

KORESPONDENSI

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| Judul | : | DISPOSITION EFFECT: DOES INVESTOR CONFIDENCE MATTER? EXAMINING SERVICE FROM SECURITIES BROKERAGES |
| Penulis | : | Arief Yulianto, Angga Pandu W |
| Nama Jurnal | : | International Journal of Professional Business Review |
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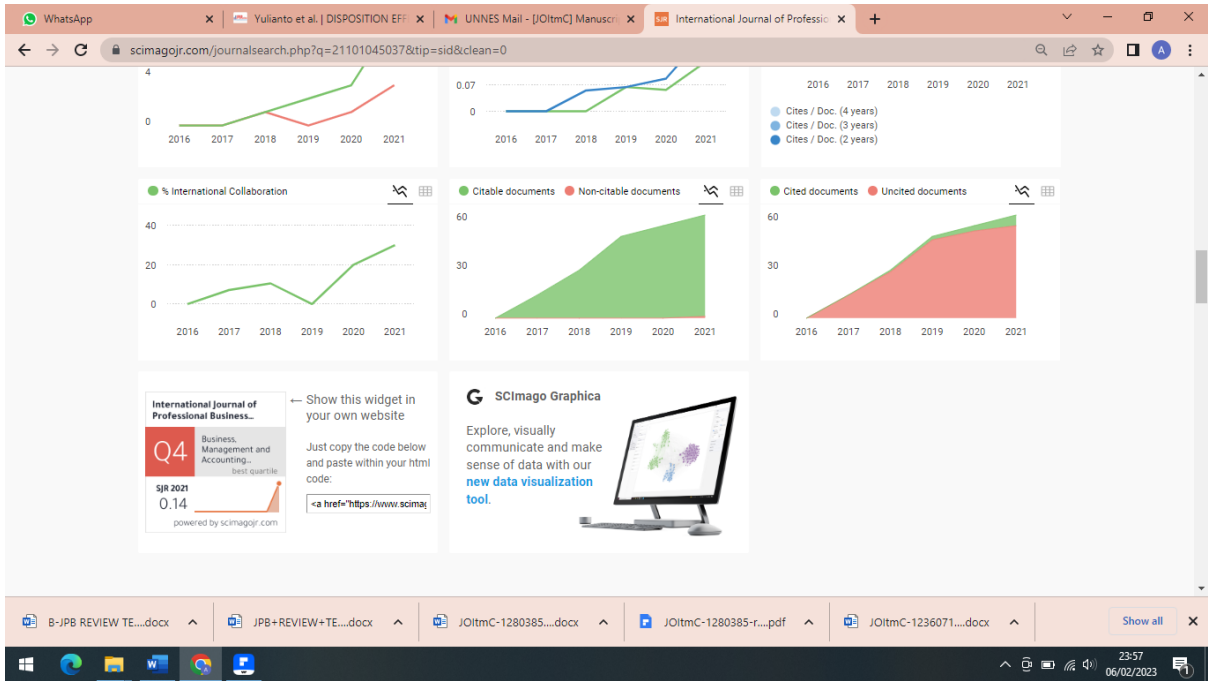


Deskripsi Journal

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| Nama Jurnal | : | International Journal of Professional Business Review |
| Penerbit | : | AOS-Estrategia and Inovacao, Brasil |
| ISSN | : | 25253654 |
| Quartile | : | 4 |
| SJR | : | 0.14 |
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| Coverage Year | : | 2016 – ongoing (present) (file xls) |

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| COUNTRY | SUBJECT AREA AND CATEGORY | PUBLISHER | H-INDEX |
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| 19301 100744 | International Journal of Protein Research | 00207551 | | Inactive | 1969-1972 | | | |
| 19302 79250 | International Journal of Psychiatry | 0020756X | | Inactive | 1972-1973, 1965-1970 | | | |
| 19303 16180 | International Journal of Psychiatry in Clinical Practice | 13651501 | 14711788 | Active | 1997-ongoing | | ENG | 3.2 |
| 19304 16181 | International Journal of Psychiatry in Medicine | 00912174 | 15413527 | Active | 1980-ongoing, 1977-1978, 1973-1975 | | ENG | 1.9 |
| 19305 14893 | International Journal of Psychoanalysis | 00207578 | | Active | 1951-ongoing, 1945-1947 | | ENG | 1.3 |
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- Source type:** Journal
- Metrics:** CiteScore 2021: 0.3; SJR 2021: 0.140; SNIP 2021: 0.155
- Actions:** View all documents, Set document alert, Save to source list, Source Homepage
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| 3256 | JPB REVIEW TEMPLATE_STYLE-MAR.docx | December 20, 2022 | Article Text |
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**DISPOSITION EFFECT: DOES INVESTOR CONFIDENCE MATTER?
EXAMINING SERVICE FROM SECURITIES BROKERAGES**

| ARTICLE INFO | ABSTRACT |
|--|---|
| <p>Article history:</p> <p>Received XX November XXXX</p> <p>Accepted XX January XX</p> | <p>Purpose: This study aims to analyze the role of training in forming the confidence of novice investors in buying a stock. Novice investors sometimes have limited knowledge about the shares purchased, resulting in the disposition effect.</p> <p>Theoretical framework: Research on the disposition of securities associated with training for novice investors is still limited. A limited number of studies comprehensively analyze the role of training organized by securities brokers.</p> <p>Design/methodology/approach: The research using quantitative approach and employ purposive sampling method with a total sample of 192 respondents. Each respondent is required to fill questionnaire to obtain data which consist of strongly disagree and strongly agree. Validity, reliability, and hypothesis testing is examined</p> <p>Findings: The results showed that the training program and investor experience mediated by investor confidence affected satisfaction in buying shares, hence, disposition effect is limited. Novice investor utilize training from brokerage securities to receive gain.</p> <p>Research, Practical & Social implications: The research is asserted that novice investor with limited experience should do practice using training provided by brokerage securities</p> <p>Originality/value: The result elaborate training decrease disposition effect. Previous research is lack of elaborate disposition effect and its implication on investor satisfaction.</p> |
| <p>Keywords:</p> <p>Training Programme, Investor Experience, Investor Confidence, Investor Satisfaction.</p> <div data-bbox="159 1086 470 1332" style="text-align: center;">  </div> | <p>Doi: xxx</p> |

Introduction

Securities brokers provide a service, namely training aimed at novice investors in order to understand strategies for buying stocks. Securities brokerage is a service that provides buying and selling of shares to investors, especially retail investors. The role of securities brokers is essential so as to encourage services that can provide satisfaction to investors when investors are successful in increasing their capital through stock transactions. Investment needs are an essential part of today's novice investors. Investors still learning to analyze and understand market conditions need a learning process in investment activities. For investment investors, it is a process that requires learning activities to understand the market dynamics comprehensively. The process of understanding market dynamics requires learning that is not only done independently but is obtained through securities brokers. Beginner investors sometimes want a high rate of return on investment, so they need to learn more to understand the market. Securities brokers provide the learning process or training to help novice investors understand investing in various instruments, especially stocks. Stock investment is a form of purchase to provide capital gains to novice investors (Da Costa et al., 2013). Not all novice investors get capital gains, but sometimes they experience losses resulting in capital loss. Beginner investors are interested in getting capital gains to increase the amount of capital to get more profits. Beginner investors need experience and confidence so that the process of investing through shares sponsored by securities companies gets optimal benefits. Beginner investors experience dilemmas and find it challenging to analyze the market when entering the capital market for the first time. Novice investors who experience these difficulties will have a higher percentage of failure compared to skilled investors who understand the market holistically. The role of securities brokers is essential to increase novice investors' insight so that they obtain a higher level of the capital gain when compared to the losses experienced. The process of obtaining capital gains requires experience as a trader so that an investor who aims to invest his money in a few days or a few weeks will get optimal profits. Investors who do not have experience will potentially have a larger capital loss, reducing the amount of capital held in the investor's account (Frino et al., 2015).

Beginner investors who receive training programs from securities brokers will have a high level of confidence to make risky decisions. Investing in shares on the Stock Exchange will have a greater level of risk when compared to investing money in a bank in the form of deposits. Investing in the capital market requires a high level of experience and confidence. Investor experience is formed through training programs carried out by securities brokers to gain trust and experience to form satisfaction with certain securities brokers. This study investigates the role of securities brokers in determining the disposition effect of actors, namely investors (Bouteska & Regaieg, 2018). A securities broker's role is essential to shaping an experience that can increase the satisfaction of novice investors. The low disposition effect determines the level of satisfaction of novice investors. When the disposition effect is high, investor satisfaction is lower. This is due to investors selling shares quickly but having a high rate of increase. On the other hand, investors maintain assets in the form of shares that have decreased so that the money owned by investors is decreasing, thus obtaining a capital loss. A low disposition effect

will determine the level of satisfaction with using a security broker and the training program that is a loyalty (Dhar & Zhu, 2006; Richards et al., 2018).

Hypothesis Development

Effect Training Program on Investor Confidence

Training organized by securities brokers will increase the confidence of novice investors. This confidence arises from the knowledge and skills to analyze stocks that novice investors buy. The analysis process requires training organized by a securities broker. The essential aspect that securities brokers should do is to ensure smooth transactions for novice investors (Tang et al., 2019). However, suppose there are additional programs in the form of training organized by securities brokers. In that case, this will lead to a high level of satisfaction, and trust in securities brokers is getting stronger. When investors make stock selections self-taught, the level of confidence stagnates. Different conditions occur when investors receive training programs from securities brokers who have experienced trainers so that they can improve stock selection criteria so that investors can make the right stock selection in the capital market. The selection of investors for stocks will increase confidence if accompanied by training from a securities broker (Talpsepp, 2011).

