrepreneur / Freelancer	64	16.3
	Others	28	7.2
Length of Bitcoin Investment Experience	< 1 year	118	30.1
	1 – 2 years	146	37.2
	3 – 4 years	84	21.4
	> 4 years	44	11.3
Frequency of Bitcoin Transactions (Last 6 months)	Rarely (≤1 time/month)	96	24.5
	Occasionally (2–3 times/month)	168	42.9
	Frequently (≥1 time/week)	128	32.6

Source: Primary Data, processed by author (2025)

Table 3.1 shows that most respondents are male (63.3%) and belong to the 18–30 age group (68.4%), confirming the dominance of Gen Z and Millennials in Bitcoin investment in Indonesia. The majority hold a diploma or bachelor's degree (65.8%) and work as private employees or students, reflecting digitally literate investor segments. In terms of investment experience, over two-thirds have been investing in Bitcoin for less than two years, indicating a relatively new but rapidly growing investor base. Transaction frequency data further suggest active engagement in Bitcoin trading among respondents.

3.2 Outer Model Evaluation

3.2.1 Outer Loading Test

To assess the validity of the indicators used in this study, an outer loading analysis was conducted. Outer loading values indicate the strength of each indicator in reflecting the latent construct being measured. Table presents the outer loading results of the research model.

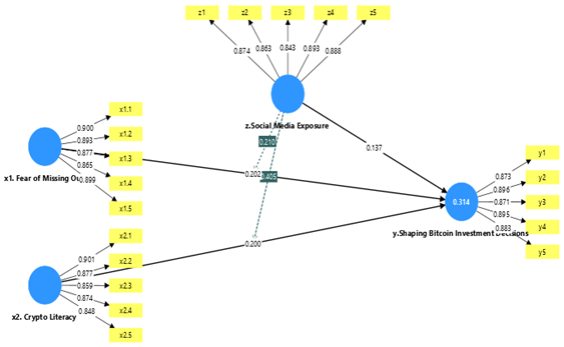

Figure 3.1 Outer Loading Diagram

Source: SmartPLS Output, processed by the author

Table 3.2 Outer Loading

Indikator	x1. Fear of Missing Out	x2. Crypto Literacy	y. Shaping Bitcoin Investment Decisions	z. Social Media Exposure	z.SME × x1. FOMO	z.SME × x2. Crypto Literacy
x1.1	0.900					
x1.2	0.833					
x1.3	0.877					
x1.4	0.865					
x1.5	0.899					
x2.1		0.901				
x2.2		0.877				
x2.3		0.859				

Indikator	x1. Fear of Missing Out	x2. Crypto Literacy	y. Shaping Bitcoin Investment Decisions	z. Social Media Exposure	z.SME × x1. FOMO	z.SME × x2. Crypto Literacy
x2.4		0.874				
x2.5		0.848				
y1			0.873			
y2			0.896			
y3			0.871			
y4			0.895			
y5			0.883			
z1				0.874		
z2				0.863		
z3				0.843		
z4				0.893		
z5				0.888		
Interaksi					1.000	1.000

Source: SmartPLS Output, processed by the author

The outer loading results indicate that all indicators have values above 0.70, confirming that each indicator is valid and adequately reflects its respective latent construct. Specifically, the FOMO indicators (X1.1–X1.5) exhibit high loadings ranging from 0.833 to 0.900, while the Crypto Literacy indicators (X2.1–X2.5) also demonstrate strong loadings between 0.848 and 0.901. Similarly, the Bitcoin Investment Decision construct (Y1–Y5) and Social Media Exposure construct (Z1–Z5) show consistent and reliable indicator performance. Furthermore, the moderator interaction term displays a loading value of 1.000, indicating that the model successfully captures the moderating effect in representing the data structure.

3.2.2 Composite Validity and Reliability Results

To ensure the reliability and validity of the constructs used in this study, tests were conducted using Cronbach's Alpha, Composite Reliability (rho_a and rho_c), and Average Variance Extracted (AVE). The results of these assessments are presented in the following table.

