The Influence of Education, Returns, and Motivation On Students' Interest In Investing in The Islamic Capital Market Indonesia

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ABSTRACT

Purpose – This study is to determine the influence of education, returns, and motivation on student interest in investing in the Islamic capital market.

Methodology/approach – This study used purposive sampling with several predetermined criteria, the results obtained 63 students who were used as samples. Data analysis was tested by multiple linear regression using SPSS 25.

Findings – It was found that the investment motivation variable (X3) affects investment interest, while the education and return variables have no effect. However, from the results of simultaneous tests, all independent variables used affect the dependent variables.

Novelty/value – The values from this study is that the growth of the Islamic capital market, which has increased every year, can arouse investors' interest in setting aside some of the assets owned in the Islamic capital market. The attractiveness of the Islamic capital market is not only among business people but has begun to be seen by the millennial generation.

Keywords: Education, Return, and Motivation

INTRODUCTION

Entering 2020 where Indonesia was hit by the COVID-19 pandemic, state activities began to be affected due to the sluggish wheels of the economy. These problems had caused some companies to decide to reduce the number of their workforce, and this also affected community business units after there were restrictions on community activities. During the COVID-19 pandemic which is still ongoing today, economic developments are slowly starting to recover (Chahal et al., 2021; Hadi et al., 2022; Iskamto, 2015, 2016; Lussianda et al., 2021; Masyhuri, 2022). This can be seen from the development of the capital market industry, especially the Islamic capital market, which has remained afloat and grew significantly.The Indonesia Stock Exchange (IDX) considers that the Islamic capital market has a positive prospect in the future. The high demand side (demand) is said to be the main purpose of the growth of the Islamic capital market industry in Indonesia. According to the Director of sharia capital market, Fadilah Kartikasasi (Infobanknews.com, 2022), the growth of sharia stock indexes in Indonesia until May rose to 7.28% from 2021. Meanwhile, data from KSEI stated that at the end of 2021 the growth of Sharia stocks increased by 93% compared to

the previous year with the number of investors reaching 7.5 million. Meanwhile, in May investors who are members of the Islamic capital market reached 8.7 million.

Based on this data, it can be seen that the Islamic capital market has its own charm for investors. Not only business people are interested in the world of capital markets, but currently the capital market has begun to be seen by the millennial generation. The millennial generation has begun to open up about the world of investment in the capital market, by providing knowledge, risks and benefits that exist in the capital market will allow them to make good and appropriate decisions to start investing.

Research by Wibowo, A. and Purwohandoko (2019) about influence of investment knowledge, investment minimum capital policy, and capital market training to investment interest on students of Economic Faculty State University have an account effect and joined to capital market training and trading. (Wibowo, 2019). Therefore, the objective from this study is to foster interest in investing from an early age for students after getting education through capital market and/or sharia capital market courses. There is also a return factor contained in the Capital Market, that hope can attract students' interest in investing. Not to mention, it can increase Islamic Finance in Indonesia more.

LITERATURE REVIEW

Education

According to (Notoadmojo, 2012), education in general is a planned effort to influence others. Education is classified into 2 (two) methods, namely; 1) Individual Approach Method, and 2) Method based on group approach. Methods based on an individual approach are usually used to foster new behaviours of someone who is starting to be interested in a change in behaviour and /or motivation. The approach used is like counselling guidance, and interviews whose results cannot be confused with each other. This is because everyone has different problems or reasons. Meanwhile, methods based on the Group Approach are used for approaches to a group and / or community. For example, with; lectures, and FEB seminars.

Return

Return is the profit (reward) that investors expect from the results of their investment, the profit can be in the form of profit or dividend distribution. So investment returns are activities carried out by investors in setting aside their funds in the hope of making a profit in the future, the funds are placed by buying some securities traded in the capital market which of course have gone through various technical and fundamental analysis.

The profit that investors expect depends on the performance of the company provided with additional funds. The better the company's performance, the greater the expectation of getting high profits, this will certainly have an impact on the profits distributed to the company's investors. Likewise, if the company's performance is not good, investors' expectations of getting reciprocity for the investments made will be wiped out. (Haris, 2019; in tandelilin, 2001), revealed that stock returns are one of the factors that arise to motivate investors to invest, from the results of the investments made, they will get rewards for the courage and risks borne. So that return is the factor that most influences the desire to invest.