Effect Training Program on Investor Experience

Training for investors is a method and strategy used by securities brokers to improve their investment experience. Experience is not only gained through a self-taught process but securities brokers play an essential role in improving the investment experience. When a securities broker provides training to investors, there is knowledge and practice that investors can take to gain comprehensive knowledge of the capital market and select the right stocks. Choosing the right stock will reduce the disposition of securities that occur to investors so that investors will get optimal capital gains. Investors get capital gain; the amount of Capital loss that has the potential to reduce the amount of investor capital is decreasing. The training program will improve the experience of more investors so that with this experience it will reduce the disposition effect that occurs when investing. The investment process requires experience in choosing the right stocks to obtain optimal capital gains (Liu & Kan, 2021). Investor experience is not formed in a short time but requires training and time to gain adequate experience. Improving investor experience takes time, so based on this experience, the training program's success rate can be optimized. The investment process requires a level of experience in choosing the right stocks to obtain optimal capital gains. Investor experience is not formed in a short time but requires training and time to gain adequate experience. The process to improve investor experience takes time, so based on this experience, the training program's success rate can be optimized. The investment process requires a level of experience in choosing the right stocks to obtain optimal capital gains. Investor experience is not formed in a short time but requires training and time to gain adequate experience. Improving investor experience takes time, so based on this experience, the training program's success rate can be optimized.

Effect Training Program on Investor Satisfaction

A training program is a form of training for novice investors to choose decent stocks. The selection of appropriate shares is an effort to increase capital gains and the amount of capital owned by investors. The amount of capital owned by investors will increase when the selected shares increase and reduce the decline in the value of shares held by investors. Training in the form of training is a facility provided by securities brokers to increase investor satisfaction. The main task of a securities broker is to provide services on investments desired by investors. When investors receive training program services, it will increase the satisfaction of novice investors who have not been able to determine which shares are eligible for investment (Kotomin & Varma, 2022).

Effect Investor Experience on Investor Satisfaction

The experience of investors will affect the satisfaction of investors in investing in certain securities brokers. This level of satisfaction is shown when investors succeed in reducing the disposition effect of the experiences that have been carried out. Investor experience is a valuable aspect in determining investment decisions to reduce the disposition of securities. Disposition is a condition that occurs when investors maintain assets that are reduced or reduced at any time. The disposition of securities also indicates that investors sell their shares too quickly so they do not enjoy a high percentage increase in shares. Disposition can be reduced when investors have a lot of experience so that the number of shares owned follows the potential increase (Frino et al., 2015). This research indicates that investor experience affects investor satisfaction in investing, which is also influenced by training programs and self-confidence. The level of investor experience also influences the success of investing. Investors have high experience then, which will affect the satisfaction level caused by the success of investing. Investment success is defined as the ability of investors to develop their capital and increase their profits through Capital skins obtained from the capital market (Bouteska & Regaieg, 2018).

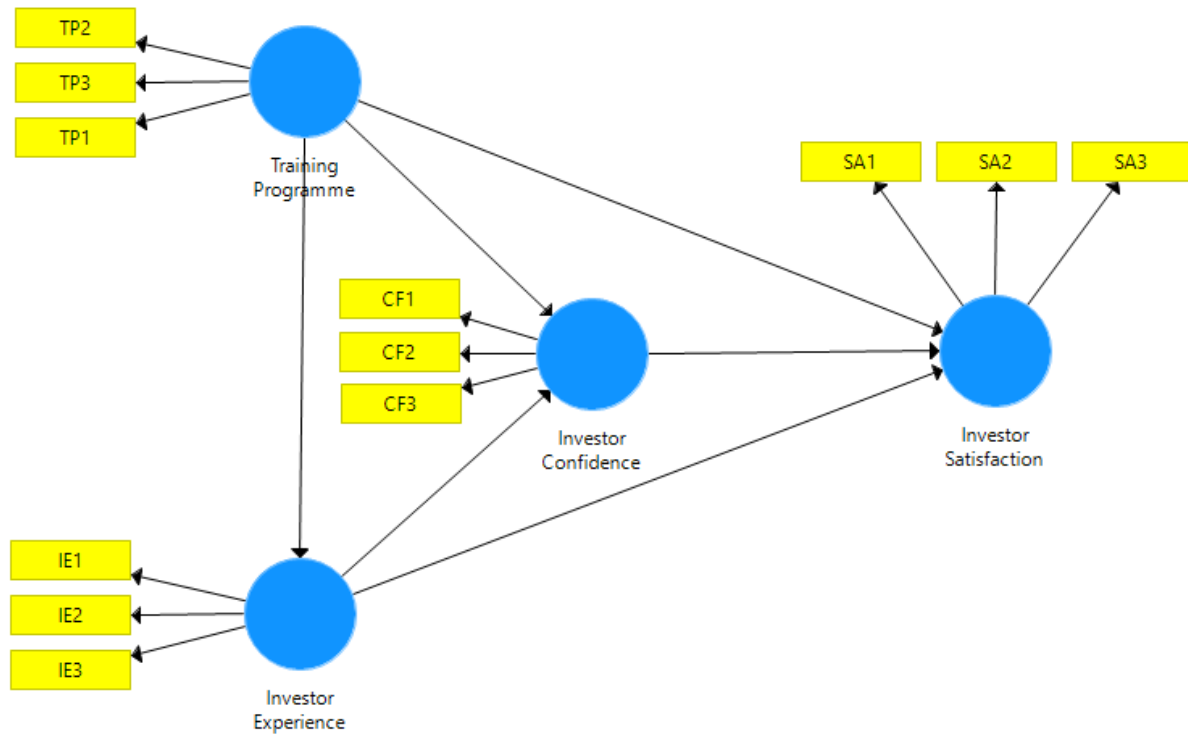


Figure 1. Research Model

Method

The study was conducted on novice investors who become customers of securities brokers in Indonesia. This study aims to investigate the effect of training held by securities brokers on the confidence of novice investors and the experience that also influences the level of satisfaction of novice investors. The study was conducted involving 192 samples spread across several securities in Indonesia. The study used a purposive random sample to obtain the expected sample. The variables used in this study are securities broker training, investor confidence, investor experience, and investor satisfaction

Result

Based on the results of the analysis of the validity test, all indicators have met the validity test rules shown in Table 1, the validity of which is tested using loading factor > 0.7.

Table 1. Validity Test Result

| | Investor Confidence | Investor Experience | Investor Satisfaction | Training Programme |
|-----|---------------------|---------------------|-----------------------|--------------------|
| CF1 | 0.704 | | | |
| CF2 | 0.823 | | | |
| CF3 | 0.825 | | | |
| IE1 | | 0.868 | | |
| IE2 | | 0.772 | | |
| IE3 | | 0.752 | | |
| SA1 | | | 0.841 | |

| | | | | |
|-----|--|--|-------|-------|
| SA2 | | | 0.864 | |
| SA3 | | | 0.772 | |
| TP2 | | | | 0.902 |
| TP3 | | | | 0.889 |
| TP1 | | | | 0.821 |

The results of the validity test contained in Table 1 are strengthened by the results of the Fornell-Larcker test contained in Table 2 to analyze the discriminant validity of the research results indicate that based on the Fornell-Larcker all has met the degree of validity in accordance with the rules.

Table 2. Fornell-larcker Criterion Test

| | Investor Confidence | Investor Experience | Investor Satisfaction | Training Programme |
|-----------------------|---------------------|---------------------|-----------------------|--------------------|
| Investor Confidence | 0.786 | | | |
| Investor Experience | 0.740 | 0.799 | | |
| Investor Satisfaction | 0.587 | 0.65 | 0.827 | |
| Training Programme | 0.655 | 0.477 | 0.529 | 0.871 |

The results of hypothesis testing are in Table 3 which shows the influence between the variables tested in the study.

Table 3. Hypothesis Test

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|--|---------------------|-----------------|----------------------------|--------------------------|----------|
| Investor Confidence -> Investor Satisfaction | 0.461 | 0.569 | 0.011 | 5.553 | 0.001 |
| Investor Experience -> Investor Confidence | 0.554 | 0.555 | 0.064 | 8.638 | 0.000 |
| Investor Experience -> Investor Satisfaction | 0.480 | 0.475 | 0.095 | 5.057 | 0.000 |
| Training Programme -> Investor Confidence | 0.391 | 0.390 | 0.062 | 6.278 | 0.000 |
| Training Programme -> Investor Experience | 0.477 | 0.477 | 0.078 | 6.134 | 0.000 |
| Training Programme -> Investor Satisfaction | 0.260 | 0.259 | 0.084 | 3.115 | 0.002 |

Discussion

The results showed a significant effect of training programs organized by securities brokers on investor confidence. This shows that the training program provides knowledge to investors so that with the ability and understanding of the investments made as well as

a comprehensive understanding of the capital market and being able to choose the right stocks, investors will have a high confidence level. The training process carried out by novice investors will increase confidence so that through the training process, investors will have confidence in selecting the selected shares. Investors with a high level of self-confidence will easily choose stocks with a high win rate; self-confidence reflects that investors believe that the selected stock has a high win rate so that it will generate capital gains (Jin et al., 2021). The selection of shares cannot be done randomly because this will reduce the percentage of winnings or capital gains for investors. The training also affects investors' experience in choosing the right stock. Training is an effort to shape the knowledge and skills of novice investors so that they can choose the right stocks and obtain capital gains. Capital gain is a form that indicates that investors have succeeded in choosing the right stock. Obtaining capital gains is an effort to reduce the disposition of securities so that novice investors will get many wins and profits. Investments made through the Stock Exchange that will generate profits have the potential to increase satisfaction in using a broker (Trejos et al., 2019).

