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THE STUDY ON POSITIVE ATTITUDE, AFFECTIVE SELF-AFFINITY, NATIONALISM, AND FAMILIARITY OF THE INDIVIDUAL INVESTORS AS WELL AS THEIR INFLUENCES ON THE INVESTMENT OF THE COMMON STOCKS.

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ABSTRACT

The decision to invest in this research is based not only on financial motivation (Risk and Return), but also on the affect-based ownershipof the individual investors. This research tries to explain the influence of positive attitude, affective self-affinity, familiarity, and nationalism on extra motivation to investment and the value of investment. The data source used in this research is the survey of the investors living in the city of Pontianak, West Kalimantan.

The validity and reliability of the data obtained has been verified through classical tests. They showed that the data met the criteria. The data was analysed by using "Path Analysis" with four structures.

The findings of this research show that: (1) Positive attitude, affective self-affinity and nationalism have a positive and significant influence on the affective extra motivation to investment and the value of investment, (2) Although familiarity has a significant influence on affective extra motivation to investment at the level of significance of 10%, it is not significant towards the value of investment, (3) The influences of positive attitude, affective self-affinity, familiarity, and nationalism, mediated by affective extra motivation to investment on the value of investment, are simultaneously significant and positive.

INTRODUCTION

Behavioral aspects in the financial sector have become very interesting, especially in their relationship with the behavior of human beings. It is because humans are the ones who decide whether they want to invest and whether such a decision is based on financial motives. Freedhein and Weiner (2003) assert that according to humanistic psychology, humans basically have more good qualities than bad ones. This is specifically related to their abilities for abstraction, self-actualisation, finding the meaning of life, self-development, and aesthetic sensibility. These qualitities are unique and not shared with other creatures. Humans are viewed as beings that have authority over their own lives. This assumption shows that human beings are conscious and independent active actors who can determine almost everything (Finucane *et al.*, 2000).

Psychological aspects thus become central to studies on investment decision such as those conducted by Slovic *et al.*, (2002a, 2002b, 2007). Finucane *et al.*, (2000); MacGregor *et al.*, (2000); and Statman, Fisher and Anginer (2008) are also researchers in behavioural finance, increasingly interested in the role that physiology plays in public investment decisions. This affection is more related to motivation than the investors in decision-making beyond the financial motivation.

In the result of the study of the object research, Statman *et al.*, (2008) claimed that stock selection by investors associated with strong positive affection had quite a paradoxical result, expecting both high returns and low risk. In line with this, Ang, Chua and Jiang (2010) reported the influence of positive affection at the time of taking decision on two or more assets that had almost the same risks and returns. The investors chose one stock company over than the others and considered the chosen one as worth less than the other companies. This is not because investors have more positive affection against certain companies, but because in the decision-making process, the chosen company shares more positive affect than others.

There are some similarities between finance and marketing, but one similarity is especially on the evaluation of affection against the company (affective evaluations of companies) of individuals associated with the brand and corporate image. This affects the desire to buy a product or invest in the shares of these companies (Aspara and Tikkanen, 2008, 2010a, 2010b; Frieder and Subrahmanyam, 2005; Schoenbachler, Gordon and Aurand, 2004). Research conducted by Aspara and Tikkanen (2008) showed that positive attitude of consumers towards a company's product or brand would have positive effect on the company itself, which would later positively affect the propensity to invest in the company's shares.

Furthermore, Aspara and Tikkanen (2008, 2010b) even suggest that the positive attitude of an individual

against a company will have no effect and can generate motivation to invest in the shares of companies that go beyond motivation to maximise the financial benefits. This is consistent with Fisher and Statman's (1997) statement that it is not possible to build an investment portfolio if people (investors) want to invest by only hoping and thinking about risk and profit. Fisher and Statman (1997) illustrate the investment portfolio as a diet practice. People who are on a diet will not only be concerned with cost and nutrition but also the delicacy, variety, prestige and culture of the food consumed. Similarly, the purpose of investment is not limited only to portfolio Mean-Variance optimization. Rather, the investors also decide their portfolios in accordance with their intuitive feelings. The illustration by Fisher and Statman (1997) thus concludes that mean-variance optimization is not the only objective of investors while planning their investments. According to Situmorang and Natariasari (2014) and Wirjono (2008), sometimes the desire to invest in the capital market is a motivation for people of a certain age to show the existence of a self and an individual understanding of how to invest in the capital market. This confirms that the motivation owned by an investor is not solely a financial one, rooted in the calculations of risk and return. Aspara and Tikkanen (2011) explicitly state that psychological factors such as attitudes, affection and familiarity of an investor can also affect the motivation to invest. Aspara and Tikkanen (2011) further claim that an investor who has a positive attitude and a feeling of attractiveness in him/herself will affect more motivation to invest, which, in turn, is controlled by the variable of familiarity and moderated by age, education, income, and experience. This will influence investment decisions concerning the amount of funds invested and frequency of trade transactions.

This study also identifies that the motivation of an investor is actually the basis for the decision to invest. For most investors, intention is a strong motivation besides the desire for financial benefits. Motivational push to invest in shares, above and beyond the expectation of financial gain, is a sense of extra motivation owned by the investor (extra motivation to investment). The individuals' more positive attitude toward companies that get stronger and a feeling of self-fascination (affective self-affinity) towards a particular stock company will be extra motivations for further investments, leading to a behavioral tendency when decision is taken. Zajonc (1980) asserts that all behaviour stated in the perception will have affection, for instance, “we did not only see one home,” but saw a nice house. Although affection has played a significant role in behaviour theory, it has rarely emerged as a recognised component in human assessment and decision. Rationalistically, it might not be relatable. However, Shefrin and Statman (1985) mention that human affective reactions use psychology while considering and taking decisions, just like normal human beings.

According to Aspara *et al.*, (2008) affective self-affinity (ASA) of a person can occur for several reasons. These may be the attractiveness of the company's products, investors' knowledge of the company, and development and credibility of the company products. These conditions enable certain companies to attract investors. This also explains extra motivation for investment outside the expectation for financial gains.

The other reason for selecting a stock company is because the company is a part that contributes to the economic progress of the country. In this case, the investors use a sense of nationalism as extra motivation while making their investement decisions. In line with it, Swarsono (1985) states that what investors do with economic business also ensures the prosperity of the people and the glory of the nation of Indonesia, thereby becoming a manifestation of patriotism and nationalism. Thus, nationalism can also be the reason for people to invest. According to the research about investing in America conducted by Obenberger and Nagy (1994), one of the factors or variables that motivated people to invest in America was because it was operated in the country (local operations). This is an actual reflection of investors' motivation for selection of stocks for their investments, although theoretically they should invest by considering a combination of stocks and thereby build their portfolios. As stated by Sharpe (1964), an international portfolio which is well-diversified will have lower risk when compared with that whose diversification consists only of a number of domestic securities.

