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The Influence Financial Advisor Recommendations on the Investment Decisions of Student Investor in Medan With Intention as a Predicator and Financial Literacy as Moderator

Alistraja Dison Silalahi[1], Sri Wardany[2], Cita Ayni Putri Silalahi [3], Shita Tiara[4]

Abstract:

This study aims to find and analyze the effect of financial advisor recommendations on investment decisions of students in Medan with the intention as a mediator and financial literacy as a moderator. This research is a quantitative research with an explanatory research model, with primary data. Data collection techniques using a questionnaire. The data analysis technique is statistical analysis based on partial least squares. The results ofthe study found that financial advisor recommendations have an effect on investor intentions. Investor intention influences investment decision. Financial advisor recommendations influence investment decisions. Financial literacy has no effect on investor intentions. Investor intent significantly mediates the relationship between financial advisory recommendations and investment decisions. Financial literacy does not moderate the effect of financial advisor recommendations on investment intentions.

Keywords: *Investment Decisions, Intention Investor, Financial Advisor Recommendations, Financial Literacy*

1. Introduction

The development of investment and financial behavior has a role in making aperson's decision to invest. Making financial decisions for investment activities, will be strongly influenced by the information obtained and investors' knowledge about investment. Various factors can influence investors' decisions to act in making investment decisions such as news, information, politics, risk, security, policies, rumours, external factors (global market), as well as consideration of the beliefs of market participants in making an intention to invest in shares (Adhikara, 2013). Individual investors in Indonesia themselves tend to choose stocks based on speculative issues or rumours. This is because investors actually have access to and respond to existing information, but have limited ability to process this information into a decision to choose the right stock. As a result, often the decisions made by investors are speculative and only flow on rumors or issues that are circulating. Financial literacy is used to learn about services, institutions and financial service

[1]*Universitas Muslim Nusantara Al-Washliyah, Medan, Indonesia,* alistraja.disonsilalahi@gmail.com
[2]*Universitas Muslim Nusantara Al-Washliyah, Medan, Indonesia,* sriwardany115@gmail.com
[3]*Universitas Muslim Nusantara Al-Washliyah, Medan, Indonesia,* citasilalahi944@gmail.com
[4]*Universitas Muslim Nusantara Al-Washliyah, Medan, Indonesia,* shitatiara201@gmail.com

products in which efforts to increase one's welfare through changes related to one's financial attitudes and behavior (Safryani et al, 2020).

Financial literacy that is acquired and owned by a person helps him make actions or decisions carefully, therefore the decisions taken will be beneficial and not detrimental to him. The level of understanding of financial literacy in the capital market has an effect on increasing encouragement in making investment decisions(I. Mahwan and Herawati, 2021). Research on the factors that influence individual investors' investment intentions, shows that attitudes, subjective norms, and perceptions of behavioral control influence investors' intentions to invest. Attitudes have the strongest influence, followed by perceptions of behavioral control and then subjective norms. (Ali 2011; Phan 2014; Njuguna, 2016; Dewi, 2017; Sondari,2015), while Sang (2018) states that individual investors' investment intentions are influenced by investor knowledge of investment. Kerl and Walter (2007) explain that the recommendations of financial advisors influence investors' affective reactions in making investment decisions. Sultana (2012); Faries et al, (2014); Shafi (2014); Calcagno (2014); Tauni (2017); Lieber (2018) identifies financial advisor recommendations consisting of recommendations from brokers, family and friends as characteristics of internal pressure and external influences that can affect investment decisions. Investors are confident in their inner ability to analyze and study information available on the market, although on the one hand there are also investors relying on the results of analysis in the media. The recommendations of financial advisors are not of concern to investors, this is because the information from the recommendations of financial advisors is not updated (Silalahi. A. D,2021).

The improvement in Indonesia's economic conditions can be seen as the number of investors has also increased, the number of Indonesian capital market investors has increased to 8.3 million at the end of the first quarter of 2022. This achievement has increased 12.13% from the position at the end of 2021, the financial industry sector is the biggest choice of investors coming from Gen Z, or the age group with an age range below 26 years. the Indonesian stock market is still dominated by local investors from millennials and generation Z, which account for around 80%. Young people are getting smarter in determining their investments, including capital market investments. Industrial sectors whose shares are owned by young people on average have a large capitalization value, so that fundamental factors are considered by young people in determining their choice of stock (KSEI, IDX, 2022). To accommodate the role of young people in investing, the government is trying to optimize the digitization of various features and services of the Indonesia Stock Exchange, online trading applications, as well as massive education through social media, social media influencers, communities, and Capital Market School (SPM) classes which are held regularly online.