Investment is the essence of getting a profit by choosing the right stocks. The sale of shares is carried out when it has obtained a baby Talking so that it requires adequate experience. When novice investors have a small amount of experience, training will help novice investors in choosing the right stocks. This study has confirmed that training or training organized by securities brokers has a positive effect on the experience of novice investors. The limited ability of novice investors can be formed through training or training organized by a securities broker. Investment selection is a risky instrument through stock investment. Securities brokers offer training to help novice investors understand these risks and choose the right stocks to invest their money in (Park et al., 2019). The choice of investment and understanding the risk is part of the training organized by a securities broker. Training organized by securities brokers has a positive effect on the level of satisfaction of novice investors. Satisfaction is not formed over time but gradually so that based on the training, which makes novice investors feel the benefits of the training, it has an important role in determining satisfaction (Wu et al., 2018). Novice investors are individuals who expect to get capital gains, so the training will help to get the expected profit level (Cai et al., 2018). Beginner investors need training because they have limited experience and low self-confidence in choosing the right stock. Selection of the right stocks can be done with training from securities brokers who present presenters who can provide a comprehensive understanding of strategies for choosing stocks.

The results show that training is important in determining satisfaction through self-confidence and experience. Investors who have experience will produce a low disposition effect. The study results confirm that satisfaction is the total perceived by novice investors towards the service. Investment is a form of betting made by investors to get the expected level of profit. The experience of novice investors also determines the process for obtaining satisfactory investment returns. Through training organized by securities brokers, this experience can be more easily obtained by novice investors. Experience is a valuable part of investing money in the capital market in choosing the right stock (Pelster & Hofmann, 2018). Confidence plays an important role in the

investment process. Without confidence, novice investors hesitate to place their money in stocks. Indecision in investing will result in investor disappointment when stock prices increase. Indecision can result in disappointment because investors do not invest their money in stocks that have the potential to rise. Investors who have a low level of self-confidence will produce an unsatisfactory return on investment (Zahera & Bansal, 2019). The study results confirm that training is the key in determining satisfaction with securities brokers. Securities brokers not only strive to provide services in the field of stock transactions to novice investors but also provide more services, namely in education for novice investors to gain confidence and experience to reduce the disposition of securities (Tang et al., 2019). Investors who have a low level of self-confidence will produce an unsatisfactory return on investment. The study results confirm that training is the key in determining satisfaction with securities brokers. Securities brokers not only strive to provide services in the field of stock transactions to novice investors but also provide more services, namely in education for novice investors to gain confidence and experience to reduce the disposition of securities (Richards et al., 2017). Investors who have a low level of self-confidence will produce an unsatisfactory return on investment. The study results confirm that training is the key to determining satisfaction with securities brokers. Securities brokers not only strive to provide services in the field of stock transactions to novice investors but also provide more services, namely in education for novice investors to gain confidence and experience to reduce the disposition of securities (Andreu et al., 2020).

Conclusion

The low disposition effect indicates that novice investors have gained experience in investing their money in the capital market. The investors' ability can be determined by how long they have experience investing their money in the right stock selection. Confidence is one of the indications that determine the level of success of investors in obtaining capital gains and other benefits in the capital market. This study has confirmed the importance of training organized by securities brokers to determine the satisfaction of novice investors who still lack experience.

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DISPOSITION EFFECT: DOES INVESTOR CONFIDENCE MATTER? EXAMINING SERVICE FROM SECURITIES BROKERAGES

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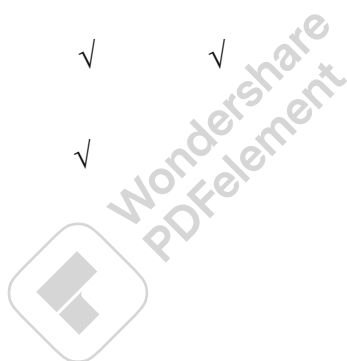
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Contribution of authors

Every author should account for at least one component of the work. Paper approved for publication need to specify the contribution of every single author.

| Contribution | [Author 1] | [Author 2] |
|--|------------|------------|
| 1. Definition of research problem | √ | √ |
| 2. Development of hypotheses or research questions (empirical studies) | √ | √ |

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|---|---|---|
| 3. Development of theoretical propositions (theoretical work) | √ | √ |
| 4. Theoretical foundation / Literature review | √ | √ |
| 5. Definition of methodological procedures | √ | |
| 6. Data collection | √ | |
| 7. Statistical analysis | √ | √ |
| 8. Analysis and interpretation of data | √ | |
| 9. Critical revision of the manuscript | √ | |
| 10. Manuscript writing | √ | √ |
| 11. English Translation | √ | |



Reviewer's Report

| | |
|---|--|
| Journal | Journal of Profess. Bus. Review |
| Title of the paper: | Disposition Effect: Does Investor Confidence Matter? Examining Service From Securities Brokerages |
| Date of the Review completion: | 16 January 2023 |
| Originality and importance of the paper to the field of research: | High |
| The structure of the paper: | Is easy to follow and understand; You must follow this structure |
| ABSTRACT | Is the abstract of appropriate size? (150-200 words) |
| INTRODUCTION | Background Justification Objective of the work or research problem *The text of the introduction should be continuous, without being divided into sub-titles. |
| | Does the introduction identify the purpose of the paper or hypothesis and set the paper within the broader research perspective? |
| LITERATURE REVIEW | Required or Not Required Item; : Unfortunately, author has failed to organize the literature review part as well since the first paragraph does not say specifically which theories in the Finance literature explains the topic |
| MATERIAL AND METHODOLOGY | In principle, research methodology follows data collection part but here author has described reversely. However, author have not mentioned why 'the banking and financial sector' excluded. It must be logically mentioned (better, with reference from other studies). In addition, author should mention what other methods have been used to conduct similar study in the Finance literature |
| RESULTS AND DISCUSSION | result should be discussed with the support of other studies. Author can mention- other studies also present similar/contrast findings such as... |
| CONCLUSION | In the conclusion write about the limitations of the research and suggestions for future work. *The conclusion text should be continuous, not divided into sub-titles. |
| REFERENCES | Alright but needs to edit a few carefully |

Jan 2022, Editor Decision:LoA and required corrections

The screenshot shows a Gmail interface with a search bar containing 'jpb'. The email content is as follows:

to me, Angga ▾

Dear Authors,
We inform you that after evaluation by our external referees your article entitled "DISPOSITION EFFECT: DOES INVESTOR CONFIDENCE MATTER? EXAMINING SERVICE FROM SECURITIES BROKERAGES" was ACCEPTED, with required corrections, which are listed below.

Please cite at least 2 papers published in our journal: International Journal of Professional Business Review - <https://openaccessojps.com/JBRReview/> (journals belonging to Open Access)

Authors' data should be presented like this:
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Insert source in the article tables and figures.
If it is the author's creation, place it:
Source: Prepared by the authors (2022).

Article Structure
You must follow this structure:
INTRODUCTION
Background

The screenshot shows the same Gmail interface, but the email content is scrolled down to show a detailed list of required corrections:

INTRODUCTION
Background
Justification
Objective of the work or research problem
*The text of the introduction should be continuous, without being divided into sub-titles.

LITERATURE REVIEW
Required or Not Required Item

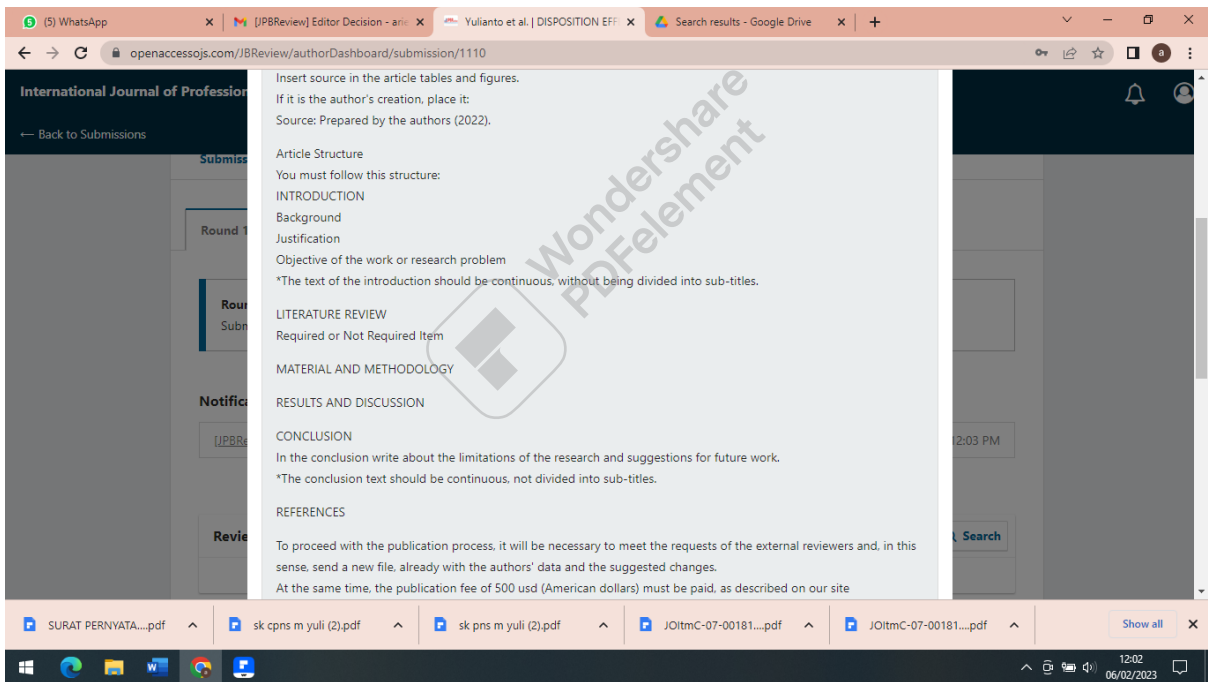
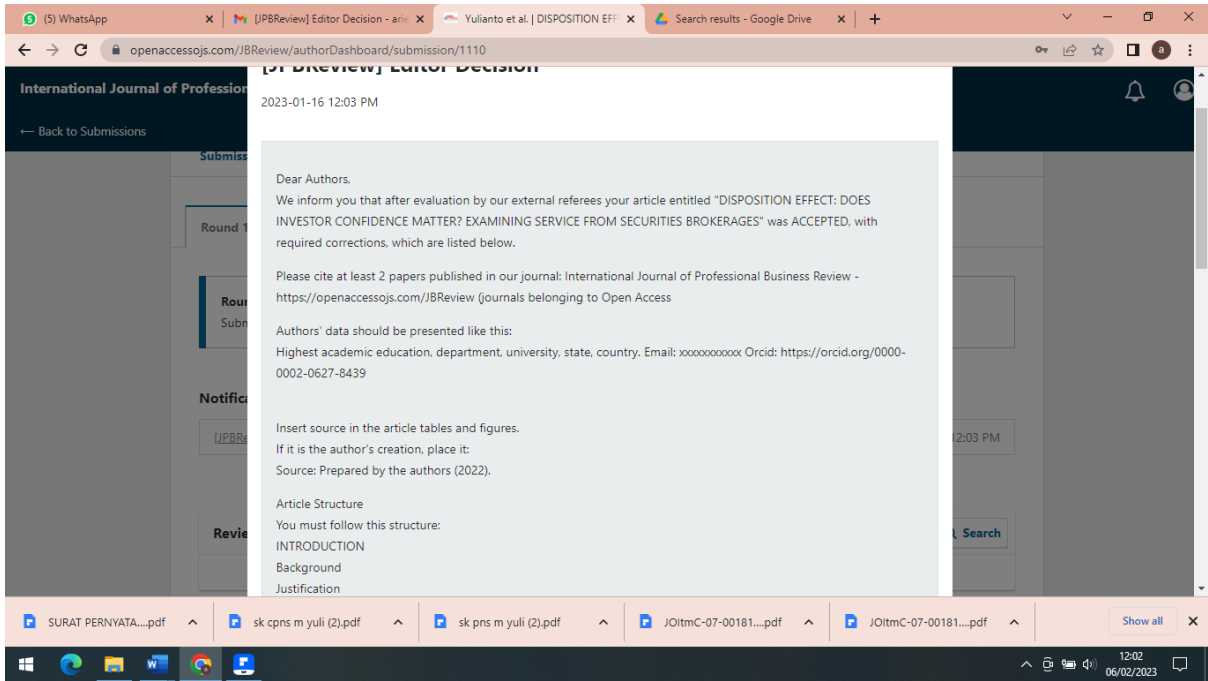
MATERIAL AND METHODOLOGY