Motivation

Motivation is a change in energy in an individual, where there is an impulse to do something, to be able to achieve the desired goal. Thus, motivation in learning is a reflection in terms of the

developing psyche. That is, the student has been affected by the physiological condition and psychological maturity that exists in the student (Kompri, 2016).

Sharia Capital Market

(Undang-Undang, 1995), states that the capital market is an activity related to public offerings and trading of company securities, public companies conduct trades related to the securities they issue and institutions and professions related to securities. Activities in the Islamic capital market have no difference from the conventional capital market, it's just that in the Islamic capital market there are some special characteristics in it that the products traded in the Islamic capital market do not conflict with sharia principles. Even bonds issued on the Islamic capital market must use the principles of mudharabah, ijarah, salam and murabaha. This principle is used for all securities traded in the Islamic capital market.

In the Qur'an and Hadith, there is no problem with the capital market as well as the law, but stock trading is not contrary to Islamic law. (Lubis, 2004), informs that the sale and purchase of shares in the Islamic capital market is limited to areas whose provisions are based on Islamic law, such as food, beverage or service companies that are not prohibited by religion. The conclusion that can be drawn based on the explanation above, is that the securities traded in the Islamic capital market do not conflict with the Qur'an and Hadith, as long as the implementation of its activities is based on sharia principles.

Investment

Investment Interest is a description of what a person likes that comes from within him regarding a certain event or object. The opinion of (Wibowo, 2019), investment interest in a person's desire to divide part of his assets in the capital market in order to get profit (profit). A person's desire to invest is not influenced by coercion, but rather a desire that arises to obtain profits and savings used for the future.

METHOD

Population and Sample

The variables used by researchers are the influence of motivation, return, and motivation on students' interest in investing in the Islamic capital market. Based on the variables used, the sample in the study is in accordance with the opinions expressed by (Kurniawan, 2014).

Data Collection Technique

This study uses primary data obtained from individuals and individuals such as the results of interviews or questionnaires that have been disseminated by researchers. Researchers used the Likert scale in the preparation of the questionnaire where the categories used were as follows: 1) Strongly Disagree, 2) Disagree, 3) Hesitating, 4) Agree, and 5) Strongly Agree.

3.3 Variable Research

In this study, researchers used three (3) independent variables, namely: Investment Education, Return, and Investment Motivation to see how much interest students have in investing in the Islamic capital market.

Data Analysis Techniques

The research data was analysed using descriptive analysis. The purpose of conducting a validity test is to see if the instrument used is valid. The hypothesis test used is a multiple linear regression test where the data is processed with the help of SPSS 25. This regression test is used to see the inf

RESULT AND DISCUSSION

The respondents in this study are students of Accounting and Islamic Economics semester 6 and 8 and who have attended capital market training. From the distribution of questionnaires that have been distributed through google forms, there are 63 respondents who have filled out the questionnaire.

4.1 Validity Test

Table 1, Validity Test Summary

Variabel	Pertanyaan	*Person Correlation*	Sig	Keterangan
Edukasi Investasi (X1)	Point 1	0,727	0,000	Valid
	Point 2	0,791	0,000	Valid
	Point 3	0,898	0,000	Valid
	Point 4	0,774	0,000	Valid
Return (X2)	Point 1	0,685	0,000	Valid
	Point 2	0,633	0,000	Valid
	Point 3	0,751	0,000	Valid
	Point 4	0,650	0,000	Valid
	Point 5	0,772	0,000	Valid
Motivasi Investasi (X3)	Point 1	0,743	0,000	Valid
	Point 2	0,636	0,000	Valid
	Point 3	0,798	0,000	Valid
	Point 4	0,824	0,000	Valid
Minat Investasi (Y)	Point 1	0,801	0,000	Valid
	Point 2	0,780	0,000	Valid
	Point 3	0,805	0,000	Valid
	Point 4	0,769	0,000	Valid

After testing using SPSS 25.0, validity testing results were obtained as above, from these results it can be seen that all independent variable question items (education, return, and motivation) are valid, so that the question instrument is suitable for use as a research instrument. This is supported by a significant value obtained by all question items < 0.05.