Furthermore, several studies such as those by Aspara and Tikkanen (2010 and 2011); Ang, Chua and Jiang (2010); and Finucane *et al.*, (2000) claim that intimacy or familiarity with the company has a positive correlation with extra motivation to invest beyond risk and return. Aspara and Tikkanen (2011) state that although research interest related to the role of company affect in investment decisions is growing, there has been little empirical research examining whether there are aspects in individuals' affection that influence their motivation to invest in the shares of companies, outside expected returns and risk stock. Theoretically, this proposition is based not only on the outcome of studies such as those by Slovic *et al.*, (2002, 2002a, 2002b, 2007), but also on the theory of identification of individuals' affection against companies (Aspara *et al.*, 2008; Aspara and Tikkanen,

2010b; Bhattacharya and Sen, 2003; Scott and Lane, 2000). This argument is also supported by the points made in literatures by Fisher and Statman (1997), Finucane *et al.*, (2000), MacGregor *et al.*, (2000), Statman (2004), Lucey and Dowling (2005), Fama and French (2007), and Rubaltelli *et al.*, (2010) which conclude that investment decisions made by investors are also influenced by their affections.

Affective Extra Motivation to Investment (AEMI)

Traditional standards of financial research assume that investors' selection of investments, including stocks, are purely based on estimates of profit return and risk (Sharpe, 1964; Mossin, 1966; Black, 1993; as well as Adrian and Franzoni, 2004). In other words, the sole motivation of investors behind the selection of stocks is assumed to be their expectation of highest financial returns at a certain level of risk. However, as recorded by Fisher and Statman (1997), in reality it is not reasonable to suppose that people only care about financial losses and gains.

In the capital market, individuals who need to predict future events are subject to many variables (such as, economic, political and social activities) that are not under their control. Although some data is available, the investor does not have the complete information and rarely has a clear picture of what is actually happening with his\her investment. This characteristic of the capital market encourages people to rely on their affective reactions (Lucey and Dowling, 2005).

Recent studies provide interesting results about the influence of affective reactions of investors on stock. The study on performance indicates that investors' feelings against certain companies encourage their investment decisions (Statman, Fisher and Anginer, 2008). Referring to the human psychological premise that man is a humanistic creature, Millon, Lerner and Weiner (2003) state that every human being has special abilities, such as the ability of abstraction, self-actualization, finding the meaning of life, self-development, and aesthetic sensibility. These are special abilities that make humans dynamic, rather than static. The reason why someone chooses something varies from person to person. With special abilities possessed by every human being, everyone has the motivation to impose his/her choice in a diverse and dynamic manner (Slovic *et al.*, 2002). It shows that financial motives are not the only ones that are used to decide investments.There is also a strong sense of motivation encouraging an individual to decide to invest beyond hopes of financial gains. This is called Affective Extra Motivation to Investment. Aspara and Tikkanen (2008) analysed survey data collected from 400 people who have recently invested in the shares of a particular company. First, they found that most investors based themselves on affective extra motivation while making investments in stocks, beyond the financial benefits expected from them. To explain the extra motivation to invest outside of the financial benefits expected, they found that individuals' attitudes are more positive towards the additional motivation to invest in the company. In addition, they also found that a special type of affective relationship, namely, affective self-affinity further explained the extra motivation for someone to invest in the company's shares. According to the research by Lucey and Dowling (2005), and Rubaltelli *et al.*, (2010), if an investor is faced on several occasions with investments in common stocks that have almost the same benefits and risks, then the investor will pick stocks based on shares of companies that have the most positive effect on him, i.e. those shares that he likes the most. In such a situation, a consideration that is not financial but affective is being utilized as a choosing tool.

Recent researches and literatures that give rise to the role of psychology in affecting investments include the studies conducted by Aspara and Tikkanen (2010b, 2011), MacGregor *et al.*, (2000), Slovic *et al.*, (2007), Statman, Fisher and Anginer (2008). Aspara and Tikkanen (2011) suggest that among other things, picture, attitude, affective evaluation related to an individual's own shares may be the main basis on which he/she makes investment decisions. Meanwhile the study done by Aspara and Tikkanen (2011) also largely focuses on the effects of the evaluation of affection on investor's expectations of financial performance / benefit and risk. It also gives us an insight into the initial potential influence that affects the investment to a company, through common stock, on motivation grounded beyond financial profits.

Positive Attitude

Fazio and Olson (2003) suggest that attitude is "a syndrome of response consistent with regard to social objects". This means that attitude is a set of consistent responses to social objects. Notoadmodjo (2007) also suggests that attitude is a reaction or response from someone who is still close to the stimulus or object. Thus, attitude can be regarded as the result of an evaluation of the object of the attitude, expressed in the process of cognition, affection (emotive) and the tendency to behave (conative).

From the definitions above, it is evident that the outline of attitude consists of a cognitive component (generally associated with the idea of talks and studies), behavior (likely to effect responses, appropriate and inappropriate) and emotion (causing consistent responses). Attitude does not stand alone,

but always has a certain relationship to an object. In other words, attitude is formed, learned, or constantly changed with respect to a certain object that can be formulated clearly (Wood, 2000).

Furthermore, Wood (2000) claims that attitudes have "the effect of emphasizing objects ... with the result that the improbability of activation and of choice and selection is increased". In other words, attitudes can determine whether one can accept or reject the stimulus of an object, based on, for example, likes and dislikes, positivity and negativity, and pleasantness and unpleasantness. In conclusion, the attitude of an object can affect a person's choice of the object, and therefore determine the direction to be taken by the individual concerned (Bem, 1972).

In general, attitudes have three components, namely: cognition, affection, and conation (Morgan and King, 1975; Krech, Ballacey and Egerton, 1963; Kendler, 1974). The cognitive component is an aspect of attitude concerned with the individual's assessment of the object or subject. The information entering the human brain, through a process of analysis, synthesis, and evaluation will generate new value to be accommodated or assimilated with existing knowledge in the human brain. Value refers to the new value which is believed to be true, good, beautiful, and so on, and which will ultimately affect the emotional or affective component of the attitude of the individual. Therefore, the affective component can be said to be the feeling (emotion) of an individual towards the object or subject, which is in line with the results of the assessment. Futhermore, average component inclination (conative) acts in accordance with the individual's beliefs and desires(Malär *et al.*, 2011).

Components of cognition, affection, and the tendency to act cultivate an individual's attitude. The analysis of attitude always involves these three components which remain bonded in a system. The attitude of an individual is closely associated with his/her behavior (Malär *et al.*, 2011). So, as argued by Morgan and King, (1975); Krech, Ballacey, and Egerton, (1963); and Kendler (1974), if the attitude factors affect or cultivate someone's attitude, then there is a consistency between that person's attitudes and behavior.