The high dominance of millennial investors is a question of what drives their intention to invest. This research is very important to do, decision making is a very difficult thing to do, choosing various alternatives to take advantage of an opportunity. In making investment decisions, investors are required to have the ability to analyze the recommendations given by financial advisors, investmentrecommendations. Investors need quality information, quality information is thebasis for decision making. Quality information will help investors from information asymmetry problems. On the other hand, the number of investors with studentbackgrounds is very large, this raises suspicions as to what exactly is their intention in investing. The urgency (Priority) of this research are : 1. Provide solutions in making investor decisions to invest, 2. As a form of implementation of the continuation of the Higher Education Research Strategic Plan, namely a study of the Influence of Non-Financial Information on Interest in Investing in the Indonesian Stock Exchange. So that, the purposes of this research are : 1. To find out how investment decisions are made by student investors in the city of Medan. 2. To find out how the recommendations of financial advisers on investment decisions ofstudent investors in the city of Medan.

2. Theoretical Background

In principle, this research was conducted to prove or test by direct observation or survey and literature. The theories that underlie this research are: Agency Theory, Theory of Reasoned Action, Signaling Theory, Asymmetry Information Theory and Prospect Theory. Investment is a commitment to a number of other funds made at this time with the aim of obtaining future profits (Tandelilin, 2017). In investing, the application of the concept of the time value of money is indispensable. Investors prefer investments that will provide earlier profits compared to investments that earnlater profits, for example if we receive a sum of five million rupiah at the present time it is more valuable than the five million we receive in the next two years. The purpose of the investment made is to generate a number of profits where if the investment is in the form of shares then the profits received are in the form of capitalgains or dividends and if the investment is in the form of bonds then the profits received are in the form of interest income. Decision making is often equated with the process of thinking, organizing, and solving problems. In the organizational concept, decision making is often defined as the process of choosing among various alternative actions that affect the future. (Dewi, 2017). According to Kahneman and Tversky (1979) a decision is defined as an action or option between those to be chosen, the consequences of the action and the conditional or contingentprobabilities associated with the outcome of the action. In general, many things are considered by investors in making investment decisions. The investment decision in question is in the form of a decision to buy, sell, or retain ownership of the shares (Vyas, 2012).

Quershi (2012) explains that making investment decisions in the stock market is very difficult and critical, especially if you have good insight and understanding. Farooq and Sajid (2015) argue that making investment decisions is a difficult task. Investors must have analytical skills and be wise in making investment decisions. According to Putra (2016) there are 2 (two) investor attitudes in making investment decisions, namely rational and irrational attitudes. A rational attitude is the attitude of someone who thinks using common sense while an irrational attitude is the attitude of someone's thinking that is not based on common sense. However, behavioral finance believes that investors will act irrationally in the stock market. Planned behavior theory (TPB) explains that attitude towards behavior is an important factor that can predict an action, although it is necessary to consider a person's attitude in testing subjective norms and measuring the person's perceived behavioral control. If there is a positive attitude, support from people around and there is a perception of ease because there are no barriers to behavior, then one's intention to behave will be higher (Ajzen, 2005). Someone who has a positive attitude towards investing in stocks, gets support from people around him and there is a perception of ease because there are no obstacles to investing in stocks, so one's intention to invest in stocks will be even higher. Attitude towards behavior is a tendency to respond to things that are liked or disliked in an object, person, institution or event (Ajzen, 1991). Attitude towards behavior is considered as the first variable that influences behavioral intention. When an individual appreciates the positives of an action, then he has the will to perform certain actions. Viewsabout a behavior are influenced by beliefs (behavioral beliefs) as a result of the behavior performed. Individual beliefs include strength beliefs and outcome evaluations. Views on behavior are believed to have a direct impact on the will to behave which is then affiliated with perceived behavioral control and subjective norms (Ajzen, 1991). In the context of this study, individual investors will want to invest in stocks if they have positive beliefs that investing in stocks is a profitable activity for them, whereas investor intentions will be low if they perceive investingin stocks will provide losses.

Financial literacy is knowledge, skills and beliefs that influence attitudes and behavior to improve the quality of decision making and financial management in order to achieve prosperity. Public knowledge about financial literacy is very necessary in living daily life (OJK, 2014). financial literacy, which in turn can encourage the realization of social welfare. Wise financial attitudes and behavior are reflected in a person's ability to set financial goals, prepare financial planning,manage finances and be able to make quality financial decisions in using financial products and services. A financial advisor is a professional who helps people manage their finances by advising them on a variety of financial issues such as investments, insurance, mortgages, college savings, estate planning, taxes and retirement, depending on client requests. An investment advisor is a person orcertain party who gives advice regarding the purchase or sale of securities to other parties. Tandelilin (2017) so that an investment advisor can be said to be a person or group who makes investment recommendations or conducts securities analysis in return for a fee, either through direct management of customer assets or through written publications or investment advisors in the form of individual institutions that provide various advice and opinions of issuers. or prospective issuers related to securities. Kerl and Walter (2007) explain that the recommendations of financial advisors affect the affective reaction of investors in making investment decisions, Sultana (2012), Faries et al, (2014), Shafi (2014) identified recommendations of financial advisors consisting of recommendations from brokers, families and friends as a characteristic of internal pressure and external influences can affect investment decisions. Kelly et al, (2008) investors who are less experienced in investing rely on the results of financial advisor analysis, the analysis recommendations made by financial advisors influence investors' investment decisions.