Table 3.3 Construct Reliability and Validity

Konstruk	Cronbach's Alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	Average Variance Extracted (AVE)
x1. Fear of Missing Out	0.932	0.936	0.943	0.766
x2. Crypto Literacy	0.921	0.931	0.941	0.760
y. Shaping Bitcoin Investment Decisions	0.930	0.937	0.947	0.761
z. Social Media Exposure	0.923	0.948	0.941	0.761

Source: SmartPLS Output, processed by the author

The results indicate that all constructs meet the criteria for good reliability and validity. Cronbach's Alpha values for all constructs exceed 0.70, demonstrating strong internal consistency. Likewise, Composite Reliability values (both rho_a and rho_c) are above 0.70, confirming high indicator consistency. Additionally, all Average Variance Extracted (AVE) values exceed 0.50, indicating that the indicators explain more than

50% of the variance of their respective constructs. Therefore, all constructs in the research model are confirmed to be reliable and valid for further analysis.

3.2.3 Discriminant Validity Results

To assess discriminant validity, this study employed the Heterotrait–Monotrait Ratio (HTMT) approach. The HTMT test aims to ensure that each construct in the research model is empirically distinct from one another. The results of the HTMT assessment are presented in the following table.

Table 3.4 Discriminant Validity Results

Construct Comparison	HTMT Value
Fear of Missing Out (X1) – Crypto Literacy (X2)	0.029
Fear of Missing Out (X1) – Bitcoin Investment Decision (Y)	0.225
Fear of Missing Out (X1) – Social Media Exposure (Z)	0.057
Crypto Literacy (X2) – Bitcoin Investment Decision (Y)	0.248
Crypto Literacy (X2) – Social Media Exposure (Z)	0.071
Bitcoin Investment Decision (Y) – Social Media Exposure (Z)	0.170
Social Media Exposure × Fear of Missing Out (Z×X1) – Bitcoin Investment Decision (Y)	0.152
Social Media Exposure × Crypto Literacy (Z×X2) – Bitcoin Investment Decision (Y)	0.436
Social Media Exposure × Fear of Missing Out (Z×X1) – Social Media Exposure × Crypto Literacy (Z×X2)	0.122

Source: SmartPLS Output, processed by the author

All HTMT values are below 0.90, in accordance with the criterion proposed by Henseler et al. (2015), indicating that no multicollinearity issues exist among the constructs. The lowest value is 0.029 for the relationship between Fear of Missing Out and Crypto Literacy, reflecting a very strong distinction between these constructs. The highest value is 0.436 for the relationship between Social Media Exposure and Crypto Literacy, which remains well below the recommended threshold of 0.85–0.90 and therefore remains acceptable. Overall, the HTMT results confirm that each construct in this study demonstrates good discriminant validity and is suitable for structural model analysis.

3.3 Structural Model Evaluation

3.3.1 R-Square Test

Next, the coefficient of determination (R-square) was examined to assess the extent to which the independent variables explain the variance of the dependent variable in the research model. The results of the R-square analysis are presented in the following table.

Table 3.5 R-Square Test

Variabel Dependen	R-Square	R-Square Adjusted
Shaping Bitcoin Investment Decisions	0.314	0.305

Source: SmartPLS Output, processed by the author

The R-square value of 0.314 indicates that Fear of Missing Out, Crypto Literacy, and Social Media Exposure collectively explain 31.4% of the variance in Bitcoin investment decisions. The adjusted R-square value of 0.305 is slightly lower, which is reasonable due to adjustments for the number of predictors included in the model. Referring to the criteria suggested by Hair et al. (2019), an R-square value of approximately 0.31 can be classified as moderate in social science research. This implies that about 68.6% of the variance in Bitcoin investment decisions is influenced by other factors not included in this model, such as macroeconomic conditions, risk perception, government regulations, and community influence.

