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Family Financial Socialization and Social Media: Their Impact on Educational Investment Decision Among Worker Students, Mediated by Financial Literacy and Internal Locus of Control

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ABSTRACT

This study investigates the impact of family financial education and social media on educational investment decisions, with financial literacy and internal locus of control as mediators. The research follows an explanatory design using a survey method. The population consists of 15,530 individuals enrolled in Pamulang University's employee class program. A sample of 375 respondents was selected through proportionate random sampling. Data was collected via an online survey using Google Forms. Partial least squares structural equation modeling (PLS-SEM), analyzed with SmartPLS version 3.0, was employed to estimate the data. The results indicate that social media and family financial socialization both directly and indirectly influence educational investment decisions. However, family financial socialization did not significantly affect financial literacy, and thus could not mediate educational investment decisions. Internal locus of control emerged as the most significant predictor and mediator, suggesting that psychological factors have a stronger influence than financial knowledge. Furthermore, social media was found to play a key role in enhancing students' financial literacy and internal locus of control. Based on these findings, it is recommended that universities implement financial literacy programs for parents to support family financial education, as well as leverage social media to enhance students' locus of control and financial literacy.

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1. INTRODUCTION

Human capital theory views education as a form of investment that aims to improve the skills and knowledge of individuals, which in turn leads to increased income and welfare (Becker, 1962; Schultz, 1961). OECD (2001) defines human capital as knowledge and skills acquired through education, training, and experience, which are valuable resources and contribute directly to welfare. Human capital investment can be made through various means, including education, training, health

and experience (Weisbrod, 1962), and this study will focus on the formal education aspect. Investment in formal education can provide long-term economic and non-economic benefits (OECD, 2001). Economically, education increases a family's future earning potential, productivity and well-being (Becker, 1962; Domino, 2018; OECD, 2020; Schultz, 1961). Meanwhile, non-economically, education contributes to improved health, happiness, social participation and reduced risk of involvement in crime (Domino, 2018; OECD, 2020). Formal education plays an important role, especially in the world of work, where workers with similar levels of education generally receive similar wages (Spence, 1973). Thus, workers with higher productivity are expected to increase their education level to earn more.

Studies on investment decision-making in education have been widely studied, but it was found that more discussed educational investment-making from the parents' side, because parents are the owners of capital who finance children's education and no studies have been found that discuss from the side of individuals or students who undergo education themselves. This is also confirmed by the results of a search on the factors that influence educational investment decision-making, where the subject of study is parents (Dizon-Ross, 2019; Lunn & Kornrich, 2018; Naoi et al., 2021; Wang & Feng, 2021). For this reason, this study focuses on the child side, specifically, worker students who finance their education independently. The decision of worker students to pursue higher education is driven by an awareness of the importance of formal education in improving earnings, career and future opportunities. This study aims to identify factors that influence education investment decisions among worker students at Pamulang University. The university is known for its affordable tuition fees and flexible class schedules, making it a popular choice for students who work while studying. Education investment decisions by working students are interesting to study because they face greater challenges in undergoing lectures. These challenges include managing time between work and study and managing income to pay tuition fees while meeting personal needs. Observations in the field show that these conditions become obstacles in completing studies, in the form of delays in graduation or even failure to studies. In general, the problems that arise include difficulty managing time between work and study, difficulty getting permission from the workplace, family problems, and economic problems. These conditions can interfere with the process of investing in education that they do, even potentially causing investment failure. Therefore, this study focuses on identifying the factors that influence working students' decision to invest in their education.