Positive attitude towards the object of this research is a positive attitude towards certain companies, whose shares have been purchased by individual investors. Frieder and Subrahmanyam (2005); Schoenbachler, Gordon and Aurand (2004); and Barber (2008) claim that related brand is a brand awareness which, in turn, is the ability of a brand to appear in the minds of investors when they think of certain categories of company shares and the ease with which its name appears in their minds. Besides, Hoffmann (2007) claims that brand awareness is the ability of a buyer/investor to both recognize and recollect a brand name/ company shares of a particular category, with details sufficient to make a purchase.

In this study, the predictor variable measures the level of positive attitude of investors against a company, while the dependent variables, namely, affective extra motivation and investment, measure the extent to which a positive attitude or a company acts as a motivation for individuals in making investment decisions that are contrary to considerations of financial gain (Aspara and Tikkanen, 2011). The hypotheses used in the variable positive attitude towards investment are:

H1a: Positive attitude affects individual investors to invest in the shares of company 'X'.

H1b: Positive attitude affects an individual investor's affective extra motivation to invest in the shares of company 'X'.

Affective Self-Affinity (ASA)

Kendler (1974) asserts that when an invitation is associated with an object as a stimulus, it involves the relationship between a person and the object's attitudes that make up the feelings of the object. The feelings of a person that are associated with this object are related to favorable (good, love, positive) or unfavorable (bad, hate, negative) attitudes, which in turn give rise to the feelings of attraction or repulsion in an individual. This is called affective self-affinity (ASA) of the object.

Specifically, ASA can be defined as an individual's perception of a positive affective congruence between a particular thing and his/her identity (MacGregor *et al.*, 2000). Congruence of perception means that people consider things to be reflecting their identities, that is, there is an overlap between the identities (attributes) of things (objects) and of individuals (Dutton, Dukerich and Harquail, 1994; Marin and Ruiz, 2007; Scott and Lane, 2000). Note, that here we use the term "self" and "identity" interchangeably when referring to one's image.

There has been an increasing prevalence in consumer research of the concept of individuals having "a sense of self," which can not only be reflected and defined, but also be made conscious, understandable, and assessible. In addition, as Sirgy (1982) has suggested, conformity assessment is not limited to things that are real but also applies to the intangibles like services, a picture of someone, abstract ideas, as well as

organisations. Thus, our idea is that an individual may have ASA for anything, including a company. Support for this is found in the studies of Shimp and Madden (1988); Ahuvia (2005); and Ball and Tasaki (1992), indicating that an individual's relationship with an object (consumption) may involve an identification of positive feelings and influences.

According to social identity theory, the individual is seen especially when identifying with people, groups, communities, and organisations (Ashforth and Mael, 1989; Bhattacharya and Sen 2003; Dutton, Dukerich, and Harquail, 1994; Hogg and Vaughan 2002; Pratt 1998; Scott and Lane, 2000; Tajfel and Turner, 1986). Additionally, the views about identification, (Ashforth and Mael, 1989; Bergami and Bagozzi, 2000; Bhattacharya and Sen, 2003; Dutton, Dukerich and Harquail, 1994) posit that the underlying formation of ASA is a process of categorisation of the cognitive self. For example, the identification of the organisation will arise from an individual's cognitive assessment and liveliness, and the identity of the organisation in terms of its similarity with his/her own identity, distinctiveness and prestige (Bhattacharya and Sen, 2003). In contrast, the formation of ASA for certain things might not be the result of active measures and the willingness to vote (cognitive), but the process is partly conscious and effective. Thus, in line with it, Zajonc (1980) claims that the ASA-related affective identification is not always necessary. Furthermore, Zajonc argues convincingly that in order to increase the effect it is not necessary to know the object or have any information-processing businesses, especially at a level that is accessible to conscious subject who gets involved in affective reactions, that often happen instantly and automatically. Thus, Aspara *et al.*, (2008) and Thomson *et al.*, (2005) have concluded that we can have an affective reaction to something "before we know exactly what it is and perhaps even without knowing what it was."

Furthermore, Aspara *et al.*, (2008) and Belk (1984) assert that ASA has a two-dimensional construct. First is convergence. It is related to an individual perception of something, it is characterised by a fair degree of the positive effect (as opposed to the negative impact). The studies in psychology and neurobiology even further indicate that all our perceptions about everything contain some influence, either positive or negative (Damasio, 1994; Warneryd, 2001; Slovic *et al.*, 2002a; Zajon, 1980). The influence, in turn, is manifested in the overall evaluation of positivity or negativity of something through our like or dislike (Berscheid, 1983; MacGregor *et al.*, 2000; Slovic *et al.*, 2002a; Zajonc, 1980). The first dimension is rather fused with the concept of attitude. It holds as far as attitude is considered an overall evaluation of affection: an indication of the power of a person's like or dislike (Ajzen and Fishbein, 1980), or a summary psychological evaluation of an object along with such dimensions as good-bad, dangerous-secure, pleasant-unpleasant, and like-dislike (Ajzen, 2001).

The second dimension is called divergence. It refers to someone's feeling of congruency/incongruency, and is thus personally very relevant to his/her identity. It is integrated to certain dimensions of chronic engagement concepts such as ego. Hence, personal relevance is generally seen as an important feature of this engagement (Celsi and Olson, 1988; Higie and Feick, 1989; Richins and Bloch, 1986; Richins, Bloch and Mc. Quarrie, 1992; Zaichkowsky, 1985). In particular, the relevance is personally involved in chronic engagement (or ego) which, as opposed to situational involvement, is intrinsically motivated by something that is related to the self-image of the individual (Higie and Feick, 1989; Richins and Bloch, 1986). The related personal ego is also reflected as a relatively stable structure of relevant personal knowledge, derived from past experiences and stored in long term memory (Celsi and Olson, 1988).

In this study, it seems that ASA is an attraction that drives individual investors to invest. I anticipate that affective self-affinity of an individual to a company can act not only as something that affects the basic motivation, but also as a positive attitude to invest in stocks outside the expectation of financial benefits. Our second hypotheses are:

H2a: Affective self-affinity or appeal to individual investors themselves affects the investment in the shares of company 'X'.

H2b: The attraction effect on an individual investor affects the extra motivation to invest in the shares of company 'X'.

Familiarity

Familiarity is not only the result of attitude but also a component of affection. Familiarity is gained through learning process and experience of any particular object (Frieder and Subrahmanyam, 2005; Finucane *et al.*, 2000; Hoffmann, 2007). The tendency (conation) of familiarity which is reflected by consumers on a positive attitude is loyalty. Consumer loyalty is different from the behavior of repeat purchases (repeat purchasing behavior). Repeat purchase behavior is an action on one product or brand that is more influenced by habit. In consumer loyalty, repeated actions against the brand are influenced by brand loyalty (Shimp and Madden, 1988).