3.3.2 F-Square Test

Next, the f-square test was conducted to examine the relative magnitude of the influence of each independent variable on the dependent variable. The f-square value represents the effect size of the predictor variables. Based on Cohen's (1988) criteria, effect sizes are classified as small (0.02), medium (0.15), and large (0.35). The results of the analysis are presented in the following table:

Table 3.6 F-Square Test

Variable Relationship	f^2	Effect Category
Fear of Missing Out on Bitcoin Investment Decisions	0.059	Small

Variable Relationship	f^2	Effect Category
Crypto Literacy on Bitcoin Investment Decisions	0.088	Small
Social Media Exposure on Bitcoin Investment Decisions	0.027	Small
Interaction of Social Media Exposure and Fear of Missing Out	0.050	Small
Interaction of Social Media Exposure and Crypto Literacy	0.244	Medium

Source: SmartPLS Output, processed by the author

The variables Fear of Missing Out, Crypto Literacy, and Social Media Exposure exhibit small effect sizes on Bitcoin investment decisions. The interaction between Social Media Exposure and Crypto Literacy shows a medium effect (0.244), indicating that high crypto literacy, when supported by strong social media exposure, can significantly strengthen Bitcoin investment decisions. No variable demonstrates a large effect size; therefore, it can be concluded that the direct influence of each individual variable tends to be limited. However, certain interaction effects are capable of enhancing the overall strength of influence on investment decisions.

3.4 Hypothesis Testing

Next, path coefficient analysis was conducted to determine the direction, magnitude, and significance of the influence of each independent variable on Bitcoin investment decisions. A T-statistic value greater than 1.96 and a p-value below 0.05 indicate a significant effect at the 5% significance level. The results of the analysis are presented in the following table.

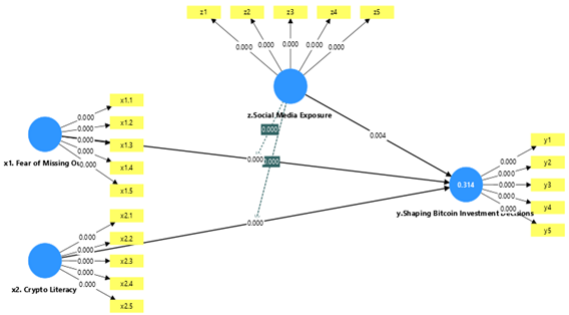

Figure 3.2 Path Coefficients Diagram

Source: SmartPLS Data Processing

Table 3.7 Path Coefficients and Hypothesis Testing Results

Variable Relationship	Original Sample (O)	T-Statistics	P-Values	Remarks
Fear of Missing Out on Bitcoin Investment Decisions	0.202	4.802	0.000	Significant
Crypto Literacy on Bitcoin Investment Decisions	0.200	4.405	0.000	Significant
Social Media Exposure on Bitcoin Investment Decisions	0.137	2.918	0.004	Significant
Interaction of Social Media Exposure and Fear of Missing Out	0.210	4.600	0.000	Significant (Moderating Effect)
Interaction of Social Media Exposure and Crypto Literacy	0.405	8.929	0.000	Significant (Moderating Effect)

Source: SmartPLS Output, processed by the author

All independent variables (Fear of Missing Out, Crypto Literacy, and Social Media Exposure) have a positive and significant effect on Bitcoin investment decisions. The interaction effects of Social Media Exposure with Fear of Missing Out and with Crypto Literacy are also significant, with the moderating effect involving Crypto Literacy showing the strongest influence (O = 0.405, T = 8.929). This indicates that social media exposure strengthens the effects of Fear of Missing Out and Crypto Literacy in shaping Bitcoin investment decisions.