Decision-making theory states that critical thinking skills are used to optimize decisions (Kahneman, 1991), although this process is often influenced by individual internal and external factors. In the context of this study, the first factor that is thought to influence education investment decision-making is family financial socialization. Family financial socialization is one of the important factors that influence decisions in education investment. This process includes efforts made by parents in instilling financial values, attitudes, norms, knowledge, and behavior in children for their future benefit (Danes, 1994). In the context of education, parents' responsibility is to help children's understanding of financial management, budget planning, and investment concepts so that they can make better education investment decisions (Sirsch et al., 2020). This is corroborated by previous research findings which conclude that family financial socialization affects children's financial behavior (Ali et al., 2022; Bucciol et al., 2022; Sirsch et al., 2020). In addition, parents also play a role in instilling values and priorities, which view education as an important and valuable long-term investment (LeBaron et al., 2018). Empirically, this is evident in the results of research conducted by (Carton et al., 2021; Nowicki, Gregory, et al., 2018),which found that parents proved to be the main antecedent that influenced children's locus of control. However, parental influence alone is not enough to ensure appropriate educational decisions. Students need relevant information support as a guide for study choices and career planning. With relevant information, students can choose majors that they not only like but also those with good career prospects, so that educational investments can become more focused and strategic. From the description above, a hypothesis can be formulated, namely: H1: Family financial socialization has a significant effect on educational investment decisions; H3: Family financial

socialization has a significant effect on financial literacy; H4: Family financial socialization has a significant effect on internal locus of control.

Social media is now the primary source of information for students (Tafesse, 2022). Information technology has become an integral part of teenagers' lives, with the 15-24 age group representing the highest internet users in Indonesia (BPS, 2019). According to the APJII (2024) survey, Generation Z (born 1997-2012) leads in internet usage, with 34.40% accessing social media and spending 1-5 hours daily online. Given the high usage duration, social media significantly influences adolescents' mindsets and behaviors, serving as a key resource for making educational investment decisions. Research also indicates that information about companies heavily influences investment choices (Kavitha & Bhuvaneswari, 2019). This is further supported by studies (Khadka & Chapagain, 2023) showing that all types of information shared on social media affect investment decisions, and Hasanudin (2023), who found that social media use influences investment decisions among adolescents. Additionally, Eisenbeiss et al. (2023) revealed that informative and persuasive content on social media platforms positively impacts investment decisions. These findings highlight that social media not only shapes teenagers' attitudes and behaviors but also plays a crucial role in their investment preferences and decisions. Based on this, the following hypotheses are proposed: H1: Social media significantly influences educational investment decisions; H5: Social media significantly influences financial literacy; H6: Social media significantly influences internal locus of control.

Financial literacy, as a mediating variable in this study, is a person's ability to manage finances wisely (Chen & Volpe, 1998) and plays an important role in making rational education investment decisions. Previous research shows that a high level of financial literacy has a positive effect on education investment decisions (Alaaraj & Bakri, 2020; Mochammad et al., 2020; Saputro & Lestari, 2019), so students with good financial literacy tend to make wiser investment decisions. Financial literacy, which is a basic need to avoid financial problems, is formed through internalization of learning from interactions with the environment, especially through financial socialization of parents as the main agents who become role models (Chowa & Despard, 2013). In addition, social media also contributes to financial literacy, where social media is an effective means of learning and sharing information, including financial and investment information (Ismail et al., 2018; Rizon et al., 2021; Yanto et al., 2021). Social media allows broad access to information, such as content about companies, which influences investment decisions (Kavitha & Bhuvaneswari, 2019). Based on this description, the following hypothesis can be formulated: H7: financial literacy has a significant effect on educational investment decisions; H9: financial literacy significantly mediates the indirect effect of family financial socialization on educational investment decisions; and H1: financial literacy significantly mediates the indirect effect of social media on educational investment decisions.

In fact, high financial literacy does not always guarantee that a person is wise in managing finances (Huston, 2010). For this reason, it is important to consider the role of internal locus of control in financial decision making. Internal locus of control, which is an individual's belief that they control their future (Ullah & Yusheng, 2020), can be influenced by social experiences and internalized values, in accordance with social learning theory (Nowicki, Ellis, et al., 2018). Parents have been shown to be a major influence on children's locus of control (Carton et al., 2021; Nowicki, Gregory, et al., 2018). Inadequate interaction with the mother increases the risk of children having an external orientation (Nowicki, Gregory, et al., 2018).In addition, social media also affects the development of locus of control, because changes in information technology have changed the culture of society and the way of interaction (Ahmad et al., 2018). Family financial socialization and social media are thought to contribute to shaping a person's internal locus of control orientation, which ultimately affects financial decision making. Based on this description, the following hypothesis can be formulated: H8: *Internal locus of control* has a significant effect on educational investment decisions; H10: *Internal locus of control* significantly mediates the indirect effect of family financial socialization on educational investment decisions; and H12: *internal locus of control* significantly mediates the indirect effect of social media on educational investment decisions.