Brand familiarity is derived from a variable called Share of Mind (Frieder and Subrahmanyam, 2005), where the awareness/familiarity reflects the popularity of respective brands. Familiarity tendency towards a particular stock of a company may be the desired image captured by the customer and described as the company's image. This shows that corporate image influences purchase decisions. Research Brand Perceptions and Market for Common Stock have found evidence of the fact that familiarity with the company, the company's products and brand recognition have positive influence on individual's preferences and the propensity to invest in shares of the company (Frieder and Subrahmanyam, 2005).

Furthermore, based on the explanation above, the hypotheses that we can express here are:

H3a: An individual investor's familiarity affects the investment in the shares ofcompany 'X'.

H3b: Familiarity affects the individual investor's affective extra motivation to invest in the shares of company 'X'.

A Sense of Nationalism

It is difficult to include nationalism as a motivating factor in investments. Nationalism is associated with investment decisions beyond economic/financial expectations. However, this condition is now a positive trend in the decision-making process of the investors. In the time of globalisation, a country should focus more on domestic economic self-management with a spirit of nationalism.

Nationalism, which results from economic crisis, only focuses on profit generation, regardless of any other motive which might be more beneficial for society. This makes the investor a subject of economic harassement by fellow nationalists (Swarsono, 1985).

Furthermore, investors are concentrating on the holdings in their respective countries of origin, thereby, reaping the benefits of “expressive patriotism” at the cost of the utilitarian benefits of high returns and low risk (Beal, Goyen and Phillips 2005; Statman 2004). Financial advisers, thus, warn investors against mixing patriotism with investment plans (Statman 2004). Similarly, Frederick (2001) warned investors against "patriot rallies" to prop up the stock market after the events of 11 September 2001. “The attacks of September 11 were an assault on the pillars of American life, including capitalism and the free-market system. The trustest sign that the free market has prevailed will be when we stop letting flag-waving emotion affect our investment decisions. There are plenty of places where patriotic displays are appropriate, even necessary. The stock market isn't one of them”. (Frederick, 2001)

In contrast to Frederick's opinion, nationalism may be the reason for extra motivation to invest. The results of Nagy and Obenberger's (1994) study assert that among the 34 variables which have an impact on people's decision to invest in America, there is also a factor concering the company's location of operation (local operations). This reflects the investors' nationalistic motivation behind stock selection for investment.

In fact, investors are not as rational as assumed by financial conventions. Rather, they may tend to exhibit or experience various types of bias. However, in this study we will dissect only one kind of bias, namely, home bias. According to Karlsson and Norden (2007), this bias is defined by the investors' tendency to invest in stocks of the countries of their origin, rather than combining them with those coming from foreign nations. This evidence suggests that people have more positive attitude and feeling of familiarity towards investment in domestic stocks, rather than in foreign shares (Ganzach, 2000). Uppal (1992) too observes that investors tend to choose to invest more frequently in domestic stocks. His research shows that a group of Germans felt more competent with German stocks than with the American ones and vise-versa. In addition, these results are consistent with the trend exhibited by the participants, providing a subjective probability assessment of the average stock returns associated with high level of competence (domestic shares) rather than those associated with low level of competence (foreign shares) (Karlsson and Norden, 2007). Hence, the investors, affected by their feelings of nationalism, trust more in the stocks of their respective countries.

From the above explanation, the hypotheses formed based on the investors' nationalistic confidence are as follows:

H4a: Nationalism effects an individual investor's affective extra motivation to invest in the shares of company 'X'.

H4b: Nationalism confidence are individual investor's investment in the shares of company 'X'.

Since the variable affective extra motivation to investment is influenced by the four predictor variables, it is also expected to affect the individual investor's investment as seen from the perspective of investment value. Thus, the hypothesis proposed by the researchers is:

H5: Affective extra motivation of individual investors to invest affects investment in the company's stocks.

Furthermore, researchers found that AEMI is because of the sales value indicated in H5, while the value of AEMI and that of sales are influenced by four predictor variables, namely, positive attitude, ASA, familiarity and nationalism. The hypothesis of the 6th investigation is as follows:

H6: Positive attitude, affective self-affinity, familiarity and nationalism, mediated by affective extra motivation to investment, affect the value of investments.

In this study, the authors use four (4) independent variables, namely, positive attitude, affective self fascination (affective self-affinity), familiarity and nationalism. These four variables influence the affective extra motivation to invest in stocks, which is, thereby, a dependent variable (figure 1). Researcher use path analysis to test the hypotheses 1a, 2a, 3a and 4a. Furthermore, the authors use stock investment as the dependent variable with proxy Lot Number, Number of Transactions and the amount of funds used for investment in the shares.

The effect of all four independent variables will also affect the investments made by individual investors. The researchers also test the effect of the four independent variables on company shares as proposed in hypotheses 1b, 2b, 3b and 4b. Moreover, the authors also test the 5th hypothesis concerning the effect of the variable affective extra motivation to invest on stock investments, as shown in Figure 1.

Furthermore, the authors have made affective extra motivation to investment a variable mediating the indirect effect of the four independent variables on the value of investments made by stock investors. This proposition made in H6 can also be seen in the path analysis.

RESEARCH METHOD

In this study, the researchers determined a total sample of 500, which was distributed to 10 securities firms in the city of Pontianak. The number of respondents from the surrounding area of each company offering the same securities was as many as 50-60. So, the percentage of respondents from each securities company was 7.5-15% of the total respondents. The researchers considered this to be a fair representation of the number of respondents from each securities company.

As mentioned above, it is a descriptive research utilizing a survey method. The individual investors of the city of Pontianak, in West Kalimantan are the objects of this study. To obtain data on individuals so as to ascertainthe factors that affected their investment decisions, the researchers contacted the investors who had recently bought stocks from stockowners. Previously, the researchers had contacted the securities companies for the secondary data on individual investors, like their addresses and telephone numbers. Questionnaires were then sent to the respondents based on the addresses obtained. We also sent several questionnaires to securities companies to be given to the customers, who were respondents in this study.

The number of samples used as objects in this study was as many as 500 individual investors from a population of 3,816 people in 2014. Researchers expected 50% of the questionnaires returned to exhibit affective extra motivation in deciding to invest in common shares.

Each of the variables used this study was measured so that it could be used for statistical analysis. The measurement of positive attitude used the instrument of manner, in which there were no "right or wrong" answers, but "positive and negative" ones (Sugiono, 2010). For this reason, to measure the positive attitude of an investor, researchers used an interval size ranging from most negative (-) to most positive (+), which in research methodology is known by the name of staple scale. Sekaran (2003) asserts that staple scale simultaneously measures the direction and intensity of attitudes towards the items being studied. The degree of positivity or negativity of the investors' attitudes towards the company's shares is measured using a numerical scale ranging from +3 to -3. This scale gives an idea of how close or far the individual response is to the stimulus.