3. Methodology

In this study using quantitative research methods. This quantitative research is causal in nature, namely research to determine causal relationships between variables. In general, the causal relationship can be predicted by researchers, so that researchers can state the classification of causal variables, intermediate variables and dependent variables (Sanusi, 2011). This study examines the effect of Financial Advisor Recommendations on investment decisions of student investors in the city of Medan with intention as a mediator and financial literacy as a moderator. The purpose of this study was to test six hypotheses which were developed based on previous theories and research based on the problem under study, so the approach used in this study was a quantitative method. This research is cross-sectional in nature because data for each observed variable is collected at once or at the same time (Sanusi, 2011). The research paradigm is in the form of a path paradigm using the Partial Least Square (PLS) statistical analysis technique.

To provide the level of homogeneity desired by the respondents in this study,potential investors consist of individual investors who have made investment decisions, have read investment analysis, have investment accounts, are in the city ofMedan and are registered in the directory of individual investors as registered in securities companies on the IDX. The North Sumatra region with the number of millennial investors in July 2021 is 64,052 investors (BEI Wil Sumut, 2021).
Sampling was carried out using non-random sampling, namely snowball sampling. This study uses Partial Least Square (PLS) analysis based on SEM applications, where PLS is able to estimate large and complex models with hundreds of latent variables and thousands of indicators, a minimum sample of > 30 can be used (Falk and Miller, 1992).

Preferably the sample size should be 100 or larger. As a general rule, the minimum sample size is at least five times the number of question items analyzed (Hair et al, 2014), the minimum sample size guidelines in SEM-PLS analysis are equal to or greater than the conditions (Hair, 2013):

1. 10 times the largest number of formative indicators used to measure a construct
2. 10 times the largest number of structural paths that lead to a particular construct

This guideline is called the 10 time rule (10 time rule of thumb) which is practically 10 times the maximum number of arrows (paths) that hit a latent variable from the

PLS model. The number of indicator variables formed for the research design is 23 so that the minimum sample size in this study is 23 x 10 = 230 people.

4. Empirical Findings/Result

Table 1. Descriptive Statistical Analysis based on Financial Advisor Recommendation Variables (X)

Item	Min	max	Mean	sd	Mod	Med	criteria
RPK1	1	7	5.38	1.86	6	6	Good
RPK2	1	7	5.2	1.82	6	6	Good
RPK3	2	7	5.49	1.86	7	6	Good
RPK4	2	7	5.47	1.86	7	6	Good
RPK5	2	7	5.45	1.84	7	6	Good
RPK6	2	7	5.47	1.87	7	6	Good
RPK7	2	7	5.43	1.84	7	6	Good
RPK8	1	7	5.33	1.84	7	6	Good
RPK9	2	7	5.3	1.81	7	6	Good
RPK10	2	7	5.22	1.8	6	6	Good
RPK11	2	7	5.19	1.8	6	6	Good
RPK12	2	7	5.29	1.85	7	6	Good

Source: Research Data Processing Results (2022)

Table 2. Descriptive Statistical Analysis based on Investment Intention Variable (Y1)

Item	Min	Max	Mean	sd	Mod	Med	Criteria
NI1	2	7	5.77	1.65	7	6	Good
NI2	2	7	5.61	1.63	7	6	Good
NI3	2	7	5.72	1.61	7	6	Good
NI4	2	7	5.68	1.57	6	6	Good
NI5	2	7	5.75	1.6	7	6	Good
NI6	2	7	5.76	1.56	7	6	Good
NI7	2	7	5.68	1.58	6	6	Good

Source: Research Data Processing Results (2022)

Table 3. Descriptive Statistical Analysis based on Investment Decision Variables (Y2)

Item	Min	max	Mean	sd	Mod	Med	Criteria
KI1	2	7	5.64	1.62	6	6	Good
KI2	2	7	5.44	1.66	7	6	Good

Item	Min	max	Mean	sd	Mod	Med	Criteria
KI3	2	7	5.48	1.65	6	6	Good
KI4	1	7	5.35	1.71	6	6	Good
KI5	2	7	5.49	1.65	6	6	Good
KI6	1	7	5.59	1.71	7	6	Good
KI7	2	7	5.62	1.66	7	6	Good
KI8	2	7	5.64	1.66	7	6	Good
KI9	2	7	5.45	1.62	6	6	Good
KI10	2	7	5.47	1.61	6	6	Good
KI11	2	7	5.58	1.62	6	6	Good
KI12	1	7	5.42	1.68	6	6	Good
KI13	1	7	5.28	1.66	6	6	Good
KI14	1	7	4.95	1.8	6	6	Good
KI15	1	7	5.11	1.78	6	6	Good
KI16	2	7	5.4	1.63	6	6	Good
KI17	1	7	5.29	1.68	6	6	Good
KI18	2	7	5.36	1.68	7	6	Good