2. METHODS

This research is a type of explanatory research with a survey method that aims to find empirical evidence of the effect of Family Financial Socialization (FFS) and Social Media (SM) on Education Investment Decisions (EID), with Financial Literacy (FL) and Internal Locus of Control (ILC) as mediating variables. The research population is all active students in the employee class program of the Faculty of Economics and Business, totaling 15,530 people. The study was conducted at Pamulang University, which is known for its affordable tuition fees and flexible class schedule, making it a popular choice for students who work while studying. The sample size was 375 respondents, and the results were calculated using the formula from Krejcie & Morgan (1970) with a 95% confidence level. The sampling procedure in this study used proportional random sampling with the proportion of management study programs as much as 75% and accounting as much as 25%. Respondents filled out the questionnaire online via Google Forms by spreading the link in the class WhatsApp group for three months. To avoid answer bias, we control through the class leader to record those who have filled out the questionnaire and provide a reminder two weeks after the questionnaire is distributed.

The research instrument is a questionnaire with a Likert scale, ranging from point 1 (strongly disagree) to point 5 (strongly agree), which was developed from the analysis of relevant research. The FFS variable is measured using three indicators from (LeBaron et al., 2018) and (Gudmunson & Danes, 2011), while the SM variable is measured using three indicators based on instruments from (Ismail et al., 2018); (Atoom et al., 2021); (Rani & Prerana, 2021) and (Gupta, 2018). The FL variable is measured by four indicators adopted from (Rapina et al., 2023) and (Chen & Volpe, 1998), while the ILC variable is measured using three indicators from (Santokhie & Lipps, 2020). For the EID variable, the instrument was developed based on instruments from Catsiapis (Catsiapis, 1987) and (Qureshi, 2012). The instrument development procedure starts with preparing a draft of the proposed instrument and then analyzing its validity and reliability. To analyze the validity and reliability of the instrument and answer the research hypothesis, the data were estimated using partial least squares structural equation modeling (PLS-SEM) with SmartPLS version 3.0.

3. FINDINGS AND DISCUSSION

3. 1. *Demographics of respondents*

Approximately 64% of the study's respondents were female students, according to the descriptive analysis results. Based on age, students between the ages of 17 and 21 made up 57% of the study's responses. In addition, based on the work of the students, the respondents to the study were dominated by the private sector at 90%. According to the subject, up to 75% of the study's respondents were from the management study program. Lastly, the study's respondents were primarily those with incomes between 3 and 5 million rupiah, accounting for up to 52% of the total. Table 1 provides an overview of the attributes of the respondents.

Table 1. The characteristics of respondents

No.	Categorical	Frequency	Percentage
1.	Gender		
	Female	240	64
	Male	135	36
2.	Age		
	17-21 years old	214	57
	22-26 years old	128	34
	>27 years old	33	9
3.	Occupation		
	Entrepreneur	35	9
	Public Sector	4	1
	Private Sector	336	90

4.	Subject		
	Management	282	75
	Accounting	83	25
5.	Income		
	< IDR 3,000,000	146	39
	> Rp 3,000,000- Rp 5,000,000	194	52
	> IDR 5,000,000	35	9

Source: Authors (2024)