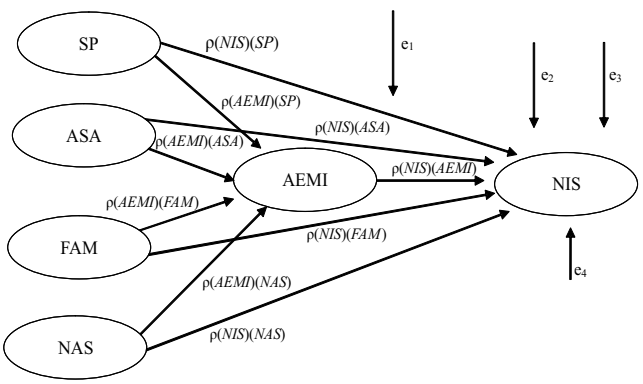
For more independent variables like affective self-affinity, familiarity, nationalism and extra affective motivation to investment, the authors used differential semantic scale. Sekaran (2003) reveals some bipolar attributes identified on the extreme scale and the respondents were asked to indicate their stance on what is referred to as semantic distance (simantic space) to individuals, objects or certain events on each attribute. While score 0 shows that the respondents either did not have a response or they were not suitable, score 6 indicates the response that is most in keeping with ASA, familiarity and nationalism.

Furthermore, the investment value as the dependent variable was measured using Likert scale. Likert scale is a 5-point interval scale which is designed for a couple of strong subjective statements with which one can agree or disagree (Sekaran, 2003).The analytical method used is twofold. First, Statistic Descriptive analysis. Second, Path Analysis Modelling (Streiner, 2005; Chin and Newsted, 1999; Ringle, Wende and Will, 2005), which allows not only for the simultaneous testing of

hypotheses but also single measurement and multi-item, as well as the use of both reflective and formative scales (Streiner, 2005).

A technique was used for estimating the impact of a series of independent variables on a dependent variable through a series of observed relationships (correlation), which were suspected to be causal relationships amongst these asymmetric variables (Wright, 1934). To be able to use path analysis, such assumptions and basic principles were adopted that could be used in path analysis and problem solving. The assumptions and basic principles of path analysis are as follows. According to Sarwono (2012): a) Linearity, b) Additivity. There are no interaction effects, c) The causal link is closed (Causal Closure), d) Beta coefficient (β). A regression coefficient which has been standardised (Standardised Regression Coefficient), showing variable changes. Endogenous associated with changes (increases or decreases) in a standard deviation of the independent variable and exogenous time to control the influence of other independent variables, e) The coefficient of determination (R2). Known as an index of association, f) Data matrix interval scale. All variables were observed in a large-scale data interval (scaled values), g) Variables residuals are not correlated with any of the variables in the model, h) The term disorder (disturbance terms) or variable residual should not be correlated with all variables endogenous in the model, i) Low multicollinearity, j) Recursivity. All arrows have one direction, they should neither playback (loop) or show the reciprocal relationship (reciprocal), k) Specification models are necessary to interpret the coefficients on line, l) Input correlation suite, m) Adequate sample size. The use of a sample of at least 100 with an error rate of 10% to obtain significant and more accurate analytical results. The ideal sample is of 400-1000 with an error rate of 5%, n) Designing a model in conformity with existing theories.

Figure 1: Line Diagram: The Effect of Variable Positive Attitude, Affective Self-Affinity, Familiarity and Nationalism Against Extra Motivation to Affect Investment and Corporate Investments in Common Stock



Structure 1: AEMI= ρ(EMI)(SP) + ρ(EMI) (ASA) + ρ(EMI) (FAM) + ρ(AEMI) (NAS) + e1

Structure 2: NIS= ρ (NIS) (SP) + ρ (NIS) (ASA) + ρ (NIS) (FAM) + ρ (NIS) (NAS) + e2

Structure 3: NIS= ρC'.SP + ρC 'ASA + ρC' FAM + ρC 'e3 + NAS + ρEMI

Structure 4: NIS= ρ (NIS) (EMI) + e4

Information :

SP= Variable Positive Attitude
ASA= Variable affective self-affinity
FAM= Variable Familiarity
NAS= Variable Rasa Nationalism
AEMI= Variable Affective Extra Motivation to Invest
NIS= Variable Value Stock Investment
ρ= coefficient path coefficient or beta standardized
e1= Error Estimation AEMI
e2= Error Estimation NIS
e3= Error Estimation NIS
e4 = Error Estimation NIS

Model analysis shown in Figure 1 is using path analysis, mediating variables that affect extra motivation to investment. The model equations can be seen in substructure 4. Preacher, Rucker, and Hayes (2007) define mediation or intervening variable as a variable which serves to mediate the relationship between independent variables (predictors) and the dependent variable (predictand). Furthermore Preacher, Rucker, and Hayes (2007) state :1. Variable M is expressed as a perfect mediating variable (perfect mediation) if, after entering the variable M, the effect of variable X to Y decreases to zero (c = 0); or the effect of variable X to Y, which was significant before entering the variable M, remains significant after entering the variable M into the regression equation model.

2. Variable M is expressed as a mediating variable Persia (partial mediation) if, after entering the variable M, the effect of variable X to Y declines, but is not zero (c '≠ 0); or the effect of variable X to Y, which was significant before entering the variable M, remains significant after entering the variable M into the regression model equation but declines regression coefficient.

RESULTS

Descriptive Analysis

First of all we checked every questionnaire received to see if they were answered according to the instruction. To implement the study, researchers distributed 500 questionnaires to individual respondents from 10 security firms in the city of Pontianak. Of the total of

500 questionnaires, as many as 243 were returned. Out of these, 235 respondents gave the correct answers, while as many as eight were deemed unsuitable (defective).

129 respondents answered that their motives for investment were financial ones (risk and return), hence they were not included in the criteria. However, a total of 106 respondents said that while buying shares of companies, they also had other motives than financial considerations. These motives were the extra motivation to invest outside the expectation of financial gains (affective extra motivation to investment). Therefore, the responses of these 106 respondents have been analyzed in this study.

In the process of obtaining the data, there were eight respondents who did not answer completely. The questions that were not answered were considered flawed and thus excluded from the analysis.

Table 1: Recapitulation of Descriptive Statistics

Variable	N		Mean	Median	Std. Deviation	Variance	Skewness	Kurtosis	Percentiles		
	Valid	Miss-ing							25	50	75
Independent											
Positive attitude	106	0	6.02	6.00	1.668	2.781	0.171	0.994	4.75	6.00	7.00
ASA	106	0	17.57	18.00	1.917	3.677	0.095	-0.767	16.00	18.00	19.00
Familiarity	106	0	19.78	20.00	1.051	1.105	0.247	-0.364	19.00	20.00	20.00
Nationalism	106	0	20.07	20.00	1.581	2.500	-0.611	-0.323	19.00	20.00	21.00
Dependent											
AEMI	106	0	15.52	16.00	1.416	2.004	0.187	-1.205	14.00	16.00	17.00
Investment	106	0	8.50	8.00	2.044	4.176	0.682	0.343	7.00	8.00	10.00

From Table 1, the number of data for each variable is equal to 106 and no data is lost (missing data). As many as four indicators are used to measure the independent variable positive attitude, such as, the positivity of the investors' attitude towards their investments against the company's shares, preference for the company's products, a positive belief in loyalty to invest in the company shares and positive beliefs about a company's possession of a social conscience. The most positive attitude is worth 3 and the most negative attitude is worth -3, which gained an average value of 6.02 and a median of 6. If the indicator of the number of times the maximum possible value is 3, then the total maximum value of respondents is 12; and if the same thing is multiplied by the minimum value of -3, then the total minimum value obtained is -12. Based on the results of the central tendency value of the average and the median, 106 respondentstend to show a positive attitude towards the investment they do in the shares of the companies they choose, as expected by the researchers.