RESULTS AND DISCUSSION

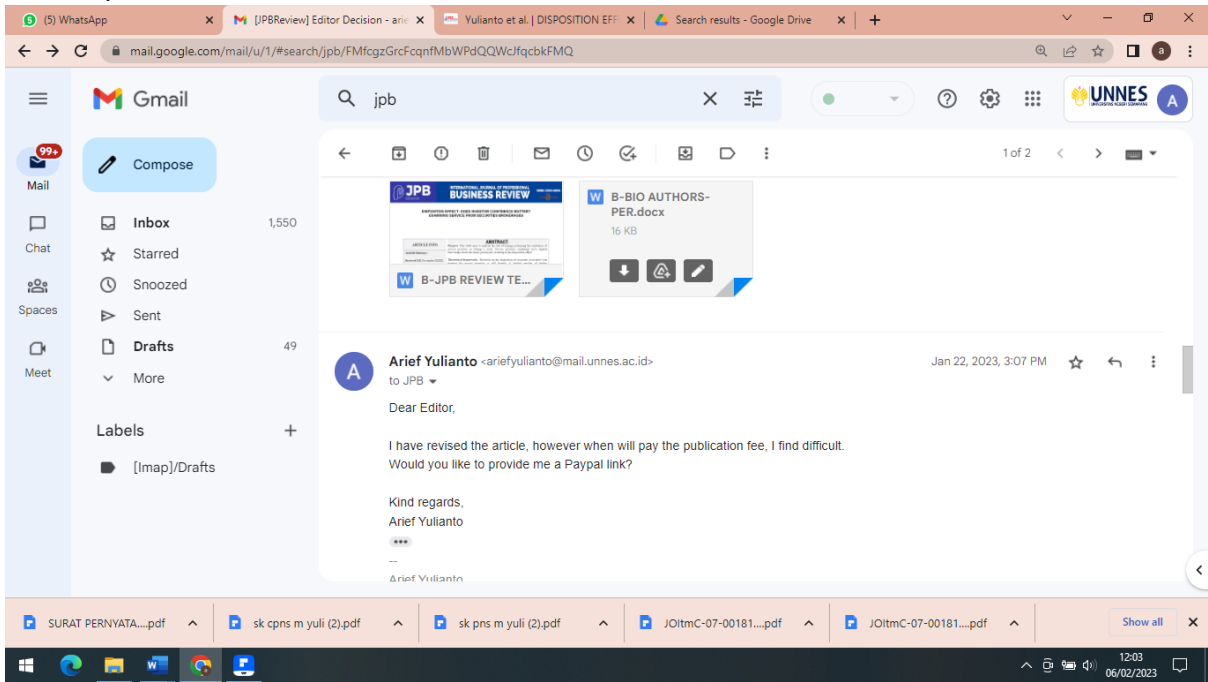
CONCLUSION
In the conclusion write about the limitations of the research and suggestions for future work.
*The conclusion text should be continuous, not divided into sub-titles.

REFERENCES

To proceed with the publication process, it will be necessary to meet the requests of the external reviewers and, in this sense, send a new file, already with the authors' data and the suggested changes.
At the same time, the publication fee of 500 usd (American dollars) must be paid, as described on our site (<https://openaccessojps.com/JBRReview/index>).




Jan 22, Revised Submitted



**DISPOSITION EFFECT: DOES INVESTOR CONFIDENCE MATTER?
EXAMINING SERVICE FROM SECURITIES BROKERAGES**

Arief Yulianto^A, Angga Pandu Wijaya^B

| ARTICLE INFO | ABSTRACT |
|---|--|
| <p>Article history:</p> <p>Received XX November XXXX</p> <p>Accepted XX January XX</p> | <p>Purpose: This study aims to analyze the role of training program to develop novice investors confidence in buying a stock. Novice investors undergo dilemma to buy stock due to limited knowledge which resulting disposition effect. Research regarding disposition effect which associated with training for novice investors is still limited</p> |
| <p>Keywords:</p> <p>Training Program, Investor Experience, Investor Confidence, Investor Satisfaction.</p> | <p>Theoretical framework: The disposition effect is the tendency when investors sell stocks that have the potential to experience future profits early, otherwise investors tend to hold stocks that have the potential to experience losses for too long so that investors tend to experience losses.</p> |
|  | <p>Design/methodology/approach: The research using quantitative approach and employ purposive sampling method with a total sample of 192 respondents. Respondent criteria are novice investor and have limited knowledge in stock market. Each respondent is required to fill questionnaire to obtain data which consist of strongly disagree and strongly agree. Validity, reliability, and hypothesis testing is examined</p> |
| | <p>Findings: The results indicate investor training influence investor experience. The result also showed that the training program and investor experience impact investor confidence. The result implies investor need training and experience to reduce disposition effect. The result represents training program, investor experience, and investor confidence affect investor satisfaction</p> |
| | <p>Research, Practical & Social implications: The research is asserted that novice investor with limited experience and knowledge need do practice. Novice investor understanding to buy stock will develop investor confidence.</p> |
| | <p>Originality/value: The result elaborate training for novice to develop investor confidence and experience. The more experienced investor will reduce disposition effect. Previous research is lack of disposition effect elaboration and its implication on investor satisfaction.</p> |
| | <p>Doi: xxx</p> |

Introduction

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Securities brokers provide a service to buy stock. However, it also teaches novice investors to understand strategies to select stocks. Securities brokerage is a service that provides buying and selling of shares to investors, especially retail investors. The role of securities brokers is essential to encourage services to satisfy investors and develop success in increasing capital through stock transactions. Investment is an effort to maintain asset values, so investors need it to maintain and increase capital ownership. Investors still learning to analyze and understand market conditions need experience in investment activities. Novice investors need a process that requires learning activities to understand the market dynamics comprehensively. The process of understanding market dynamics requires learning that is not only conducted independently; however, it requires through securities brokers. Novice investors mostly desire a high return on investment; hence, need to learn more to understand the market. Securities brokers provide the learning process or training to assist novice investors in understanding investing in various instruments, especially stocks, as part of excellent service. Stock investment is to provide capital gains to novice investors (Da Costa et al., 2013).

Investing in the capital market provides capital gain and risk to obtain capital loss; therefore, learning to select appropriate stock is essential (Novak et al., 2022). Making profits in the capital market requires adequate accuracy and knowledge, so experience comes from the ability to analyze stocks that have the potential to earn profits. The inability of novice investors to analyze stocks that will experience an increase results in the risk of obtaining losses, so the experience is needed to determine the right stocks. Selection of the right stock requires experience gained through the process. To accelerate this process, one of the services provided by securities brokers is to conduct training for novice investors to analyze stocks that have the potential to increase. Investors who do not have experience will potentially have a larger capital loss, reducing the amount of capital held in the investor's account (Frino et al., 2015). Honkanen (2020) shows that information is an essential aspect of getting a signal so that investors have the knowledge to buy certain stocks that have the potential to increase when investors do not have adequate information and knowledge to buy and sell stocks, it has the potential to increase losses. Bhootra & Hur (2015) explained that a process is needed to get optimal returns, especially for investors with risk aversion criteria to study and prioritize psychological stability to obtain maximum profits in investing in stocks. Stabilizing psychology and knowledge requires a process through learning in investing in facing market volatility (Dai et al., 2020). The inability of investors to determine which stocks will increase is determined by knowledge and experience, so a learning process is needed for novice stock investors (Yu et al., 2021). When investors do not have sufficient knowledge and experience, it raises a disposition effect which indicates that investors buy stocks that will experience a decline and ignore stocks that will experience an increase (Afi, 2017; Fenner et al., 2020)

Novice investors who receive training programs from securities brokers will have a high confidence level to perform risky decisions. This study investigates the role of investors in determining the choice of understanding when investors choose stocks that have the potential to experience losses and take stocks that have the potential to experience price increases in the future, and it is referred to as the disposition effect. This

study analyzes the role of investors affected by the disposition effect so that they choose stocks that are not right and suffer a loss when investing. The low disposition effect determines the level of satisfaction of novice investors. When the disposition effect is high, investor satisfaction is lower. This is due to investors selling shares quickly but having a high rate of increase (Bouteska & Regaieg, 2018). On the other hand, investors maintain assets in the form of shares that have decreased so that the money owned by investors decreases, thus obtaining a capital loss. A low disposition effect will determine the level of satisfaction with using a security broker and the training program that is loyalty (Dhar & Zhu, 2006; Richards et al., 2018).

