

## CHAPTER V

### CONCLUSIONS AND IMPLICATIONS

#### A. Conclusion

Based on the research that has been conducted, the following conclusions can be drawn from the research findings:

1. Financial literacy has an insignificant positive effect on mutual fund investment decisions at PNM Investment Management. The limited impact of financial literacy on mutual fund investment decisions is due to the fact that most respondents are university students with basic and theoretical knowledge of financial concepts but little practical experience. This lack of direct investment experience, combined with concerns about market risks and trends, as well as barriers such as public ignorance and risk, reduces the significance of financial literacy in shaping their investment choices. Thus, the financial literacy factor is not significant enough to influence mutual fund investment decisions at PNM Investment Management.
2. Financial self-efficacy has an insignificant positive influence on mutual fund decisions at PNM Investment Management. Although financial self-efficacy can drive investment decisions, its influence is limited by cognitive biases, such as status quo bias, which makes individuals prefer old habits (saving in banks) rather than taking

risks to invest in mutual funds. This suggests that although financial self-efficacy has a positive influence, it is not strong enough to significantly influence investment decisions. Thus, the financial self-efficacy factor is not significant enough to influence mutual fund investment decisions at PNM Investment Management.

3. Financial technology has a significant positive influence on mutual fund investment decisions at PNM Investment Management. The PNM Sijago app helps customers easily access information and make informed investment choices, boosting trust and comfort in investing. Although it is currently only available for Android and not fully optimized for iOS, the app still plays a crucial role in supporting investment decisions. Its presence has proven to contribute positively to the investment process for mutual fund investors at PNM IM. This increases efficiency and inclusiveness in investing, there by encouraging more people to participate in PNM IM's mutual fund products and strengthening financial market growth.
4. Asset performance has a significant positive influence on mutual fund investment decisions at PNM Investment Management. Good asset performance, reflected in favorable historical returns, manageable risks, and efficient management fees, increases the attractiveness of PNM IM mutual funds to investors. When mutual funds show consistent growth and favorable returns, it builds

investor confidence and encourages them to invest further. In addition, the transparency of performance reports and easy access to information also reinforce more informed investment decisions. Thus, positive financial performance is an important factor in attracting investor interest and supporting better investment decisions in PNM IM.

## **B. Implications**

### **1. Theoretical Implications**

This research makes an important contribution to theory development in the field of investment decisions, especially with regard to financial technology and asset performance. Theoretically, the results add to the understanding of how financial technology can change investor behavior and make investments more inclusive and efficient. In addition, good asset performance, reflected in favorable returns and managed risk, is a key indicator for investors in making decisions. The findings also provide new insights that while financial literacy and financial self-efficacy play an important role, in the context of mutual funds, more practical external factors, such as technological convenience and investment product performance, are more significant. This research paves the way for follow-up studies that explore how further integration between technology and asset management can influence investor behavior.

## 2. Practical Implications

### a. For PNM Investment Management

- 1) By optimizing the PNM SiJago application to enrich product information, facilitate transactions, monitor portfolio performance, and provide education and personalization features, PNM IM can increase investor convenience and trust, expand the investor base, and strengthen its position in the mutual fund investment industry.
- 2) Solid asset performance is a major factor influencing investment decisions. PNM IM should focus on presenting clear and transparent mutual fund performance, including returns, risks, and management fees that are easily understood by investors. Increasing the transparency of performance reports and providing regular and accurate data can strengthen investor confidence in mutual fund products offered by PNM IM.
- 3) Although financial literacy and financial self-efficacy do not have a significant effect, PNM IM can still run educational programs that focus more on practical aspects such as how to utilize financial technology in investing and understanding the performance of mutual fund products.

### C. Research Limitations

In this study there are still some limitations that can be improved in further research, these things are as follows:

1. The variables studied are limited to financial literacy, financial self-efficacy, financial technology, and asset performance. It is hoped that for future research, researchers can add other variables that can influence mutual fund investment decisions such as social influences (for example advice from family or friends), risk levels, and others.
2. The results of this study have not been able to explain the effect of financial literacy on mutual fund investment decisions and also the effect of financial self-efficacy on mutual fund investment decisions directly. Future research is expected to further consider other factors that can be more influential.
3. The sample limitations in this study were only carried out on customers or investors who invested through PNM Investment Management, so the findings may not be generalizable to the entire population of investors or other investment institutions. Specific characteristics of PNM customers, such as PNM IM customers who actively use PNM SiJago accounts, have made buying and selling transactions of mutual fund products through PNM SiJago accounts,

and have at least a college education can affect the generalization of results.