3. 2. Outer model evaluation

The measurement model (*outer* model) in this study is a reflective measurement model. The results of the data analysis obtained were then tested with a series of PLS-SEM test procedures from Hair et al. (2019, 2020). The first test is convergent validity, which contains 2 criteria, namely the Loading Factor (LF) value> 0.70 and the AVE value> 0.50. Table 2 shows that all indicators of the Family Financial Socialization (FFS) variable have an LF value above 0.70 and an AVE value of 0.50 so that convergent validity is met. Three indicators of the Social Media (SM) variable have an LF value of 0.70 and an AVE value of 0.50 so that convergent validity is met. Furthermore, the Financial Literacy (FL) variable has an AVE value of> 0.50 but two of the four indicators have a value of <0.70 so they must be dropped and leave 2 valid indicators. The Internal Locus of Control (ILC) variable all indicators have an LF value above 0.70 and an AVE value of 0.50 so that convergent validity is met. Finally, the Education Investment Decisions (EID) variable has an AVE value> .50 but one of the 3 indicators has an LF value <0.70 so it is dropped and leaves two valid indicators. The second test is discriminant validity which contains two criteria, namely the output of Fornel Lacker table and the ratio of Heterotrait. Discriminant validity is met if in the Fornel Lacker table the correlation value of the variable to the variable is higher than the correlation value with other variables and the HTMT value is below 0.90. From Table 3 and Table 4, it is known that discriminant validity is fulfilled because the output value matches the criteria. Finally, the composite reliability (CR) test with the criteria if the value is> 0.70 then it is fulfilled. From Table 4, it is known that the CR value of all variables is> 0.70 so that the CR test is fulfilled.

Table 2. Convergent Validity

Variables	Sample Statement Item	Indicator	*loading factor*	AVE	Conclusion
FFS	My parents gave me hands-on experience with money	Exemplary	0.849	0.621	Valid
		Discussion	0.733		Valid
		Experience	0.781		Valid
SM	On social media, I saw that my college was a low-cost college	Education information	0.839	0.621	Valid
		Financial information	0.786		Valid
		College image	0.736		Valid
FL	I understand my current financial situation	Money and transactions	0.583	0.661	Valid
		Planning and managing finances	0.740		Valid
		Risk and Reward	0.411		Valid
		Financial landscape	0.693		Valid
ILC	I use time wisely to achieve my academic goals	Academic	0.867	0.669	Valid
		Personal	0.786		Valid
		Social	0.798		Valid
EID	I calculated that my salary is enough to pay the tuition fee.	Funding source	0.531	0.772	Valid
		Yield	0.843		Valid
		Education costs	0.861		Valid

Source: Authors (2024)

Table 3. Fornell Lacker

	ILC	IED	FL	SM	FFS
ILC	**0.818**				
IED	0.608	**0.879**			
FL	0.101	0.222	**0.813**		
SM	0.494	0.571	0.135	**0.788**	
FFS	0.472	0.462	0.009	0.485	**0.788**

Source: Authors (2024)

Table 4. Heterotrait-motrait (HTMT)

	ILOC	KIP	LK	PJS	SKK
ILC					
IED	0.795				
FL	0.168	0.371			
SM	0.683	0.826	0.251		
FFS	0.697	0.741	0.182	0.803	

Source: Authors (2024)

Table 5. Composite Reliability

Variables	Composite reliability (rho_c)	Conclusion
ILC	0.858	Reliable
IED	0.872	Reliable
FL	0.795	Reliable
SM	0.830	Reliable
FFS	0.830	Reliable

Source: Authors (2024)

3. 3. Inner model evaluation

Evaluation of the structural model (inner model) in this study includes 3 test steps, namely (1) collinearity test, (2) R-squared test, and (3) F-squared test. The first step of the collinearity test is intended to check whether there is a correlation between independent variables (Hair et al., 2019). The collinearity test is carried out by looking at the value of the variance inflated factor (VIF) where the recommended VIF value is below 5. The estimation results in Table 6 show that the inner VIF value of all variables is less than 5, so it can be concluded that all estimated construct indicators do not occur collinearity and can be processed in the next inner model analysis. Furthermore, the R-square test aims to determine how much variance in endogenous variables can be explained by exogenous variables. The interpretation of the R square (R2) value is 0.67 (high), 0.33 (moderate), 0.19 (weak) (Chin, 1998); (Henseler et al, 2009). From Table 7, the R2 value of the ILC variable is 0.315, which means that the effect of FFS and SM on ILC is 31.5% with a moderate level of prediction. The R2 value of the IED variable is 0.497, which means that 49.7% of the variation in the IED variable can be explained by FFS, SM, FL, and ILC with a medium prediction level. The R2 value of the FL variable is 0.022, which means that 02.2% of the FL variation can be explained by FFS and SM with a low prediction level. The last test is *Effect size f square*, which is a measure that describes how much influence exogenous / endogenous latent variables have on endogenous variables in the structural model. The interpretation of the f2 effect size value in Hair et al (2021) and Henseler (2009) is 0.02 (low) 0.15 (medium) 0.35 (large). From the table, it is known that the *F square* value of ILC on IED is 0.199, which means that the effect of ILC on IED is in the medium category. The *F square* value of FL on IED is 0.039, which means that the effect of FL on IED is in the low category. *The F square* value for SM on IED is 0.116. This means that the effect