Source: Research Data Processing Results (2022)

Table 4. Descriptive Statistical Analysis based on Financial Literacy Variables (M)

Item	Min	max	Mean	sd	Mod	Med	Criteria
LK1	2	7	5.49	1.86	7	6	Good
LK2	2	7	5.47	1.86	7	6	Good
LK3	2	7	5.45	1.84	7	6	Good
LK4	2	7	5.47	1.87	7	6	Good
LK5	2	7	5.43	1.84	7	6	Good
LK6	1	7	5.33	1.84	7	6	Good
LK7	2	7	5.3	1.81	7	6	Good
LK8	2	7	5.22	1.8	6	6	Good
LK9	2	7	5.19	1.8	6	6	Good
LK10	2	7	5.29	1.85	7	6	Good

Source: Research Data Processing Results (2022)

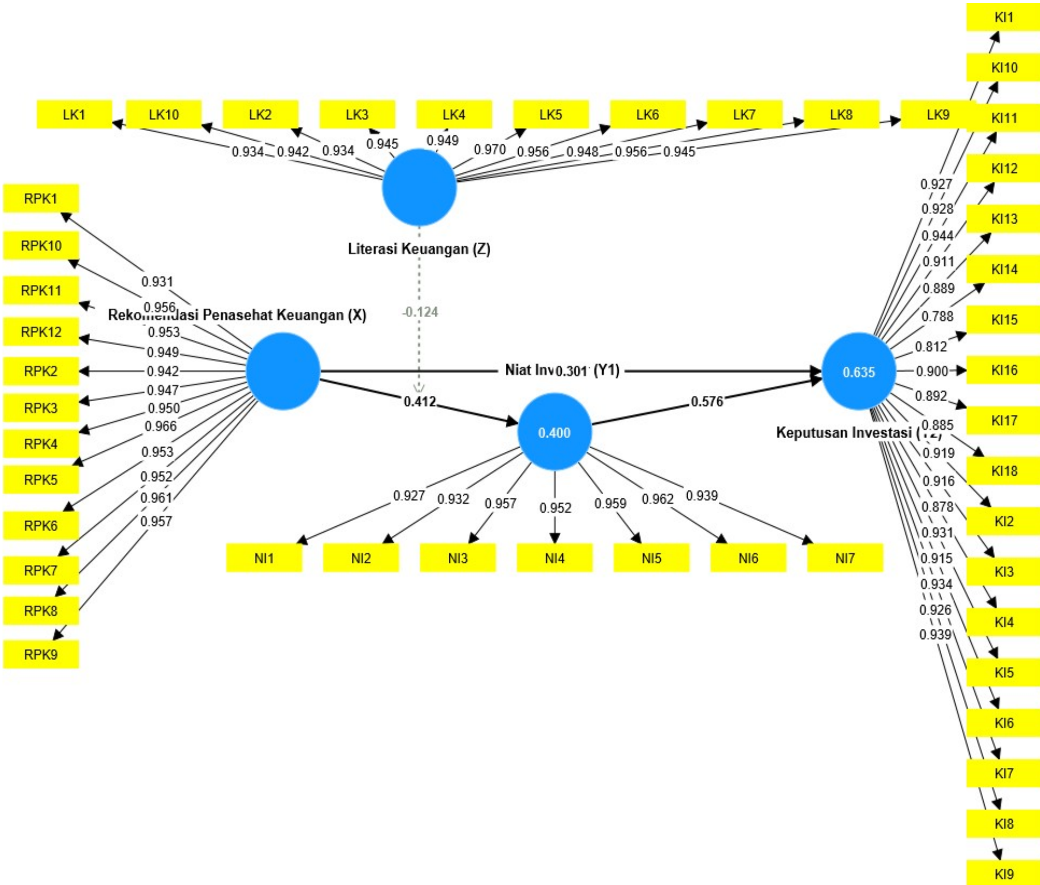

Figure 1. Research Model Analisis

Based on testing the validity of the loading factor in Figure 1, all outer loading values are > 0.7, which means that they have fulfilled the validity requirements based on the loading value. This means that all indicators meet convergent validity or all construct indicators are valid. Furthermore, discriminant validity testing was performed based on the average variance extracted (AVE) value.

Table 5. Validity Testing by Average Variance Extracted (AVE)

Construct	Average Variance Extracted (AVE)
Financial Advisor Recommendation	0.905
Investment Decision	0.815
Investor's Intention	0.897
Financial Literacy	0.899

Source: Research Data Processing Results (2022)

The recommended AVE value is above 0.5 (Mahfud and Ratmono, 2013:67). It is known that all AVE values are > 0.5, which means that they have met the validity requirements based on AVE. Furthermore, reliability testing is carried out based on the composite reliability (CR) value.