Effect Training Program on Investor Confidence

Training organized by securities brokers will increase the confidence of novice investors. This confidence arises from the knowledge and skills to analyze stocks that novice investors buy. The analysis process requires training organized by a securities broker. The essential aspect that securities brokers should do is to ensure smooth transactions for novice investors (Tang et al., 2019). However, suppose there are additional programs in the form of training organized by securities brokers. In that case, this will lead to a high level of satisfaction, and trust in securities brokers is getting stronger. When investors make stock selections self-taught, their level of confidence stagnates. Different conditions occur when investors receive training programs from securities brokers who have experienced trainers so that they can improve stock selection criteria so that investors can make the right stock selection in the capital market. The selection of investors for stocks will increase confidence if accompanied by training from a securities broker (Talpsepp, 2011).

Effect Training Program on Investor Experience

Training for investors is a method and strategy used by securities brokers to improve their investment experience. Experience is gained through a self-taught process, and securities brokers play an essential role in improving the investment experience. When a securities broker provides training to investors, there is knowledge and practice that investors can take to gain comprehensive knowledge of the capital market and select the right stocks. Choosing the right stock will reduce the disposition of securities that occur to investors so that investors will get optimal capital gains. Investors get capital gain; the amount of Capital loss that has the potential to reduce the amount of investor capital is decreasing. The training program will improve the experience of more investors so that with this experience, it will reduce the disposition effect that occurs when investing. The investment process requires experience choosing the right stocks to obtain optimal capital gains (Liu & Kan, 2021). Investor experience is not formed immediately but requires training and time to gain adequate experience. Improving investor experience takes time, so based on this experience, the training program's success rate can be optimized. The investment process requires a level of experience in choosing the right stocks to obtain optimal capital gains. Investor experience is not formed quickly but requires training and time to gain adequate experience. Improving investor experience takes time, so based on this experience, the training program's success rate can be optimized.

Effect of Training Program on Investor Satisfaction

A training program is a form of training for novice investors to choose decent stocks. The selection of appropriate shares is an effort to increase capital gains and the amount of capital owned by investors. The amount of capital owned by investors will increase when the selected shares increase and reduce the decline in the value of shares held by investors. Training in the form of training is a facility provided by securities brokers to increase investor satisfaction. The main task of a securities broker is to provide services on investments desired by investors. When investors receive training program services, it will increase the satisfaction of novice investors who have not been able to determine which shares are eligible for investment (Kotomin & Varma, 2022).

Effect of Investor Experience on Investor Satisfaction

The experience of investors will affect the satisfaction of investors in investing in certain securities brokers. **This level of satisfaction is shown when investors succeed in reducing the disposition effect of the experiences that have been carried out. Investor experience is a valuable aspect in determining investment decisions to reduce the disposition of securities.** Disposition is a condition that occurs when investors maintain assets that are reduced or reduced at any time. The disposition of securities also indicates that investors sell their shares too quickly so they do not enjoy a high percentage increase in shares. Disposition can be reduced when investors have a lot of experience, so the number of shares owned follows the potential increase (Frino et al., 2015). This research indicates that investor experience affects investor satisfaction in investing, which is also influenced by training programs and self-confidence. The level of investor experience also influences the success of investing. Investors have high experience then, which will affect the satisfaction level caused by the success of investing. Investment success is defined as the ability of investors to develop their capital and increase their profits through Capital skins obtained from the capital market (Bouteska & Regaieg, 2018).

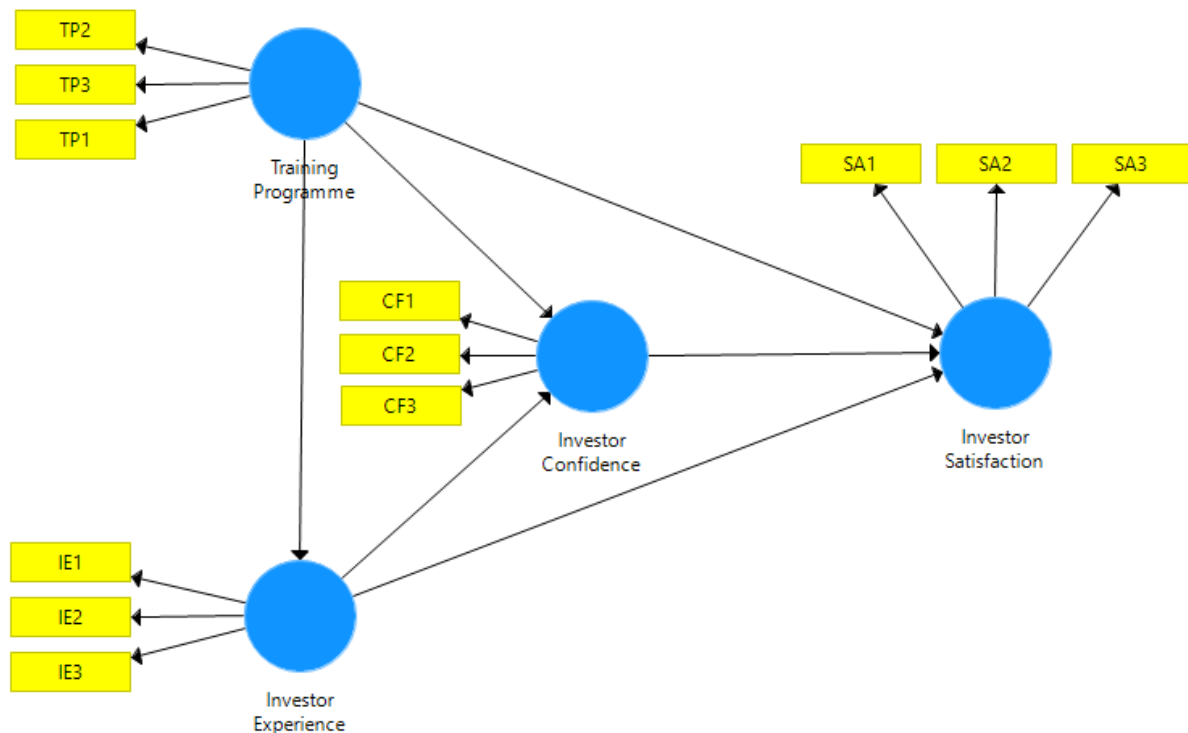


Figure 1. Research Model
Source: prepared by the authors (2023)

Method

The study was conducted on novice investors who become customers of securities brokers in Indonesia. **This study aims to investigate the effect of training held by securities brokers on the confidence of novice investors and the experience that also influences the level of satisfaction of novice investors.** The study was conducted involving 192 samples spread across several securities in Indonesia. The study used a purposive random sample to obtain the expected sample. The variables used in this study are securities broker training programme, investor confidence, investor experience, and investor satisfaction

Result

Based on the results of the analysis of the validity test, all indicators have met the validity test rules shown in Table 1, the validity of which is tested using loading factor > 0.7 .

Table 1. Validity Test Result

| | Investor Confidence | Investor Experience | Investor Satisfaction | Training Programme |
|-----|---------------------|---------------------|-----------------------|--------------------|
| CF1 | 0.704 | | | |
| CF2 | 0.823 | | | |
| CF3 | 0.825 | | | |
| IE1 | | 0.868 | | |
| IE2 | | 0.772 | | |
| IE3 | | 0.752 | | |

| | | | | |
|-----|--|--|-------|-------|
| SA1 | | | 0.841 | |
| SA2 | | | 0.864 | |
| SA3 | | | 0.772 | |
| TP2 | | | | 0.902 |
| TP3 | | | | 0.889 |
| TP1 | | | | 0.821 |

Source: prepared by the authors (2023)

The results of the validity test contained in Table 1 are strengthened by the results of the Fornell-Larcker test contained in Table 2 to analyze the discriminant validity of the research results indicate that based on the Fornell-Larcker all has met the degree of validity in accordance with the rules.

Table 2. Fornell-larcker Criterion Test

| | Investor Confidence | Investor Experience | Investor Satisfaction | Training Programme |
|-----------------------|---------------------|---------------------|-----------------------|--------------------|
| Investor Confidence | 0.786 | | | |
| Investor Experience | 0.740 | 0.799 | | |
| Investor Satisfaction | 0.587 | 0.65 | 0.827 | |
| Training Programme | 0.655 | 0.477 | 0.529 | 0.871 |

Source: prepared by the authors (2023)

The results of hypothesis testing are in Table 3 which shows the influence between the variables tested in the study.