of SM on IED is in the low category. The *F square* value of FFS on IED is 0.025, which means that the effect of FFS on IED is in the low category. *The F square* value for SM on ILC is 0.135, which means that the effect of SM on ILC is in the low category. The F square value of FFS on ILC is 0.103, which means that the effect of FFS on ILC is in the low category. The *F square* value for FFS on FL is 0.004 which means that the effect of FFS on FL is in the low category.

Table 6. Inner VIF Value

	ILC	IED	FL	SM	FFS
ILC		1.466			
IED					
FL		1.027			
SM	1.307	1.504	1.307		
FFS	1.307	1.451	1.307		

Source: Authors (2024)

Table 7. R Square value

	R Square	Result
ILC	0.315	Moderate
IED	0.497	Moderate
FL	0.022	Low

Source: Authors (2024)

Table 8. F Square Value

Relationship	F Square	Result
FFS => IED	0.025	Low
SN => IED	0.116	Low
FFS => FL	0.004	Low
FFS => ILC	0.103	Low
SM => FL	0.023	Low
SM= > ILC	0.135	Low
FL => IED	0.039	Low
ILC = > IED	0.199	Moderate

Source: Authors (2024)

3. 4. Hypothesis testing

Hypothesis testing in this study uses 2 criteria, namely looking at the T Statistic value and P-value. The hypothesis is accepted if the t-count value> 1.645 with one-tailed, and the p-value <0.050. This value is generated from the SEM-PLS bootstrapping process using the percentile method or the bias corrected and accelerated method. Table 9 and Figure 1 inform that of the twelve hypotheses proposed, two hypotheses are rejected, namely H3 and H9 because the t-count values (1.128 and 1.031)< 1.645 and the p-value (0.130 and 0.151) > 0.050. H3 is a test of the direct effect of FFS variables on FL, while H9 is a test of the indirect effect of FFS on IED through FL. The highest t value is found in H8 (7.022), which is the effect of ILC on IED and the lowest t value is found in H9 (1.031), which is the indirect effect of FFS on IED through FL. Financial literacy successfully mediates the influence of social media on educational investment decisions, but does not succeed in mediating family financial socialization on educational investment decisions. Internal locus of control successfully mediates the indirect effect of family financial socialization and social media on education investment decisions. The abbreviations used in this model include: FFS (Family Financial Socialization), SM (Social Media), EID (Education Investment Decisions), FL (Financial Literacy), and ILC (Internal Locus of Control).

Discussion

This study tries to find empirical evidence of the effect of Family Financial Socialization (FFS) and Social Media (SM) on Education Investment Decisions (EID) with Financial Literacy (FL) and Internal Locus of Control (ILC) as mediation. The hypotheses proposed in this study amounted to 12 consisting of 8 direct influence hypotheses and 4 indirect influence hypotheses. The results of the data analysis revealed that there are 10 accepted hypotheses and 2 rejected hypotheses.