Table 6. Reliability Testing by *Composite Reliability* (CR)

Construct	Composite Reliability
Financial Advisor Recommendation	0.991
Investment Decision	0.988
Investor’s Intention	0.984
Financial Literacy	0.989

Source: Research Data Processing Results (2022)

In addition to the construct validity test, a construct reliability test was carried out which was measured by two criteria, namely composite reliability and Cronbach alpha from the indicator block that measures the construct.

The recommended composite reliability value is above 0.7 (Mahfud and Ratmono, 2013:67). It is known that all composite reliability values are > 0.7, which means that they have met the reliability requirements based on composite reliability. Furthermore, reliability testing was carried out based on the Cronbach's alpha (CA) value.

Table 7. Reliability Testing by *Cronbach’s Alpha* (CA)

Construct	Cronbach's Alpha
Financial Advisor Recommendation	0.991
Investment Decision	0.987
Investor’s Intention	0.981
Financial Literacy	0.987

Source: Research Data Processing Results (2022)

The recommended composite reliability value is above 0.7 (Mahfud and Ratmono, 2013:67). It is known that all composite reliability values are > 0.7, which means that they have met the reliability requirements based on Cronbach's alpha. Furthermore, discriminant validity testing was carried out with the Fornell-Larcker approach. Table 7 presents the results of discriminant validity testing.

Table 8. Discriminant Validity Testing

Construct	Financial Advisor Recommendation	Investment Decision	Investor’s Intention	Financial Literacy
Financial Advisor Recommendation	0.952			
Investment Decision	0.673	0.903		
Investor’s Intention	0.627	0.760	0.947	
Financial Literacy	0.635	0.687	0.760	0.942

Source: Research Data Processing Results (2022)

In testing discriminant validity, the AVE square root value of a latent variable is compared with the correlation value between that latent variable and other latent variables. It is known that the AVE square root value for each latent variable is greater than the correlation value between the latent variable and other latent variables. So it is concluded that it meets the requirements of discriminant validity.

Hipotesis Testing
Significance Test *Dirrect Effect*

The table below presents the results of the path coefficient and the significance test of the direct effect.

Table 9. Path Coefficient Value and *P-Value*

Hypothesis	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Financial Advisor Recomendation (X) -> Investment Decision (Y2)	0,301	0,301	0,089	3,400	0,001
Financial Advisor Recomendation (X) -> Investor's Intention (Y1)	0,412	0,412	0,164	2,503	0,012
Investor's Intention (Y1) -> Investment Decision (Y2)	0,576	0,576	0,092	6,268	0,000
Financial Literacy (M) -> Investor's Intention (Y1)	0,084	0,087	0,196	0,428	0,668

Source: Research Data Processing Results (2022)

Based on the results in Table 9, the results are:
1. Recommendations from Financial Advisors (X) have a positive effect on Investment Decisions (Y2) with a path coefficient value of 0.301 and are significant with a P-Values of 0.001 <0.05.
2. Recommendations from Financial Advisors (X) have a positive effect on Investor Intentions (Y1) with a path coefficient value of 0.412 and are significant with a P-Values of 0.012 <0.05.
3. Investor intention (Y1) has a positive effect on Investment Decision (Y2) with a path coefficient value of 0.576 and is significant with a P-Values of 0.000 <0.05.
4. Financial Literacy (M) has no effect on Investor Intention (Y1) with a path coefficient value of 0.087 and is significant with a P-Values of 0.668 > 0.05.

To see the coefficient of determination below, the results of the coefficient of determination (r-square) are presented

Table 10. Results Coefficient Determination

Dependent Variable	R Square	R Square Adjusted
Investment Decision (Y2)	0.635	0.632
Investor Intention (Y1)	0.400	0.392

Source: Research Data Processing Results (2020)

Based on Table 10 it is known:

1. The coefficient of determination for the latent variable Investor Intention (Y1) is 0.400, which means that Financial Advisory Recommendations (X) can affect Investor Intention (Y1) by 40%.
2. The coefficient of determination for the latent variable Investment Decision (Y2) is 0.635, which means that Financial Advisory Recommendations (X) and Investor Intentions (Y1) can influence Investment Decisions (Y2) by 63.5%.

The structural model is evaluated using R-square for the dependent construct, with an R2 criterion of 0.67; 0.33; and 0.19 which identifies that the model is good, moderate and weak.

Indirrect Effect Significance Test

Below are presented the results of the path coefficient and the significance test of the direct indirect effect.

Table 11. Path Coefficient Value dan *P-Value*

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
Financial Advisor Recomendation (X) -> Investor Intention (Y1) -> Investment Decision (Y2)	0.237	0.237	0.101	2.352	0.019

Source: Research Data Processing Results (2022)

Based on the results in Table 11, the results are:

The indirect effect of Financial Advisor Recommendations (X) on Investment Decisions (Y2), through Investor Intention (Y1) is 0.237 and significant with a P-Values of 0.019 <0.05. In other words, Investor Intention (Y1) significantly mediates the relationship between Financial Advisor Recommendations (X1) and Investment Decisions (Y2).

