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The Mediating Role of FOMO in Generation Z's Cryptocurrency Investment Decisions: Effects of Herding, Overconfidence, and Loss Aversion

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Abstract
This study examines the influence of herding, loss aversion, and overconfidence on cryptocurrency investment decisions among Generation Z in Semarang, with Fear of Missing Out (FOMO) acting as a mediating variable. A quantitative explanatory approach was employed, involving 200 respondents who are active cryptocurrency investors. Using Partial Least Squares Structural Equation Modeling (PLS-SEM), the results show that herding, loss aversion, and overconfidence significantly affect investment decisions, with FOMO mediating these relationships. These findings emphasize the role of psychological biases in shaping investment behavior, especially in the volatile cryptocurrency market. The study underscores the need for enhanced financial literacy and emotional regulation to support more rational and informed investment decisions, particularly for younger investors in digital asset markets.

Keywords: Cryptocurrency; Herding; Loss Aversion; Overconfidence; FOMO