Table 9. The Summarize of Hypothesis Testing

Hypothesis	Relationship	T Statistics	P Values	Result
H1	FFS => IED	3.153	0.002	Accepted
H2	SM => IED	6.482	0.000	Accepted
H3	FFS=> FL	1.070	0.285	Rejected
H4	FFS ILC=>	5.668	0.000	Accepted
H5	SM=> FL	2.622	0.009	Accepted
H6	SM -> ILC	5.886	0.000	Accepted
H7	FL IED=>	3.679	0.000	Accepted
H8	ILC IED =>	6.966	0.000	Accepted
H9	FFS=> FL IED=>	0.909	0.364	Rejected
H10	FFS => ILC => IED	3.987	0.000	Accepted
H11	SM => FL => IED	2.042	0.042	Accepted
H12	SM => ILC => IED	4.646	0.000	Accepted

Source: Authors (2024)

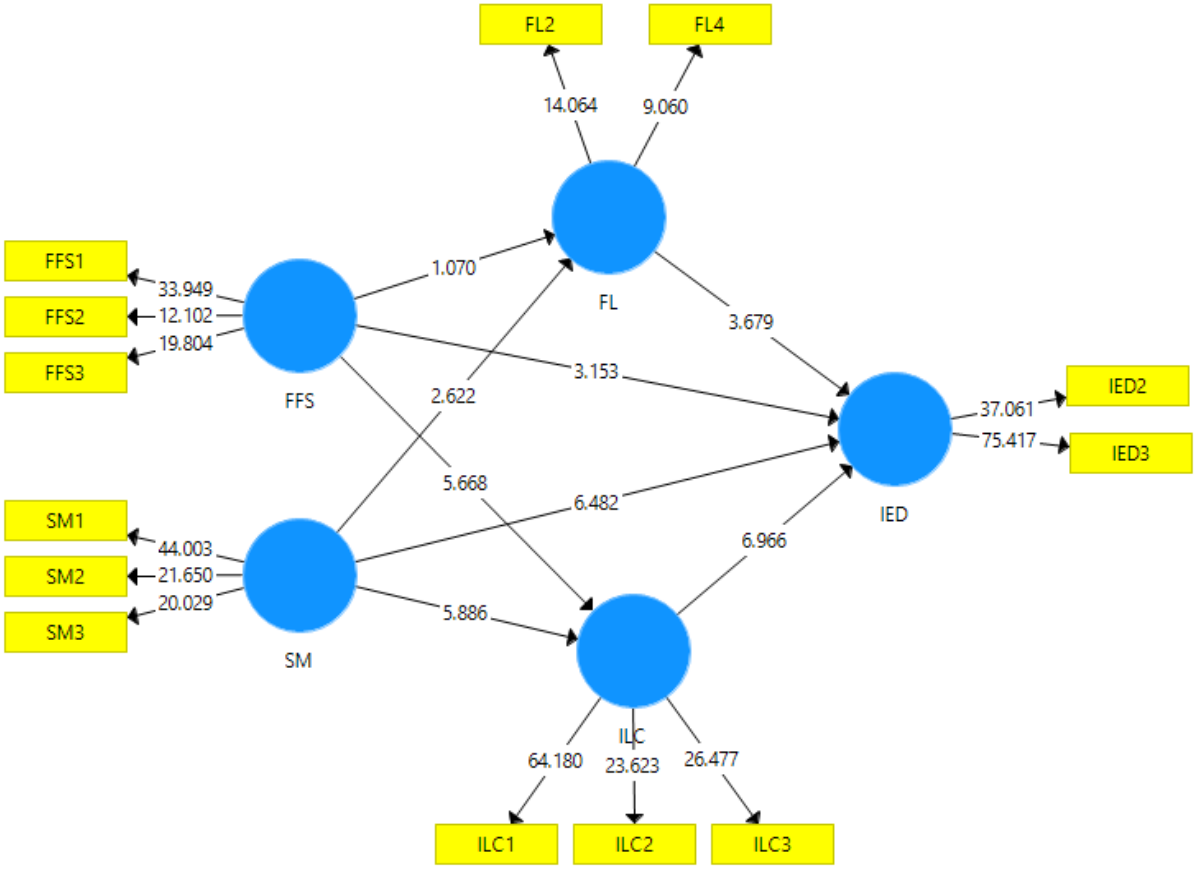

Figure 1. The Result of SEM Analysis

The first result proved that FFS affects EID on worker students at Pamulang University. This finding shows that the better the financial socialization done by parents, the higher the chance of students to decide to invest in education. This finding is very logical because the family is the first place for children to form knowledge and experience related to finance (Bowen, 2002). The findings of this study strengthen the results of previous studies which concluded that family financial socialization affects children's financial behavior (Ali et al., 2022; Bucciol et al., 2022; Sirsch et al., 2020). Children's financial behavior can be linked to educational investment decisions, because parents' financial teaching and behavior indirectly encourage children to actively seek financial information through the risk information search process (Pahlevan Sharif & Naghavi, 2020). Thus, the role of parents in family financial socialization is important which will have an impact on children's financial well-being in adulthood (Putri & Simanjuntak, 2020); (Sheng et al., 2022). In addition to having a direct effect on EID, another finding is that FFS has also been proven to have an effect on ILC but has no effect on FL. This provides information that financial socialization conducted by parents does not significantly affect the level of student literacy. Of course, this can be accepted because not all parents have adequate financial knowledge so that parents can also fail to become agents of financial socialization to their children (Sukoco, 2020). Even though it has no effect on FL, financial socialization is able to provide motivation and confidence in students for success in economic welfare through educational investment. The findings of this study reinforce the findings of previous research which found that parents are proven to be the main antecedents that influence children's *locus of control* (Nowicki, Gregory, et al., 2018) et (Carton al., 2021).