4.2 Reliability Test

Table 2, Reliability Test Summary Results

Variabel	*Cronbach's Alpha*	Keterangan
Variabel Edukasi (X1)	0,814	Reliabel
Variabel *Return* (X2)	0,775	Reliabel
Variabel Motivasi (X3)	0,790	Reliabel
Variabel Minat Investasi (Y)	0,811	Reliabel

After testing, the results of testing all variables as in the table above are obtained. (Sugiyono, 2018), revealed that the measuring instrument of reliability value seen from the value of Cronbach's alpha which is large from 0.50 - 0.60 which can be said to be valid. The results of this research data

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processing have a value of Cronbach's alpha > 0.60, so the results of this study can be said to be reliable and can be processed to the next test in order to obtain conclusions from the test.

Normality Test

Tabel 3, Hasil Uji Normalitas

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		63
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.36845599
Most Extreme Differences	Absolute	.099
	Positive	.080
	Negative	-.099
Test Statistic		.099
Asymp. Sig. (2-tailed)		.200[c,d]

Based on the test results above, it is known that the Asymp Sig (2-tailed) value is 0.200. The resulting value is above the significant value of 0.05 (0.200 > 0.05), so the data testing in this study is normally distributed. From these results, the data in the study can be used for further analysis.

4.4   Multicholinearity Test

Table 4, Multicholinearity Test Results

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.759	.539		1.409	.164		
	X1	-.025	.134	-.020	-.185	.854	.693	1.443
	X2	.128	.128	.123	1.001	.321	.532	1.881
	X3	.695	.137	.648	5.088	.000	.494	2.022

a. Dependent Variable: Y

The test results above show that the tolerance and VIF values are at >0.10 and <10. The conclusion that can be drawn from the equation is that the regression model used does not contain elements of multicholinearity or there is no correlation between the research variables used. The results are in accordance with those expressed by (Ghozali, 2011), that a good regression model is that it has no correlation between the free variables used.

4.5   Multiple Linear Regression Test and Partial Test

Based on the results of multiple linear regression tests that have been carried out, the regression equation is obtained as follows:

Y = (0,25) X1 + 0,128 X2 + 0,695 X3

Partial Test From the results of the partial test conducted for all independent variables in this study, it can be seen that only one research variable, namely Investment Motivation (X3) affects the dependent variable. The significant value for the motivation variable (X3) is 0.000 where the value is below the significant measurement value used, namely 0.05 (0.000 < 0.05).

For the significant value of the educational variable (X1) of 0.854, the resulting value is above the significant value used as a measure, namely 0.05 (0.854 > 0.05), so the educational variable (X1) used in the study has no effect on students' interest in investing. As for the significant value of the return variable (X2) of 0.321, the resulting value is above the significant value used as a measuring instrument, which is 0.05 (0.321 > 0.05). So the variable return (X2) used in the study does not affect students' interest in investing in the Islamic capital market.

Simultaneous Test

Table 5, Simultaneous Test Results

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.359	3	3.120	21.867	.000[b]
	Residual	8.417	59	.143		
	Total	17.776	62			

a. Dependent Variable: Y

b. Predictors: (Constant), X3, X1, X2

Seen from the results of data processing above for simultaneous testing, the results of data processing showed the significance value of the independent variable used in the study of 0.000, where the value was less than 0.05. So it can be concluded that simultaneously the independent variables used in the study affect the dependent variables.

Coefficient of Determination Test

Table 6, Coefficient of Determination Test Results

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change	Durbin-Watson
1	.726[a]	.526	.502	.37771	.526	21.867	3	59	.000	1.632

a. Predictors: (Constant), X3, X1, X2

b. Dependent Variable: Y

The results of the data processing above show an Adjusted R Square value of 0.502 or 50.2%, which means that 50.2% of dependent variables are influenced by independent variables (education, return and investment motivation). The remaining 49.8% was influenced by variables that were not studied in this study such as minimum investment capital, investment benefits and other variables.

CONCLUSION

Investment education variables do not affect students' interest in investing in the Islamic capital market. The variable return also does not affect students' interest in investing in the Islamic capital market. The variable of investment motivation affects students' interest in investing in the Islamic capital market. Overall, independent variables (education, return, and motivation) affect students' interest in investing in the Islamic capital market.

Suggestions

This research only uses educational variables, returns, and motivation to determine the influence on students' interest in investing in the capital market. Based on the test results that have been carried out, the independent variables used only have an effect of 50.2% on the variables of student interest in investing, so it needs a more in-depth analysis to find out what factors affect students' interest in investing.

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