Table 3. Hypothesis Test

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|--|---------------------|-----------------|----------------------------|--------------------------|----------|
| Investor Confidence -> Investor Satisfaction | 0.461 | 0.569 | 0.011 | 5.553 | 0.001 |
| Investor Experience -> Investor Confidence | 0.554 | 0.555 | 0.064 | 8.638 | 0.000 |
| Investor Experience -> Investor Satisfaction | 0.480 | 0.475 | 0.095 | 5.057 | 0.000 |
| Training Programme -> Investor Confidence | 0.391 | 0.390 | 0.062 | 6.278 | 0.000 |
| Training Programme -> Investor Experience | 0.477 | 0.477 | 0.078 | 6.134 | 0.000 |
| Training Programme -> Investor Satisfaction | 0.260 | 0.259 | 0.084 | 3.115 | 0.002 |

Source: prepared by the authors (2023)

Discussion

The results showed a significant effect of training programs organized by securities brokers on investor confidence. The research indicates the training program provides knowledge and understanding to investors regarding way to select appropriate stock. With the ability and understanding of the investments made as well as a comprehensive understanding of the capital market and being able to choose the right stocks, investors will have a high confidence level. The training process carried out by novice investors will increase confidence so that through the training process, investors will have confidence in selecting the selected shares. Investors with a high level of self-confidence will easily choose stocks with a high win rate; self-confidence reflects that investors believe that the selected stock has a high win rate so that it will generate capital gains (Jin et al., 2021). The selection of shares cannot be done randomly because this will reduce the percentage of winnings or capital gains for investors. The training also affects investors' experience in choosing the right stock. Training is an effort to shape the knowledge and skills of novice investors so that they can choose the right stocks and obtain capital gains. Capital gain is a form that indicates that investors have succeeded in choosing the right stock. Obtaining capital gains is an effort to reduce the disposition of securities so that novice investors will get many wins and profits. Investments made through the Stock Exchange that will generate profits have the potential to increase satisfaction in using a broker (Trejos et al., 2019).

Investment is the essence of getting a profit by choosing the right stocks. The sale of shares is carried out when it has obtained a baby Talking so that it requires adequate experience. When novice investors have a small amount of experience, training will help novice investors in choosing the right stocks. This study has confirmed that training or training organized by securities brokers has a positive effect on the experience of novice investors. The limited ability of novice investors can be formed through training or training organized by a securities broker. Investment selection is a risky instrument through stock investment. Securities brokers offer training to help novice investors understand these risks and choose the right stocks to invest their money in (Park et al., 2019). The choice of investment and understanding the risk is part of the training organized by a securities broker. Training organized by securities brokers has a positive effect on the level of satisfaction of novice investors. Satisfaction is not formed over time but gradually so that based on the training, which makes novice investors feel the benefits of the training, it has an important role in determining satisfaction (Wu et al., 2018). Novice investors are individuals who expect to get capital gains, so the training will help to get the expected profit level (Cai et al., 2018). Beginner investors need training because they have limited experience and low self-confidence in choosing the right stock. Selection of the right stocks can be done with training from securities brokers who present presenters who can comprehensively understand strategies for choosing stocks.

The results show that training is important in determining satisfaction through self-confidence and experience. Investors who have experience will produce a low disposition effect. The study results confirm that satisfaction is the total perceived by novice investors towards the service. Investment is a form of betting made by investors to get the expected profit level (Andreu et al., 2020). The experience of novice investors also determines the process for obtaining satisfactory investment returns. Through

training organized by securities brokers, this experience can be more easily obtained by novice investors. Experience is a valuable part of investing money in the capital market in choosing the right stock (Pelster & Hofmann, 2018). Confidence plays an important role in the investment process. Without confidence, novice investors hesitate to place their money in stocks. Indecision in investing will result in investor disappointment when stock prices increase. Indecision can result in disappointment because investors do not invest their money in stocks that have the potential to rise (Shakatreh et al., 2022). Investors with low self-confidence will produce an unsatisfactory return on investment (Zahera & Bansal, 2019). The study results confirm that training is the key in determining satisfaction with securities brokers. Securities brokers not only strive to provide services in the field of stock transactions to novice investors but also provide more services (Richards et al., 2017), namely in education for novice investors to gain confidence and experience to reduce the disposition of securities (Tang et al., 2019).

Conclusion

The research aims to analyze training programs organized by securities brokers and investor experience influencing investor confidence and satisfaction. This study analyzes the disposition effect that occurs when investing. The tendency is that when novice investors do not understand the stock market, investors tend to buy stocks that will experience decreasing and ignore stocks that have increased. This research investigated how training programs and investor experience affect investor confidence. When investors experience confidence, the level of satisfaction when investing is high. This research implies that training held by securities brokers plays an important role in determining experience investors and investor confidence. **The limitation of the research lies in the fact that there is a research focus oriented towards novice investors. Further research is needed to analyze investors who have long invested in the stock market and are associated with psychological effects in making stock buying decisions.**

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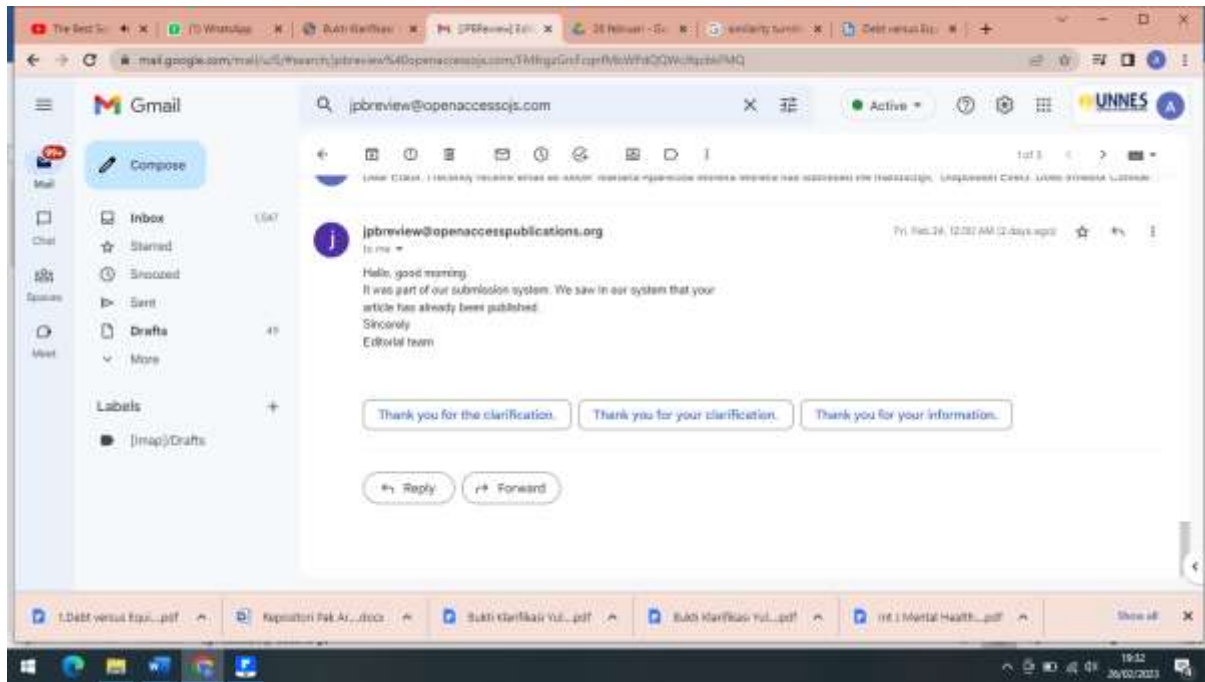
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Artikel Terpublikasi



DISPOSITION EFFECT: DOES INVESTOR CONFIDENCE MATTER? EXAMINING
SERVICE FROM SECURITIES BROKERAGES

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| ARTICLE INFO | ABSTRACT |
|--|---|
| <p>Article history:</p> <p>Received 21 November 2022</p> <p>Accepted 09 February 2023</p> | <p>Purpose: This study aims to analyze the role of training program to develop novice investors confidence in buying a stock. Novice investors undergo dilemma to buy stock due to limited knowledge which resulting disposition effect. Research regarding disposition effect which associated with training for novice investors is still limited</p> |
| <p>Keywords:</p> <p>Training Program; Investor Experience; Investor Confidence; Investor Satisfaction.</p> <div data-bbox="172 1016 480 1263" style="text-align: center;">  </div> | <p>Theoretical framework: The disposition effect is the tendency when investors sell stocks that have the potential to experience future profits early, otherwise investors tend to hold stocks that have the potential to experience losses for too long so that investors tend to experience losses.</p> <p>Design/methodology/approach: The research using quantitative approach and employ purposive sampling method with a total sample of 192 respondents. Respondent criteria are novice investor and have limited knowledge in stock market. Each respondent is required to fill questionnaire to obtain data which consist of strongly disagree and strongly agree. Validity, reliability, and hypothesis testing is examined</p> <p>Findings: The results indicate investor training influence investor experience. The result also showed that the training program and investor experience impact investor confidence. The result implies investor need training and experience to reduce disposition effect. The result represents training program, investor experience, and investor confidence affect investor satisfaction</p> <p>Research, Practical & Social implications: The research is asserted that novice investor with limited experience and knowledge need do practice. Novice investor understanding to buy stock will develop investor confidence.</p> <p>Originality/value: The result elaborate training for novice to develop investor confidence and experience. The more experienced investor will reduce disposition effect. Previous research is lack of disposition effect elaboration and its implication on investor satisfaction.</p> <p>Doi: https://doi.org/10.26668/businessreview/2023.v8i2.1384</p> |

EFEITO DE DISPOSIÇÃO: A CONFIANÇA DO INVESTIDOR É IMPORTANTE? EXAME DO
SERVIÇO DE CORRETAGEM DE TÍTULOS

RESUMO

Objetivo: Este estudo visa analisar o papel do programa de treinamento para desenvolver a confiança dos investidores novatos na compra de uma ação. Os investidores novatos passam por um dilema para comprar ações

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devido ao conhecimento limitado que resulta no efeito de disposição. A pesquisa relativa ao efeito de disposição, associada ao treinamento para investidores novatos, ainda é limitada.

Estrutura teórica: O efeito de disposição é a tendência quando os investidores vendem ações que têm o potencial de experimentar lucros futuros antecipadamente, caso contrário, os investidores tendem a manter ações que têm o potencial de experimentar perdas por muito tempo, de modo que os investidores tendem a experimentar perdas.