The lowest total point of the four positive attitude indicator variables is 3 with a frequency of 3 or 2.8% of the 106 respondents. The next highest total score is 9 with a frequency of 9 or 8.5% of the 106 respondents. The most answered total value is 6 with a frequency of 24 or 22.6% of the 106 respondents.

Data Validity and Reliability

This test is used to determine whether the data used by the instrument for statistical analysis is feasible or not. To test data validity, the authors used correlation product-moment (Pearson), and the results are as follows:

Table 2: Variable Data Validity of Research Variable with Pearson

		Positive Attitude	ASA	Familiarity	Nationalism	AEMI	Investment	Total
Positive Attitude	Pearson Correlation	1	0.214*	0.279**	0.166	0.899**	0.783**	0.843**
	Sig. (2-tailed)		0.028	0.004	0.09	0	0	0
	N	106	106	106	106	106	106	106
ASA	Pearson Correlation	0.214*	1	0.345**	-0.204*	0.214*	0.350**	0.510**
	Sig.(2-tailed)	0.028		0	0.036	0.028	0	0
	N	106	106	106	106	106	106	106
Familiarity	Pearson Correlation	0.279**	0.345**	1	-0.135	0.16	0.290**	0.427**
	Sig.(2-tailed)	0.004	0		0.169	0.102	0.003	0
	N	106	106	106	106	106	106	106
Nationalism	Pearson Correlation	0.166	-0.204*	-0.135	1	0.338**	0.305**	0.372**
	Sig.(2-tailed)	0.09	0.036	0.169		0	0.001	0
	N	106	106	106	106	106	106	106
AEMI	Pearson Correlation	0.899**	0.214*	0.16	0.338**	1	0.828**	0.876**
	Sig.(2-tailed)	0	0.028	0.102	0		0	0
	N	106	106	106	106	106	106	106
Investment	Pearson Correlation	0.783**	0.350**	0.290**	0.305**	0.828**	1	0.916**
	Sig.(2-ailed)	0	0	0.003	0.001	0		0
	N	106	106	106	106	106	106	106
Total	Pearson Correlation	0.843**	0.510**	0.427**	0.372**	0.876**	0.916**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
	N	106	106	106	106	106	106	106

**Correlation is significant at the 0.05 level (2-tailed).*
***Correlation is significant at the 0.01 level (2-tailed).*

In Table 2, note that all the variables have a total correlation greater than 0.30 (Pearson Correlation> 0.30) and a 2-tailed significance of 0.01 (**correlation is significant at the 0.01 level (2-tailed)). Thus, it shows that all six variables have valid data which can be used for further analysis. The dependent variables AEMI and

investment, have total correlation values of 0.879 and 0.916 respectively. Thus, the correlation value is greater than 0.30 and the two variables have a smaller probability with the significance of 0.01 (**correlation is significant at the 0.01 level (2-tailed)). Therefore, the data of the variables AEMI and investment are valid. Furthermore, the table reveals that the fourth indicator of the variable positive attitude has a significance of less than 0.01 (**correlation is significant at the 0.01 level (2-tailed)), thereby implying that the data is valid. Likewise, for all four indicators of the variable ASA, the correlation has a significance value of less than 0.01 (**correlation is significant at the 0.01 level (2-tailed)). Thus, the data for the four indicators of ASA are also valid. Among the four indicator variables of familiarity, indicator 1 has a significant correlation value of 0.147 with 0.133. This means that the data for indicator 1 (awareness of the existence of the companies) is considered invalid. For indicators 2 and 4, the Pearson correlation values are 0.230 and 0.219 or 0.018 and 0.024 respectively. This means they are significant at the level of 0.05 (*correlation is significant at the 0.05 level (2-tailed)). Thus, the data for indicators 2 and 4 are valid. For three indicator variables, familiarity has significant correlation values of 0.181 and 0.063, which are significant at the level of 0.1. Thus, this data is considered valid for indicator 3 at the significant level of 0.1 or 10%.

Furthermore, since all four indicators of variable nationalism have significance of less than 0.01 (**correlation is significant at the 0.01 level (2-tailed)) and 0.05 (*correlation is significant at the 12.05 level (2-tailed)), the data for these are regarded as valid. For indicator 1 of nationalism, the correlation value is 0.368 or less than 0.01 significance or significant at the level of 0.1 or 1%. Thus, the datais valid for indicator 1 of nationalism. Indicators 2, 3 and 4 have a correlation with a significance value of less than 0.05 (**correlation is significant at the 0.05 level (2-tailed)). Thus, the data for indicators 2, 3, and 4 of nationalism are also valid.

Test Reliability is used to determine the reliability of the data to be used with statistical analysis tools. The reliability of the data is reflected by the minimum Cronbach's Alpha value of 0.5 on social research. The results of the calculation of reliability test using SPSS are as follows:

Table 3: Relibility of Research Data

Variable and Indicator	Cronbach's Alpha if Item Deleted
Positive Attitude	**0.628**
SP 1	0.605
SP 2	0.608
SP 3	0.626
SP 4	0.636
ASA	**0.782**
ASA1	0.602
ASA 2	0.625
ASA 3	0.637
ASA 4	0.619
Familiarity	**0.751**
FAM 1	0.633
FAM 2	0.630
FAM 3	0.638
FAM 4	0.633
Nationalism	**0.792**
NAS 1	0.630
NAS 2	0.631
NAS 3	0.617
NAS 4	0.623
AEMI	**0.625**
AEMI 1	0.592
AEMI 2	0.589
AEMI 3	0.586
Investment	**0.576**
NIS 1	0.507
NIS 2	0.715
NIS 3	0.495
Total Reliability	**0.743**

Based on Table 3, the overall Cronbach's Alpha value is equal to 0.743, which is greater than 0.5. Therefore, since the data for all the variables are valid, they can be used for analysis using statistical instruments.

Each variable of this study has a Cronbach's Alpha value greater than 0.5. Thus, as the total of each variable is valid, the data for all six variables of this study are reliable.The instrument testing for reliability also showed the same result. Only one indicator of the variable investment has a Cronbach's Alpha value of 0.495. However, this is also considered reliable because after rounding off the value is equal to 0.50. Therefore,

all the indicators of the research variables are reliable, and their data can be tested using statistical instruments.