The next result provides evidence that SM has a direct effect on EID in worker students at Pamulang University. This means that the more information students obtain in the form of educational information, financial information, and the image of higher education, will increase the likelihood that students will decide to invest in education. It has been realized that information technology has now become part of people's lives, especially teenagers (Saputra, 2019). Based on the National Socio-Economic Survey report by the Central Bureau of Statistics, it is noted that the highest number of internet users are the 15-24 year group (BPS, 2019). The data is also supported by the results of a survey by the Indonesian Internet Service Providers Association (APJII) in 2024 which reported that the use of the internet in Indonesia was Gen Z (born 1997-2012) with the highest usage purpose being to access social media. When associated with the results of descriptive analysis the respondents of this study were dominated by the age group 17-21 years. From the description above, it can be concluded that the source of information closest to students is social networking (Tafesse, 2022). This finding also reinforces the results of previous research, which found that social media related to community behavior (Ismail et al., 2018), company information on social media (Hasanudin, 2023; Kavitha & Bhuvaneswari, 2019), and informative and persuasive posts on social media platforms (Eisenbeiss et al., 2023) affect investment decisions.

In addition to influencing IED, SM was also shown to have a significant effect on FL and ILC. This finding is acceptable because social media has now become part of teenagers' social lives (Saputra, 2019). This is supported by data on the age of respondents, which is dominated by the 17-21 age group, so it is logical that they interact more with social media in their daily lives. Social media is the source of information most accessed by students. This finding can be support for the findings of previous studies, which prove that social media affects financial literacy (Yanto et al., 2021); (Rizon et al., 2021). Social media is often used by influencers from both academics and practitioners to provide education related to financial literacy. Through the content created, it can indirectly increase student literacy. In addition to affecting knowledge, the high intensity of social media use often affects their mindset and behavior. Success stories shared by inspirational figures or influencers can provide real examples that success can be built with effort and hard work. This can certainly form a belief in students that they can also build their own path to success. This is reinforced by previous research which concluded that social networks are strong predictors that influence a person's locus of control (Zulkarnain et al., 2019).