4. Discussions

The results of this study confirm that Fear of Missing Out (FOMO) has a positive influence on Bitcoin investment decisions in Indonesia. This finding is consistent with Maukar and Sudyasjayanti (2025), who show that FOMO is a major driver of Generation Z's investment behavior, often leading investors to overlook rational considerations such as risk and price evaluation. From the perspective of herding theory, investors tend to follow market trends and social groups, aligning with the findings of Bogdan et al. (2023) on social contagion in crypto-asset markets. Thus, this study strengthens the evidence that FOMO serves as a dominant psychological factor in crypto investment decisions in Indonesia.

Furthermore, Crypto Literacy is proven to significantly affect investment decisions. This result supports Sa'diyah et al. (2024), who emphasize that financial literacy improves decision quality by reducing emotional influence and market bias. However, crypto

literacy among Indonesian investors remains relatively low, as highlighted by Imamah and Nafisa (2024). Consequently, although literacy has a positive effect, many investors are still driven by speculative motives and information obtained from social media. This finding underlines the importance of specific crypto literacy such as knowledge of wallets, security, volatility, and regulation to strengthen rational decision-making, as suggested by Arriqoh and Zoraya (2024).

In addition, Social Media Exposure not only has a direct effect on Bitcoin investment decisions but also moderates the relationships between FOMO and Crypto Literacy with investment decisions. This result is consistent with Sinaga and Usman (2023), who find that influencers and easy access to information on social media intensify FOMO among Generation Z. Global studies such as Sundarasen and Saleem (2025) also highlight the role of social media sentiment particularly on Twitter in triggering crypto price volatility and shaping investment behavior. Therefore, this study reinforces the argument that social media acts as an amplifier between psychological and literacy factors in influencing investment decisions.

Another interesting finding is that although literacy represents a rational factor, its effect becomes stronger when reinforced by social media exposure. This aligns with Mahendrata et al. (2025), who demonstrate that Bitcoin literacy increases investment intention, while influencers and FOMO serve as significant links in transforming literacy into actual investment behavior. Hence, this study confirms that in the Indonesian context, psychological and social factors remain more dominant than purely rational factors in shaping crypto investment decisions.

Overall, this research contributes by integrating FOMO, Crypto Literacy, and Social Media Exposure into a single quantitative model, which has rarely been examined in prior Indonesian studies. The findings extend behavioral finance literature by confirming that crypto investment decisions in Indonesia are influenced not only by individual factors (psychological and literacy aspects) but also by social dynamics reinforced through digital media.

5. Conclusion

Fear of Missing Out (FOMO) is proven to have a positive influence on Bitcoin investment decisions in Indonesia. This indicates that psychological factors, particularly the fear of missing opportunities, remain a dominant driver of crypto investment behavior, consistent with herding and social contagion phenomena. Crypto Literacy also affects investment decisions, although the level of crypto literacy among Indonesian investors is still relatively low. Investors with higher literacy tend to make more rational decisions; however, speculative motives remain strong. Social Media Exposure not only directly influences investment decisions but also acts as a moderating factor that strengthens the relationships between FOMO and crypto literacy with investment decisions. This suggests that social media functions as an amplifier, intensifying both psychological and informational effects in investment decision-making.

Young investors need to enhance their crypto literacy, including an understanding of risks, volatility, wallet security, and regulatory aspects, so they do not rely solely on emotions and social media influence. It is recommended that investors adopt investment strategies based on fundamental and technical analysis rather than acting purely on FOMO-driven impulses. Regulators are encouraged to strengthen public education programs, such as Crypto Literacy Month, to help society distinguish credible information and avoid speculative investment traps. In addition, stricter regulations regarding crypto-asset promotion on social media particularly influencer endorsements that may mislead novice investors are necessary to ensure investor protection. Platforms should enhance transparency and provide educational features and risk warnings before users execute transactions. Furthermore, collaboration with educational institutions and regulators is recommended to disseminate accurate and responsible information regarding crypto investments. Future studies may extend the research model by incorporating additional variables such as risk tolerance, financial self-efficacy, or peer influence to obtain a more comprehensive understanding of crypto investor behavior. Longitudinal research designs are also recommended to capture behavioral changes in response to market fluctuations and regulatory developments.

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