The stages done in research are:

1. Looking at the simultaneous influence of the independent variables positive attitude, ASA, familiarity, and nationalism on the dependent variables AEMI and stock investment value (NIS), by considering the value of R^2 or determinant coefficient. The results indicate that the independent variables of this study influence the dependent ones.

2. Eligibility Test Regression Equations:

This was used to determine whether the regression model of path analysis adopted in this research is correct. Testing was done by using a regression model analysis of variance (Analysis of Variance/ANOVA). This test is also called *F*-test. From the test results, it is evident that all the models, with a significance value below 0.05 (sig. < 0.05), used in this study are correct.

3. Eligibility Test of the predictors used in this research:

To test the accuracy of the predictors (independent variables) used to predict the dependent variables, the values of standard deviation and standard error of estimate were utilized.

-If the Standard Error of Estimate < Standard Deviation, then the predictor is decent/right

-If the Standard Error of Estimate> Standard Deviation, then the predictor is not decent/right.

Based on the test results, it turned out to be that all the independent variables oin this study are right/decent predictorsof the dependent variables.

4. Further testing of the feasibility of Regression Coefficients/Beta Weights on Coefficient Line:

It was done by looking at the values of Standardised/Beta Coefficients on path coefficients and the significance of their influence. Results of the test are as follows:

Table 4: Test Results of Coefficient Value Line Each Model Structure

Model	Standard Error	Standardized Coefficients (Beta) (ρ)	Sig.	Information
Structure 1 (AEMI)	$e_1 = 0.571$			
SP	0.036	0.868	0.000***	H_{1a}accepted
ASA	0.032	0.095	0.027**	H_{2a}accepted
FAM	0.059	0.079	0.064*	H_{3a}accepted
NAS	0.037	0.194	0.000***	H_{4a}accepted
Structure 2 (NIS)	$e_2 = 1.135$			
SP	0.072	0.676	0.000***	H_{1b}accepted
ASA	0.063	0.238	0.000***	H_{2b}accepted
FAM	0.116	0.053	0.377	H_{3b}rejected
NAS	0.074	0.249	0.000***	H_{4b}accepted
Structure 3 NIS)	$e_3 = 1.157$			
AEMI	0.078	0.826	0.000***	H_5accepted
Structure 4 (AEMI-NIS)	$e_4 = 1.058$			
SP	0.158	0.206	0.113	H_6accepted
ASA	0.061	0.184	0.002***	
FAM	0.111	0.102	0.076*	
NAS	0.077	0.140	0.021**	
AEMI	0.193	0.540	0.000***	

** Coefficient B is significant at the 0.10 level (2-tailed)*
*** Coefficient B is significant at the 0.05 level (2-tailed)*
**** Coefficient B is significant at the 0.01 level (2-tailed)*

As per the results of the test, all structures have significant path coefficients affecting the dependent variables. Only H3b is rejected because it has a path coefficient value of 0.053 with sig.=0.377. This means that familiarity does not have a direct effect on the value of stock investment, but it is a driving factor behind motivation in relation to the value of stock investments.

As for the other structures, all the hypotheses are accepted in each of them. This means that the independent variables used in the structures of the model have very significant effects on either of the two dependent variables.

DISCUSSION

The objective of hypothesis 1 was to answer the research question that, whether positive attitude of individual investors of a stock company affects their extra motivation to investment. Besides, it was also to investigate whether positive attitude of individual investors affects the value of stock investments. Furthermore, Brownlow (1992) says that attitude can determine one's acceptance or rejection of the stimulus of an object; for example, through likes or dislikes, positivity or negativity, and pleasantness or unpleasantness. Aspara and Tikkanen (2011) describe positive attitude as a factor effecting an individual's decisions regarding the buying of shares. Bem (1970) also concluded that a person's attitude can influence the election of an object, and hence can determine the direction to be taken by the individual.

Positive attitude has a coefficient of 0.868 with a significant value of 0.000. This means that the positive attitude of an investor towards the stock chosen for investment imparts a positive influence on his/her affective extra motivation to intestment. The positive attitude of an investor has the path coefficient of 0.868,

which is a significant value on the real level of 1%. Thus, positive attitude is not only significant but also positively impacts on the investment value of the individual investor. Attitude towards something also impacts an individual's behavioural consistency (Morgan and King 1975; Zajonc 1980; Rabin 1998; Aspara and Tikkanen, 2010a). Thus, the attitude of an individual is closely associated with his/her behavior (Malär *et al.*, 2011). This is in accordance with the results of the study, which shows that positive attitude inspires a strong motivational consistency in the investors regarding their investment choices and sacrifices. However, this contradicts the efficient market hypothesis of Fama (1998), according to which all market participants are rational thinkers.

Hypothesis 2 was used to answer the question that, whether the affection of individual investors affects the extra motivation to investment and the value of investment. Aspara, Tikkanen and Vassinen (2007), and Aspara and Tikkanen (2010a) define affection as emotional feelings associated with a person, including such experiences which leave a strong impression on an individual's sense of self. Furthermore, Aspara (2008) states that affective self-affinity, hinting at an individual's ability to reflect, affects his/her actions and enables him/her to take a position, especially on the concept of self and congruency in accordance with identity.

Emotional relationships are deemed consistent with the concept of self and congruency, making individuals reflect their affective form of action and enabling them to take a position against the stimulus. Thus, affective self-affinity can provide a thrust to the making of investment decisions outside the expectation of financial gains (Aspara and Tikkanen, 2011). Affective self-affinity of an individual to a company can act as one of the decisive factors that affects the basic motivation, thereby encouraging investment in stocks beyond the hopes for financial return (extra motivation to investment).

The results of this study are shown in Table 4, where the path coefficient of affective self-affinity amounts to 0.095, with a significant value of 0.027. Thus, ASA has a positive effect on individual investors' affective extra motivation to investment in the real level of 0.05 or 5%. Furthermore, Table 4 also shows that the path coefficient of affective self-affinity on the value of investments is 0.063, with a significant value of 0.000. Therefore, ASA positive significant effect towards value of investments of individual investors was on the significance of 0.01 or 1%.

ASA of attributes and self-image built by the company are considered equal or congruent with the desired image of the investors, where the average value is as high as 4.48. Similarly, the suitability of the concept of self developed by the company together with the concept of self desired by individual investors, has been categorised at the high value of 4.34. Furthermore, based on the average responses received, the confidence that the respondents feel toward the company's personnels, has been categorised as high as 4.34 on the scale of 6. The sense of loyalty to buy more of the company's shares if the investors have more funds, has an average of 4.41, which is also a high category. Thus, the total ASA owned by the respondents is categorised as high. This means that, the heightened ASA owned by the investors has a strongly positive influence on affective extra motivation to invest outside financial expectations.