The next finding is that FL is proven to have a positive and significant direct effect on EID. The research findings reinforce previous findings which prove that financial literacy has a positive and significant effect on investment decisions (Saputro & Lestari, 2019); (Mochammad et al., 2020); (Alaaraj & Bakri, 2020) (D.A.T, 2020);. These results indicate that the higher the level of financial literacy of students, the better they will be in making investment decisions. This is because they have good information to make investment decisions, investment awareness, and rationality to choose decisions that are in accordance with capacity and needs. In its role as a mediating variable, FL statistically significantly mediates the effect of SM on EID and does not significantly mediate the indirect effect of FFS on IED. This finding provides information that educational investment decisions are influenced by social media through financial literacy. Financial socialization conducted by parents is unable to improve students' financial literacy so that it has no effect on educational investment decisions. Social media has been proven to influence educational investment decisions by increasing financial literacy, even though the effect is low. When there is an increase in the use of social media, it will increase financial literacy which will then affect the increase in student education investment decisions (Anand et al., 2020). When viewed from the age of the respondents, it is known that the respondents are dominated by the younger age group, namely the range 17-21, meaning that they are exposed to more social media, but have less experience in financial management. Therefore, it is possible that students have high financial literacy but are not yet skilled in making effective financial decisions such as in educational investment decisions.

The next finding of this study provides evidence that ILC has a direct effect on IED. This means that students with internal locus of control have the belief that future economic welfare can be sought through educational investment. This finding strengthens the results of previous studies which state that *locus of control* has a significant effect on educational investment decisions (Coleman & Deleire, 2003; Szabo-Morvai & Kiss, 2020). Locus of control plays a role in strengthening students' expectations of the benefits of educational investment that will be obtained in the future. In its role as a mediating variable, ILC proved to significantly mediate the indirect effect of FFS and SM on EID with a moderate category. This finding provides information that the ILC variable has a stronger influence on investment decision making. FFS and SM are able to improve ILC better. Success and failure are among the most important motivational factors (Hrbáčková et al., 2012). Students' perceptions of the causes of future success or failure form a belief attribute. *Internal locus of control* is the extent to which individuals believe that they control their future. This finding can be a reinforcement of empirical evidence that *internal locus of control* can be an amplifier and driver of a person taking a positive action (Karaman et al., 2018); (Prihadi et al., 2018). Individuals who have an internal *locus of control* are able to overcome the weaknesses that exist in themselves and are able to utilize their strengths to take actions that have an impact on future success (Chiang et al., 2019)); (Kusumawijaya, 2019. In this study, *locus of control* acts as a student's belief that to get a better job and get a higher income, there must be efforts made, namely increasing educational investment by continuing education to college.

The results of the R Square test show that the magnitude of the influence of family financial socialization, social media, financial literacy, and internal locus of control on educational investment decisions is in the moderate category. The magnitude of the influence of family financial socialization and social media on internal locus of control is in the moderate category. However, the magnitude of the influence of family financial socialization and social media on financial literacy is low. This finding shows that the model used is quite good in explaining education investment decisions, with these variables having a fairly strong contribution. The results of the F-square analysis reveal that internal locus of control has the most significant influence on education investment decisions compared to other variables. In contrast, the influence of financial literacy, social media, and family financial socialization on education investment decisions is generally low. Therefore, it is necessary to explore other factors that may be more dominant in explaining education investment decisions and improving financial literacy.

4. CONCLUSION

This study provides empirical evidence on the effects of Family Financial Socialization (FFS) and Social Media (SM) on Educational Investment Decisions (EID), with a focus on the mediating roles of Financial Literacy (FL) and Internal Locus of Control (ILC). The findings reveal that social media has a stronger influence than family financial socialization on educational investment decisions. While family financial socialization positively impacts internal locus of control, it does not significantly affect financial literacy. On the other hand, social media significantly affects both financial literacy and internal locus of control. Financial literacy serves as a predictor of educational investment decisions and successfully mediates the relationship between social media and investment decisions but does not mediate the effect of family financial socialization. Internal locus of control, however, acts as both a predictor and a mediator between family financial socialization, social media, and educational investment decisions. These results suggest that psychological factors, such as internal locus of control, may have a greater influence than knowledge-based factors like financial literacy in shaping education investment decisions among students at Pamulang University. The study also highlights social media's role as a key predictor in enhancing students' financial literacy and internal locus of control.

However, the study has several limitations, including the use of a self-assessment questionnaire, which may introduce response bias, and the low predictive power of three out of four variables. Future research should explore other influential factors, such as culture, institutions, and social support, to better understand educational investment decisions and improve financial literacy.

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