Design/metodologia/abordagem: A pesquisa utiliza abordagem quantitativa e emprega um método de amostragem proposital com uma amostra total de 192 entrevistados. Os critérios dos respondentes são investidores novatos e têm conhecimento limitado no mercado de ações. Cada respondente é obrigado a preencher um questionário para obter dados que consistem em forte desacordo e forte concordância. A validade, confiabilidade e teste de hipóteses são examinados

Conclusões: Os resultados indicam que o treinamento do investidor influencia a experiência do investidor. O resultado também mostrou que o programa de treinamento e a experiência do investidor influenciam a confiança do investidor. O resultado implica que o investidor precisa de treinamento e experiência para reduzir o efeito de disposição. O resultado representa o programa de treinamento, a experiência do investidor e a confiança do investidor afetam a satisfação do investidor.

Pesquisa, implicações práticas e sociais: A pesquisa afirma que o investidor iniciante com experiência e conhecimento limitados precisa praticar. A compreensão do investidor novato para comprar ações desenvolverá a confiança do investidor.

Originalidade/valor: O resultado é um treinamento elaborado para que o novato desenvolva a confiança e experiência do investidor. O investidor mais experiente reduzirá o efeito de disposição. A pesquisa anterior é a falta de elaboração do efeito de disposição e sua implicação na satisfação do investidor.

Palavras-chave: Programa de Treinamento, Experiência do Investidor, Confiança do Investidor, Satisfação do Investidor.

EFFECTO DISPOSICIÓN: ¿IMPORTA LA CONFIANZA DEL INVERSOR? EXAMINANDO EL SERVICIO DE LAS AGENCIAS DE VALORES

RESUMEN

Objetivo: Este estudio pretende analizar el papel del programa de formación para desarrollar la confianza de los inversores noveles a la hora de comprar acciones. Los inversores noveles se enfrentan al dilema de comprar acciones debido a sus limitados conocimientos, lo que provoca un efecto de disposición. La investigación sobre el efecto de disposición asociado a la formación de los inversores noveles sigue siendo limitada.

Marco teórico: El efecto de disposición es la tendencia de los inversores a vender anticipadamente acciones con potencial de generar beneficios en el futuro, mientras que los inversores tienden a mantener durante demasiado tiempo acciones con potencial de generar pérdidas.

Diseño/metodología/enfoque: La investigación utiliza un enfoque cuantitativo y emplea un método de muestreo intencional con una muestra total de 192 encuestados. Los criterios de selección de los encuestados son que sean inversores principiantes y tengan conocimientos limitados del mercado bursátil. Cada uno de los encuestados debe rellenar un cuestionario para obtener datos que se clasifican en "totalmente en desacuerdo" y "totalmente de acuerdo". Se examinan la validez, la fiabilidad y la comprobación de hipótesis.

Resultados: Los resultados indican que la formación del inversor influye en su experiencia. Los resultados también indican que el programa de formación y la experiencia del inversor influyen en su confianza. El resultado implica que el inversor necesita formación y experiencia para reducir el efecto de disposición. El resultado representa que el programa de formación, la experiencia del inversor y la confianza del inversor afectan a la satisfacción del inversor

Implicaciones sociales, prácticas y de investigación: La investigación afirma que el inversor novato con experiencia y conocimientos limitados necesita practicar. Si el inversor principiante comprende cómo comprar acciones, desarrollará su confianza.

Originalidad/valor: El resultado elabora la formación para que los principiantes desarrollen la confianza y la experiencia del inversor. Cuanto más experimentado sea el inversor, menor será el efecto de disposición. Las investigaciones anteriores carecen de una elaboración del efecto de disposición y su implicación en la satisfacción del inversor.

Palabras clave: Programa de Formación, Experiencia del inversor, Confianza del inversor, Satisfacción del Inversor.

INTRODUCTION

Securities brokers provide a service to buy stock. However, it also teaches novice investors to understand strategies to select stocks. Securities brokerage is a service that provides buying and selling of shares to investors, especially retail investors. The role of securities brokers is essential to encourage services to satisfy investors and develop success in increasing capital through stock transactions. Investment is an effort to maintain asset values, so investors need it to maintain and increase capital ownership. Investors still learning to analyze and understand market conditions need experience in investment activities. Novice investors need a process that requires learning activities to understand the market dynamics comprehensively. The process of understanding market dynamics requires learning that is not only conducted independently; however, it requires through securities brokers. Novice investors mostly desire a high return on investment; hence, need to learn more to understand the market. Securities brokers provide the learning process or training to assist novice investors in understanding investing in various instruments, especially stocks, as part of excellent service. Stock investment is to provide capital gains to novice investors (Da Costa et al., 2013).

Investing in the capital market provides capital gain and risk to obtain capital loss; therefore, learning to select appropriate stock is essential (Novak et al., 2022). Making profits in the capital market requires adequate accuracy and knowledge, so experience comes from the ability to analyze stocks that have the potential to earn profits. The inability of novice investors to analyze stocks that will experience an increase results in the risk of obtaining losses, so the experience is needed to determine the right stocks. Selection of the right stock requires experience gained through the process. To accelerate this process, one of the services provided by securities brokers is to conduct training for novice investors to analyze stocks that have the potential to increase. Investors who do not have experience will potentially have a larger capital loss, reducing the amount of capital held in the investor's account (Frino et al., 2015). Honkanen (2020) shows that information is an essential aspect of getting a signal so that investors have the knowledge to buy certain stocks that have the potential to increase when investors do not have adequate information and knowledge to buy and sell stocks, it has the potential to increase losses. Bhootra & Hur (2015) explained that a process is needed to get optimal returns, especially for investors with risk aversion criteria to study and prioritize psychological stability to obtain maximum profits in investing in stocks. Stabilizing psychology and knowledge requires a process through learning in investing in facing market volatility (Dai et al., 2020). The inability of investors to determine which stocks will increase is determined by knowledge and experience, so a learning process is needed for novice stock investors (Yu et al., 2021).

When investors do not have sufficient knowledge and experience, it raises a disposition effect which indicates that investors buy stocks that will experience a decline and ignore stocks that will experience an increase (Afi, 2017; Fenner et al., 2020)

Novice investors who receive training programs from securities brokers will have a high confidence level to perform risky decisions. This study investigates the role of investors in determining the choice of understanding when investors choose stocks that have the potential to experience losses and take stocks that have the potential to experience price increases in the future, and it is referred to as the disposition effect. This study analyzes the role of investors affected by the disposition effect so that they choose stocks that are not right and suffer a loss when investing. The low disposition effect determines the level of satisfaction of novice investors. When the disposition effect is high, investor satisfaction is lower. This is due to investors selling shares quickly but having a high rate of increase (Bouteska & Regaieg, 2018). On the other hand, investors maintain assets in the form of shares that have decreased so that the money owned by investors decreases, thus obtaining a capital loss. A low disposition effect will determine the level of satisfaction with using a security broker and the training program that is loyalty (Dhar & Zhu, 2006; Richards et al., 2018).

Effect Training Program on Investor Confidence

Training organized by securities brokers will increase the confidence of novice investors. This confidence arises from the knowledge and skills to analyze stocks that novice investors buy. The analysis process requires training organized by a securities broker. The essential aspect that securities brokers should do is to ensure smooth transactions for novice investors (Tang et al., 2019). However, suppose there are additional programs in the form of training organized by securities brokers. In that case, this will lead to a high level of satisfaction, and trust in securities brokers is getting stronger. When investors make stock selections self-taught, their level of confidence stagnates. Different conditions occur when investors receive training programs from securities brokers who have experienced trainers so that they can improve stock selection criteria so that investors can make the right stock selection in the capital market. The selection of investors for stocks will increase confidence if accompanied by training from a securities broker (Talpsepp, 2011).

Effect Training Program on Investor Experience

Training for investors is a method and strategy used by securities brokers to improve their investment experience. Experience is gained through a self-taught process, and securities

brokers play an essential role in improving the investment experience. When a securities broker provides training to investors, there is knowledge and practice that investors can take to gain comprehensive knowledge of the capital market and select the right stocks. Choosing the right stock will reduce the disposition of securities that occur to investors so that investors will get optimal capital gains. Investors get capital gain; the amount of Capital loss that has the potential to reduce the amount of investor capital is decreasing. The training program will improve the experience of more investors so that with this experience, it will reduce the disposition effect that occurs when investing. The investment process requires experience choosing the right stocks to obtain optimal capital gains (Liu & Kan, 2021). Investor experience is not formed immediately but requires training and time to gain adequate experience. Improving investor experience takes time, so based on this experience, the training program's success rate can be optimized. The investment process requires a level of experience in choosing the right stocks to obtain optimal capital gains. Investor experience is not formed quickly but requires training and time to gain adequate experience. Improving investor experience takes time, so based on this experience, the training program's success rate can be optimized.

