

ABSTRACT

People of productive age at this time still do not realize the importance of investing early in order to make a profit in the future. The problem that occurs in the productive age community of Bandung City is still the lack of knowledge, skills, and beliefs of a person so that it is not optimal in making investment decisions. This research is intended to determine the influence of Representativeness Bias and Herding Behavior in making investment decisions in people of productive age in the city of Bandung. This research uses quantitative methods. The data collection technique used was primary data by distributing questionnaires to a total of 400 respondents. The distribution of the questionnaire was specifically for respondents from the city of Bandung aged 15 to 64 years. The data processing of this study used the SPSS statistical tool and the questionnaire testing of this study used validity tests and reliability tests. The analysis method uses classical assumption tests, multiple linear regression analysis, hypothesis testing.

From the results of this study it was found that the classical assumption test which consisted of tests for normality, heteroscedasticity, and multicollinearity had met the requirements or passed the test. Then the representativeness bias and herding behavior variables partially and simultaneously affect investment decision making at productive age in the city of Bandung. Then produce a multiple linear regression analysis equation that is $Y = 6.115 + 0.286 X1 + 0.421 X2$, and a coefficient of determination of 41.5%.

Keywords: *Representativeness Bias, Herding Behavior, Investment Decisions*