Moderation Testing

Furthermore, a moderation test is carried out, namely testing whether Financial Literacy (M) is significant in moderating the influence of Financial Advisory Recommendations (X), on Investor Intentions (Y1). Table 12 presents the results of the Financial Literacy (M) test in moderating the effect of Financial Advisory Recommendations (X) on Investor Intentions (Y1).

Table 12. Financial Literacy Test (M) in Moderating the Effect of Financial Advisory Recommendations (X) on Investor Intention (Y1)

	Original Sample (O)	**Sample Mean (M)**	**Standard Deviation (STDEV)**	**T Statistics (|O/STDEV|)**	**P Values**
Financial Advisor Recommendation (X) -> Investors Intention(Y1)	0,412	0,412	0,164	2,503	0,012
Financial Literacy (M) -> Investors Intention (Y1)	0,084	0,087	0,196	0,428	0,668
Financial Advisor Recommendation (X) Financial Literacy (M) Investors Intention (Y1) -> Investors Intention (Y1)	-0.124	-0.120	0.070	1.762	0.078

Source: Research Data Processing Results (2020)

Based on the results of the moderation test in Table 12, it is known that the P-Values XMY1 -> Investor Intention (Y1) is 0.078 > 0.05, so Financial Literacy (M) is not significant in moderating the influence of Financial Advisor Recommendations (X) on Investor Intentions (Y1).

5. Discussion

Effect of Financial Advisor Recommendations on Investor Intentions

Financial Advisor Recommendations have an effect on Investor Intentions with a path coefficient value of 0.412 and significant with a P-Values of 0.012 <0.05, this shows that recommendations given by financial advisers are able to influence investors' intentions to invest. Intention is considered as a phenomenon that shows investor interest in investment, intention as an action arrangement that is carried out as an opportunity that is realized in the form of action or in other words a desire that encourages an investor to invest. There is an intention that grows from investors as an impact of information and recommendations related to market conditions and companies that have good and bad prospects are used as choices that arouse investors' intentions. Broker recommendations where they provide explanations and advice as well as analysis of stocks that provide benefits that can be seen in various media and news stories raise investors' intention to invest. Investors benefit from investment advisers, providing advice regarding buying or selling securities to investors, making investment recommendations or conducting securities analysis through written publications of various advice and opinions from issuers or prospective issuers relating to securities.

The Effect of Investor Intention on Investment Decisions

Investor intention has a positive effect on investment decisions with a path coefficient value of 0.576 and is significant with a P-Values of 0.000 <0.05, this shows that when making investment decisions and in carrying out investmentsinvestors must have a strong intention and commitment within themselves. This triggers how investors will try their best to be able to make the investment decisions they choose, commit themselves, create a sense of responsibility and encouragement to invest. Intention greatly influences investment decisions because to start making investment decisions starts from the desire or genuine desire of investors to invest, intention is reflected in the extent to which investors try hard and are serious about investing. A positive attitude that arises from within and confidence in the decisions taken will provide high support for investor intentions, investors who have a positive attitude towards stock investment will also provide positive support in making investment decisions. Investor intention will encourage investors to make investment decisions. The stronger the intention of investors, the greater the chance that investors will make investment decisions. The positive response from investorstowards their own intention to invest in stocks is because of the accuracy and reliability of the information they obtain. One method used by investors is through fundamental analysis to determine the performance and prospects of companies and investors make stock selection based on rationality. This process requires deliberation and thought, and investors will manifest in action which is an investment decision. This is consistent with the theory of reasoned action proposed by Fishbein and Ajzen. Investor intentions influence investment decisions (Listyarti, 2014), (Aduda 2012), (Iramani 2011), (Silalahi, A.D 2021). Investors who like risk tend to invest in stocks compared to investing in bonds. Individual investors who have rational behavior will invest in company shares with good financial performance. Investment intention will encourage investors to make investmentdecisions. In the theory of reasoned action it is explained that behavior will change based on the results of behavioral intentions where investors behave according to their conscious intentions which rely on rational calculations of the potential effects of investor behavior. Actions taken with the consideration of something that is considered important. Making investment decisions is very important, in prospect theory states that a person will be faced with sometimes unreasonable behavior whenfaced with several choices. The investment decision is an act of choice whether the investor will sell, buy or maintain the investment he has.