Effect of Training Program on Investor Satisfaction

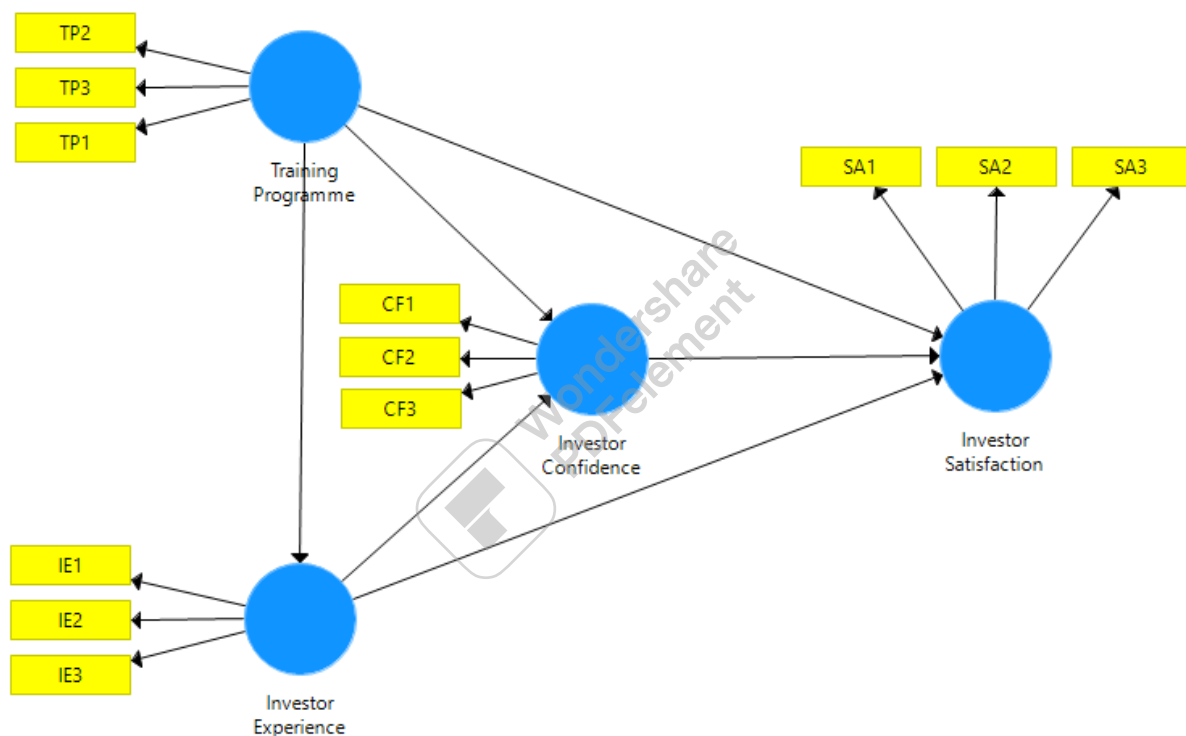
A training program is a form of training for novice investors to choose decent stocks. The selection of appropriate shares is an effort to increase capital gains and the amount of capital owned by investors. The amount of capital owned by investors will increase when the selected shares increase and reduce the decline in the value of shares held by investors. Training in the form of training is a facility provided by securities brokers to increase investor satisfaction. The main task of a securities broker is to provide services on investments desired by investors. When investors receive training program services, it will increase the satisfaction of novice investors who have not been able to determine which shares are eligible for investment (Kotomin & Varma, 2022).

Effect of Investor Experience on Investor Satisfaction

The experience of investors will affect the satisfaction of investors in investing in certain securities brokers. This level of satisfaction is shown when investors succeed in reducing the disposition effect of the experiences that have been carried out. Investor experience is a valuable aspect in determining investment decisions to reduce the disposition of securities. Disposition is a condition that occurs when investors maintain assets that are reduced or reduced at any time. The disposition of securities also indicates that investors sell their shares too quickly so

they do not enjoy a high percentage increase in shares. Disposition can be reduced when investors have a lot of experience, so the number of shares owned follows the potential increase (Frino et al., 2015). This research indicates that investor experience affects investor satisfaction in investing, which is also influenced by training programs and self-confidence. The level of investor experience also influences the success of investing. Investors have high experience then, which will affect the satisfaction level caused by the success of investing. Investment success is defined as the ability of investors to develop their capital and increase their profits through Capital skins obtained from the capital market (Bouteska & Regaieg, 2018).

Figure 1. Research Model



Source: prepared by the authors (2023)

METHOD

The study was conducted on novice investors who become customers of securities brokers in Indonesia. This study aims to investigate the effect of training held by securities brokers on the confidence of novice investors and the experience that also influences the level of satisfaction of novice investors. The study was conducted involving 192 samples spread across several securities in Indonesia. The study used a purposive random sample to obtain the expected sample. The variables used in this study are securities broker training programme, investor confidence, investor experience, and investor satisfaction

RESULT

Based on the results of the analysis of the validity test, all indicators have met the validity test rules shown in Table 1, the validity of which is tested using loading factor > 0.7 .

Table 1. Validity Test Result

| | Investor Confidence | Investor Experience | Investor Satisfaction | Training Programme |
|-----|---------------------|---------------------|-----------------------|--------------------|
| CF1 | 0.704 | | | |
| CF2 | 0.823 | | | |
| CF3 | 0.825 | | | |
| IE1 | | 0.868 | | |
| IE2 | | 0.772 | | |
| IE3 | | 0.752 | | |
| SA1 | | | 0.841 | |
| SA2 | | | 0.864 | |
| SA3 | | | 0.772 | |
| TP2 | | | | 0.902 |
| TP3 | | | | 0.889 |
| TP1 | | | | 0.821 |

Source: prepared by the authors (2023)

The results of the validity test contained in Table 1 are strengthened by the results of the Fornell-Larcker test contained in Table 2 to analyze the discriminant validity of the research results indicate that based on the Fornell-Larcker all has met the degree of validity in accordance with the rules.

Table 2. Fornell-larcker Criterion Test

| | Investor Confidence | Investor Experience | Investor Satisfaction | Training Programme |
|-----------------------|---------------------|---------------------|-----------------------|--------------------|
| Investor Confidence | 0.786 | | | |
| Investor Experience | 0.740 | 0.799 | | |
| Investor Satisfaction | 0.587 | 0.65 | 0.827 | |
| Training Programme | 0.655 | 0.477 | 0.529 | 0.871 |

Source: prepared by the authors (2023)

The results of hypothesis testing are in Table 3 which shows the influence between the variables tested in the study.

Table 3. Hypothesis Test

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values |
|--|---------------------|-----------------|----------------------------|--------------------------|----------|
| Investor Confidence -> Investor Satisfaction | 0.461 | 0.569 | 0.011 | 5.553 | 0.001 |
| Investor Experience -> Investor Confidence | 0.554 | 0.555 | 0.064 | 8.638 | 0.000 |
| Investor Experience -> Investor Satisfaction | 0.480 | 0.475 | 0.095 | 5.057 | 0.000 |
| Training Programme -> Investor Confidence | 0.391 | 0.390 | 0.062 | 6.278 | 0.000 |
| Training Programme -> Investor Experience | 0.477 | 0.477 | 0.078 | 6.134 | 0.000 |
| Training Programme -> Investor Satisfaction | 0.260 | 0.259 | 0.084 | 3.115 | 0.002 |

Source: prepared by the authors (2023)

DISCUSSION

The results showed a significant effect of training programs organized by securities brokers on investor confidence. The research indicates the training program provides knowledge and understanding to investors regarding way to select appropriate stock. With the ability and understanding of the investments made as well as a comprehensive understanding of the capital market and being able to choose the right stocks, investors will have a high confidence level. The training process carried out by novice investors will increase confidence so that through the training process, investors will have confidence in selecting the selected shares. Investors with a high level of self-confidence will easily choose stocks with a high win rate; self-confidence reflects that investors believe that the selected stock has a high win rate so that it will generate capital gains (Jin et al., 2021). The selection of shares cannot be done randomly because this will reduce the percentage of winnings or capital gains for investors. The training also affects investors' experience in choosing the right stock. Training is an effort to shape the knowledge and skills of novice investors so that they can choose the right stocks and obtain capital gains. Capital gain is a form that indicates that investors have succeeded in choosing the right stock. Obtaining capital gains is an effort to reduce the disposition of securities so that novice investors will get many wins and profits. Investments made through the Stock Exchange that will generate profits have the potential to increase satisfaction in using a broker (Trejos et al., 2019).

Investment is the essence of getting a profit by choosing the right stocks. The sale of shares is carried out when it has obtained a baby Talking so that it requires adequate experience. When novice investors have a small amount of experience, training will help novice investors in choosing the right stocks. This study has confirmed that training or training organized by securities brokers has a positive effect on the experience of novice investors. The limited ability of novice investors can be formed through training or training organized by a securities broker. Investment selection is a risky instrument through stock investment. Securities brokers offer

training to help novice investors understand these risks and choose the right stocks to invest their money in (Park et al., 2019). The choice of investment and understanding the risk is part of the training organized by a securities broker. Training organized by securities brokers has a positive effect on the level of satisfaction of novice investors. Satisfaction is not formed over time but gradually so that based on the training, which makes novice investors feel the benefits of the training, it has an important role in determining satisfaction (Wu et al., 2018). Novice investors are individuals who expect to get capital gains, so the training will help to get the expected profit level (Cai et al., 2018). Beginner investors need training because they have limited experience and low self-confidence in choosing the right stock. Selection of the right stocks can be done with training from securities brokers who present presenters who can comprehensively understand strategies for choosing stocks.

The results show that training is important in determining satisfaction through self-confidence and experience. Investors who have experience will produce a low disposition effect. The study results confirm that satisfaction is the total perceived by novice investors towards the service. Investment is a form of betting made by investors to get the expected profit level (Andreu et al., 2020). The experience of novice investors also determines the process for obtaining satisfactory investment returns. Through training organized by securities brokers, this experience can be more easily obtained by novice investors. Experience is a valuable part of investing money in the capital market in choosing the right stock (Pelster & Hofmann, 2018). Confidence plays an important role in the investment process. Without confidence, novice investors hesitate to place their money in stocks. Indecision in investing will result in investor disappointment when stock prices increase. Indecision can result in disappointment because investors do not invest their money in stocks that have the potential to rise (Shakatreh et al., 2022). Investors with low self-confidence will produce an unsatisfactory return on investment (Zahera & Bansal, 2019). The study results confirm that training is the key in determining satisfaction with securities brokers. Securities brokers not only strive to provide services in the field of stock transactions to novice investors but also provide more services (Richards et al., 2017), namely in education for novice investors to gain confidence and experience to reduce the disposition of securities (Tang et al., 2019).

CONCLUSION

The research aims to analyze training programs organized by securities brokers and investor experience influencing investor confidence and satisfaction. This study analyzes the disposition effect that occurs when investing. The tendency is that when novice investors do

not understand the stock market, investors tend to buy stocks that will experience decreasing and ignore stocks that have increased. This research investigated how training programs and investor experience affect investor confidence. When investors experience confidence, the level of satisfaction when investing is high. This research implies that training held by securities brokers plays an important role in determining experience investors and investor confidence. The limitation of the research lies in the fact that there is a research focus oriented towards novice investors. Further research is needed to analyze investors who have long invested in the stock market and are associated with psychological effects in making stock buying decisions.

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