According to the findings of Solt and Statman (1989) and Rubaltelli *et al.*, (2010), the investors' option about stock investment is based on their feelings about a company. Even in circumstances where investors have a lot of information at their disposal, they still tend to use their affective reactions to decide the best investment in company shares.

Hypothesis 3 was aimed at answering the question that, whether familiarity of ordinary stock investors affects the extra motivation to investment and the investment value. Familiarity is one of the results of the process of attitude as well as an affective component. Familiarity owned by an individual also affects the motivation behind the decision making related to an object stimulus. Several attributes are used in this study to measure the familiarity of individual investors.First, the level of the individual caught against the company. Second, the investors' rate caught against the company's products. Third, the frequency of the information obtained through mediaterhadap companies; and fourth, the availability of all information about the company.

The research results for the variable familiarity are significant at the level of 0.10 or 10% and have positive impact on affective extra motivation to invest. This indicates a path coefficient value of 0.079, with the significance of 0.064. Similarly, the influence of familiarity on the value of investment is highlighted by the path coefficient value of 0.053, with the significance of 0.377. Thus, the familiarity of individual investors does not have a significant effect on the value of their investment in the company shares. However, it has a positive effect on affective extra motivation to

investment outside the financial motives. This has also been supported by several studies such as those conducted by Aspara and Tikkanen (2010, 2011); Ang, Chua and Jiang, (2010); and Finucane *et al*., (2000).

The result of the research shows that the familiarity of individual investors does not have any significant effect on the value of their investment. This contradicts the results of previous studies, which found evidence of the fact that familiarity with the company, its products and brand recognition has a positive influence on individual preferences and propensity to invest in shares of the company (Frieder and Subrahmanyam, 2005). The tendency of someone making a purchase or investment depends also on his/her loyalty. Repeat purchase behavior is the repeated purchasing of a certain product or brand, influenced more by habit and loyalty. In customer loyalty, repeat purchase action towards these brands is influenced by brand loyalty (Shimp and Madden,1988). So, familiarity of an individual or investor may not necessarily affect the investment they do. Aspara and Tikkanen (2011) state that the familiarity of a company would rather be the motivation behind the purchases made.

The fourth hypothesis was used to answer the question that, whether the feeling of nationalism affects the extra motivation to investment and the investment value of shares. It is a current market trend that investors have more positive feelings toward the shares of their domestic companies when compared to those of foreign ones (Ganzach, 2000).

There are four attributes that researchers used to measure individual investors' nationalism. First, trust in the company from the same nation. Second, the investment done for the advancement of the nation. Third, care for the company because of investments in its shares also strives for progress in the economic field. Fourth, the company's shares are part of the defense of the nation's economy. A sense of nationalism is thus becoming a strong motivation for investors to invest outside the expectation of financial gains.

The result of this study proves that a sense of nationalism has a significantly positive effect on the individual investors' extra motivation to invest beyond the financial motive. This is indicated by the path coefficient value of 0.194 with the significant value of 0.000. Thus, the sense of nationalism influences affective extra motivation to investment on a significant level of 0.01 or 1%. This means that higher the sense of nationalism of individual investors, greater the affective extra motivation to invest. Furthermore, the influence of the individual investors' sense of nationalism is also significantly positive on the value of investment.This is shown in Table 4, where the path coefficient value is 0.249, significant at the level of 0.01 or 1%. This means that higher the sense of nationalism in an investor, greater is his value of investment. This is consistent with the results of the research carried out by Beal, Goyen and Phillips (2005) and Statman (2004), according to which investors who concentrate on their holdings in the country of their origin reap the benefit of "expressive patriotism". In these conditions, the investor tends to ignore the utilitarian benefits of high returns and low risk. Additionally, results of other studies are consistent with the findings of Karlsson and Norden (2007), in which the tendency of investors to provide an assessment of the subjective probability of stock returns associates a lower level of competency with foreign shares compared to those of domestic origin. Therefore, this evidence suggests that people have a more positive attitude towards domestic shares than the foreign ones, because they are more familiar with the former than the latter (Ganzach, 2000).

The result of Philips, Kinniry and Donaldson's (2012) research shows that, in the period between 1988-2011, an average investment allocation of 80-70% in domestic shares and 20-30% in foreign ones achieved an optimal port folio.These symptoms suggest a significantly strong home bias in four countries, namely, the USA, UK, Australia and Canada. These indicate that it is not only a sense of nationalism shown by allocating greater funds for investment in domestic stocks than in foreign ones, but also the formation of efficient port folios based on home bias.

The result of the analysis of the relationship between the mediator variable AEMI and the independent variables, namely, positive attitude, ASA, familiarity and nationalism against the investment value is still significant at 0.01 or 1%. Since the variable AEMI mediating the independent variable positive attitude towards the value of investment is significant, it is considered to be a perfect mediator.

AEMI, as a perfect mediating variable, also occurs in relationship with familiarity. The measurement of the variable familiarity in direct relationship with investment value was not significant. However, on inserting the mediating variable AEMI in the relationship, it yielded a significant result at the level of 10%. Thereby,the variable AEMI is a perfect mediating variable in the relationship between the variables familiarity and the value of investment.

The measurement of the indirect relationship between the variables ASA and nationalism and the variable value of investment, shows that AEMI is a partial mediator because the initial measurement of the direct relationship between the varibles generates a significant value. Although the measurement of the indirect relationship between the variables as mediated by AEMI also provides a significant result, the value of significance is lower than that produced when the variables are in direct relation.

After analysing the sixth hypothesis it can be said, it has been proven that the variable affective extra motivation to investment significantly mediates the relationship between the independent variables, namely, positive attitude, ASA, familiarity and nationalism, and the variable investment value. Positive attitude, ASA, familiarity and nationalism of an investor increase AEMI which, in turn, affects the value of investment.

CONCLUSION

The results of this research succeed in answering the first question that, affective extra motivation to investment is the component that forms positive attitude, ASA, familiarity and nationalism. The test results show that if an investor has more positive attitude, ASA, familiarity and nationalism, then he/she will have an extra encouragement to invest inshares beyond the consideration of financial losses and gains.

The foundation of the theories on human behavior is majorly laid by psychology. However, its application in management science, namely in marketing and human resources, is very low in the finance field. Therefore, there are still many opportunities to develop studies in other aspects of behavior and affect that are not included in this model. The authors also noticed the following limitations in this study:

a. The variable behavior is not limited only to affective variables. So, we acknowledge that many other behavioral variables could be used in this study. Especially in the case of affection, it is possible to enter more affective aspects in this research model.

b.This research was carried out in Pontianak, Kalimantan in particular and the West in general, so the researchers used samples (investors) who were only present at these sites. This condition might minimize the picture of the influence of affection on investors' investment decisions.

c.The researchers also accept the possibility that the respondents might either have been biased or must have forgotten their real motive behind investment while answering the questionnaires and taking part in the interviews. Hence, like most other studies on human behavior, the researchers used a bias tolerance of 5-10%.

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