Financial Advisor Recommendations affect Investment Decisions

Financial Advisor recommendations have a positive effect on investment decisions with a path coefficient value of 0.301 and significant with a P-Values of 0.001 <0.05, this indicates that recommendations made by financial advisors are used as material for consideration and reference by investors which benefits professionals who help people manage their finances by providing advice on various financial matters such as investments, insurance, mortgages, college savings, estate planning, taxes and retirement, are perceived by investors as beneficial. Recommendations of financial advisers influence investors' affective reactions in making investment decisions (Kerl and Walter, 2007). Sultana (2012), Faries et al, (2014), Shafi (2014) identified recommendations of financial advisors consisting of recommendations from brokers, family and friends as characteristics of internal pressure and external influences that can influence investment decisions. Not all investors have experience, especially in this study, many students are still novice investors, so reviews and information related to stock performance are still needed. In line with that, it can be explained that investors who are less experienced in investing rely on the analysis results of investment advisers, financial advisors, and the guidance of family and friends. Analytical recommendations made by financial advisers influence investors' investment decisions, of course, up to date recommendations. The results of this study are not in line with previous research which states that investors believe in their own ability to analyze and study information available on the market, although on the one hand there are also investors relying on the results ofanalysis in the media. The recommendations of financial advisors are not of concern to investors, this is because the information from the recommendations of financial advisers is not updated, the recommendations they provide are not trusted, investors trust the financial report information issued by the company (Silalahi, A.D, 2021)

Financial Literacy influences Investor Intentions

Financial literacy has no effect on investor intentions with a path coefficient value of 0.087 and a significance with a P-Values of 0.668 > 0.05, this shows that financial literacy which is knowledge, skills and beliefs does not affect attitudes and behavior to improve the quality of decision making and management finances in order to achieve prosperity. Intention is a psychological phenomenon that shows a focus of interest in a particular object due to a feeling of happiness, intention as a regulation of action which, if there is a suitable time and opportunity, will berealized in the form of action. Investor intention is defined as the desire or sincerity of a person to take investment actions. From intention, it can be seen how and to what extent a person tries hard and is serious about investing. The ability to manage financial information owned by investors does not necessarily foster an intention to buy, sell or revise their share ownership. In the theory of Planned Behavior Theory (TPB) it is explained that attitude towards behavior is an important factor that can predict an action, although it is necessary to consider a person's attitude in testing subjective norms and measuring the person's perceived behavioral control. If there isa positive attitude, support from people around and there is a perception of ease because there are no barriers to behavior, then one's intention to behave will be higher (Ajzen, 2005). Someone who has a positive attitude towards investing in stocks, gets support from people around him and there is a perception of easebecause there are no obstacles to investing in stocks, so one's intention to invest in stocks will be even higher. Attitude towards behavior is a tendency to respond to things that are liked or disliked in an object, person, institution or event (Ajzen, 1991). Attitude towards behavior is considered as the first variable that influences behavioral intention. When an individual appreciates the positives of an action, then he has the will to perform certain actions. Views about a behavior are influenced by beliefs (behavioral beliefs) as a result of the behavior performed. Individual beliefs include strength beliefs and outcome evaluations. Views on behavior are believed to have a direct impact on the will to behave which is then affiliated with perceived behavioral control and subjective norms (Ajzen, 1991). In the context of this study, individual investors will want to invest in stocks if they have positive beliefs that investing in stocks is a profitable activity for them, conversely, investor intentions will be low if they perceive investing in stocks will provide losses, it can be said skills in reading and analyzing as well as managing finances not as a factor that can foster investors' intention to invest.

Investor Intentions Mediate the Relationship Between Financial Advisory Recommendations Against Investment Decisions

The indirect effect of financial advisor recommendations on investment decisions, through investor intentions is 0.237 and is significant with a P-Values of 0.019 <0.05. In other words, significant investor intention mediates the relationship between financial advisor recommendations and investment decisions, financial advisor recommendations have an indirect effect on investment decisions, this is because investors' intentions to invest by searching, analyzing, studying financial information issued by companies are taken into consideration by investors in determine investment decisions. Intention to invest as someone's genuine desire to invest, so that from the intention it can be seen how and to what extent an investor is trying hard to invest. In Planned behavior theory one's intention to behave will be higher supported by a positive attitude and the perceived ease of action. Intention is a measure of seriousness in investing, seriousness is a measure of investment success. Strong intentions within oneself will encourage the desire to know and responsiveness to stock investment by studying and paying attention to the financial information of a business entity that will be used by investors as a basis for making an investment decision. Information received by investors, of course, with the quality or information content that is useful and valuable is very important in making investment decisions. (Adhikara, 2014; Anggraiawan, 2017). Information from financial advisors presented in the media or directly requested by investors is analyzed by investors, selected for consideration in decision making, only relevant financial information is used as a decision in investing (Lubis, 2010). The intentionto seek information from various media, brokers, friends regarding useful and valuable investments will provide additional knowledge for investors in making investment decisions whether past, present or future. Increase investor confidence in opportunities to seek the possibility of investment realization in times of uncertainty,the level of return on stocks invested, consideration of fundamental and technical factors in investment decisions.

Financial Literacy Moderates the Relationship Between Financial Advisory Recommendations Against Investor Intentions

Based on the results of the moderation test, it is known that the P-Values is 0.078 > 0.05, so financial advisor literacy is not significant in moderating the effect of financial advisor recommendations on investor intentions. This indicates that financial literacy does not moderate the effect of financial advisor recommendations on investor intentions. Financial literacy is not a concern or in other words financial literacy is not able to clarify the effect of financial recommendations on the investment intentions of individual investors in Medan. Individual investors with investment intentions who earnestly seek and study information obtained from financial advisers in the course of their investment activities. Investors in this case are beginners as students who have no experience studying information in the form of company reputation, business ethics, company advantages, business models, innovation and product security information owned by companies as an analysis of investment recommendations provided by investment advisors, media and brokers. Financial advisor recommendations affect investment intentions, company competitiveness, the company's ability to face challenges, make the company more resilient in carrying out its business and the company's ability to create and innovate is of great concern to investors in Medan. In general, the recommendations offinancial advisors play a large role in influencing individual investors' intentions to invest. Financial advisor recommendations influence investors' desire to choosereputable stocks. Existing information encourages investors to be interested in paying attention and analyzing it for the purpose of increasing the performance ofthe shares owned by investors. This is in line with what was conveyed by Abreauand Mendes, 2012 which states that individual investors invest more often when they collect information from professional sources, they consider the credibility of information collected in depth in the form of stock market analysis conducted by financial advisors justified by individual investors. student investors in Medan, those with minimal ability to analyze and collect financial and non-financial information from sources in the company, the credibility and quality of non-financial informationinformed by the company is more of a concern to investors plus the reviews givenby advisors finances further strengthen their decision.

Theoretical Implications

The results of this study state several theoretical implications in developing the influence of financial advisor recommendations on investment decisions of student investors in Medan with investor intentions as mediates and financial literacy as moderators as follows:

a. The results of this study indicate that the characteristics of intention in the form of a strong desire to find reputable stocks, the effort to learn new ways of investing and the desire to be responsive to stock prices are the dominant desires carried out by student investors while financial literacy has no effect on growing investor intentions. This shows that student investors are less able to analyze their own stock performance and have less knowledge about investment strategies and portfolios as well as market conditions, resulting in a low number of investors trading on the stock exchange. Investors who actively trade are very few compared to the number of existing investors. Based on this research, arguments are developed which can be said to be a novelty in this research for the development of investment decision theory in which the characteristics of financial advisor recommendations are that they are easy to understand as information, when associated with Theory of Reasoned Action, there is investor confidence in information with the ability it has to generate intention in carrying out actions, namely making investment decisions. If it is associated with agency theory where the information and recommendations presented are used by investors and company management, they become obligations as a responsibility to shareholders as the principal. The results of this study also show the novelty in the development of investment decision theory that it is said that literacy is a skill and ability to manage investors' finances that does not necessarily affect investors' intentions.

b. The results of this study prove that the Theory of Reasoned Action is able to explain that investment behavior will change as investors' intentions change in making investment decisions.

Practical Implication

In addition to the theoretical implications, the results of this study also provide several practical implications as follows:

a. This research provides novelty that is important to pay attention to in making investment decisions, where investment decisions are difficult decisions, decisions that require consideration and choice in determining alternatives as a basis for strengthening individual investors' investment decisions in the form of the importance of the characteristics of analysis and recommendations of financial advisors as information, namely easy-to-understand information will encourage high intentions in seeking reputable stocks which is of course the reason for making investment decisions for investors. Active investors as a result of trading as a strategy to develop their capital. Investors choose various strategies in view of market conditions and situations. Investors are active in hunting for opportunities and opportunities will excite the capital market so that trade will move. Investors are active and are always watching the potential income in the capital market in the form of dividends and capital gains, all of which are obtained by trading so that the difference between the selling and buying prices can be seen, which incidentally shows the investment decisions taken by investors, namely selling shares when the expected stock price is high and buying shares. when the price margin of safety is good.

b. This research becomes a reference and recommendation to the Indonesia Stock Exchange for the North Sumatra region to find solutions on how to increase opportunities and people's desire to participate in investment activities.

c. This research is a reference for the Financial Services Authority of the North Sumatra Region to be forwarded to the Financial Services Authority and the Indonesian Stock Exchange so that information or recommendations from financial advisors and mobile investment advisers are the latest and not expensive and add financial consultants to help investors, especially student investors

6. Conclusions

Based on testing and analysis it is known that financial literacy is not a concern for student investors in Medan because student investors still lack knowledge and experience in generating investment intentions. Student investors, still not knowledgeable enough, financially not well established, still need a lot of financial advice, looking for investment strategies, still unsure about trading, need information, looking for information, make alternative investments with ideas that are planned and considered as options in anticipation of future investments he made.

The results of this study also provide several implications for future researchers as follows:

a. This research can be used as a reference for redesigning statements in questionnaires in research related to recommendations of financial advisers on investment decisions with intention as a mediator and financial literacy as a moderator.
b. This research can also be used as a reference in selecting and determining research variables related to research in determining the investment decisions of both individual and institutional investors

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