

Factors That Affect Interest in Investing on Capital Market in University Students Jember Region Who Have an Investment Gallery of The Indonesia Stock Exchange

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Abstract

This research aims to test and analyze the influence of investment understanding, minimum capital, technological developments, risk preferences, and family environment partially and simultaneously on students' interest in investing in the capital market. The population in this research is aimed at 4 student investor galleries registered with GIBEL. The sample used was 100 respondents using purposive sampling technique. The analysis tool uses data instrument tests, classical assumption tests, multiple linear regression analysis and hypothesis testing. The research results prove that understanding investment, minimum capital, technological developments, risk preferences, and family environment have a significant partial and simultaneous influence on students' interest in investing in the capital market

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INTRODUCTION

Investment is very well known by the public in the era of revolution like today, with the sophistication of technology that makes it easier to get information, most of the people already know a lot about investment. Student investment interest is very diverse, the reasons are very diverse, especially students in Jember City, Jember there are a lot of universities and universities, of course, researchers focus on students who are on campuses registered with GIBEL. The Indonesia Stock Exchange (IDX) Investment Gallery is a means to introduce the Capital Market from an early age to the world of academia. The IDX Investment Gallery with a 3 in 1 concept which is a collaboration between IDX, Universities and Securities Companies is expected to introduce the Capital Market not only in terms of theory but also practice. In the future, through the IDX Investment Gallery which provides real time information to learn to analyze stock trading activities, it is hoped that it can be a bridge to mastering science and its practice in the capital market.



Figure 1. Demographics of Individual Investors
Source : KSEI (2023)

President Director of the Indonesia Stock Exchange (IDX), Iman Rachman, noted that there is a surge in investor growth every year. It can be seen in figure 1.2 the largest number of investors, namely at SMA 59.69% and S1 29.99, this proves that investment interest in young people is quite high. With the existence of the IDX Investment Gallery, it is hoped that it can provide mutual benefits for all parties so that the dissemination of capital market information is on target and can provide optimal benefits for students, especially Jember students, economic practitioners, investors, capital market observers and the general public. The following are campuses domiciled in Jember regency in collaboration with IDX Kap. East Java in the establishment of GIBEI, namely:

Table 1. Jember University in collaboration with IDX Kap. East Java in the Establishment of GIBEI

Number	College Name
1	ITS Mandala
2	University of Jember
3	University of Muhammadiyah Jember
4	Kiai Haji Achmad Siddiq State Islamic University Jember

Source : rdis.idx.co.id

Jember City has several locations to invest, especially for students, one of which is with the existence of GIBEI from each existing university, there are a lot of activities carried out in it, namely with training, education and discussions so that the understanding of the capital market can develop properly. The city of Jember is quite easy in digging up capital market information with the existence of three Jember universities registered with GIBEI.

METHOD

This study uses a quantitative approach. The quantitative method is a research method that uses data in the form of numbers and the collected data is analyzed using statistical formulations (Ghozali, 2013). The type of research used in this study is explanatory research. According to Sugiyono (2017), *explanatory research* is a research method that intends to explain the position of the variables being studied and the influence between

one variable and another. The object used in this study is the Jember Regional University which has GIBEL, with student respondents. This research was conducted in 2024.

The population in this study is aimed at 4 student investor galleries registered with GIBEL, including ITS Mandala, University of Jember, University of Muhammadiyah Jember and State Islamic University Kiai Haji Achmad Siddiq Jember. A sample is the part or number and characteristics possessed by the population. If the population is large, and it is impossible for researchers to study everything in the population, for example due to limited funds, energy and time, then researchers will take samples from that population. The minimum number of research samples is by multiplying the number of indicators by the numbers 5 to 10, because this study uses indicators multiplied by 5, and the number of indicators used is 20, so the calculation of the number of samples is based on (Ferdinand, 2014). The total number of samples is 100 samples. The data analysis method used is multiple linear regression analysis which includes data instruments, classical assumption testing and hypothesis testing, the tool used uses SPSS version 22.

RESULTS AND DISCUSSION

Validity Test

Table 2. Validity Test Results

Variable	R table 5% (100)	R Calculat e	Significance	Information
Investment Understanding (X1)				
X1.1	0,197	0,817	0,000	Valid
X1.2	0,197	0,794	0,000	Valid
X1.3	0,197	0,850	0,000	Valid
Modal Minimal (X2)				
X2.1	0,197	0,844	0,000	Valid
X2.2	0,197	0,834	0,000	Valid
X2.3	0,197	0,856	0,000	Valid
X2.4	0,197	0,842	0,000	Valid
Technological Developments (X3)				
X3.1	0,197	0,759	0,000	Valid
X3.2	0,197	0,859	0,000	Valid
X3.3	0,197	0,785	0,000	Valid
Risk Preferences (x4)				
X4.1	0,197	0,827	0,000	Valid
X4.2	0,197	0,870	0,000	Valid
X4.3	0,197	0,802	0,000	Valid
Family environment (X5)				
X5.1	0,197	0,852	0,000	Valid
X5.2	0,197	0,853	0,000	Valid
X5.3	0,197	0,788	0,000	Valid
Investment Interest (Y)				
Y1.1	0,197	0,834	0,000	Valid
Y1.2	0,197	0,917	0,000	Valid
Y1.3	0,197	0,872	0,000	Valid
Y1.4	0,197	0,774	0,000	Valid

Source: Appendix 3 Data Instrument Test

Table 2. shows that all variables are valid, because the value of the calculated r is greater than the table r , which is 0.197 and the significance value is less than 0.05, the instrument in this study is declared valid

Reliability Test

Table 3. Reliability Test Results

Variable	Cronbach Alpha	Rehabilitation	Information
Investment Understanding	0,60	0,835	Reliability accepted
Modal Minimal	0,60	0,828	Reliability accepted
Technological Developments	0,60	0,827	Reliability accepted
Risk Preferences	0,60	0,840	Reliability accepted
Family environment	0,60	0,839	Reliability accepted
Investment Interest	0,60	0,829	Reliability accepted

Source: Appendix 3 Data Instrument Test

Table 3. above shows that from the SPSS results, all variables from the reliability test show a total value of more than 0.60, so it is said to be reliable or consistent. This is in accordance with the statement of Ghozali (2013) if the value of *Cronbach's Alpha* > 0.60 , then the questionnaire or questionnaire is declared reliable or consistent.

Normalitas

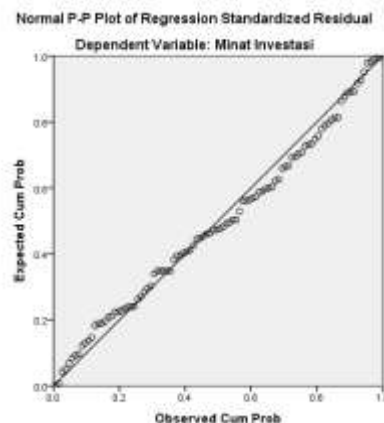


Figure 2 Normality Test Results.

From figure 2, it can be described that *the Standardized Residual dependent variable Y*. The line shows that the dots follow the diagonal line, so in the graph image it can be said that the data is normally distributed.

Multicolonality Test

Table 4 Multicolonality Results

Variable	Tolerance	VIF	Information
Investment Understanding (X1)	0,192	5,200	No Multicolonality
Modal Minimal (X2)	0,275	3,632	No Multicolonality
Technological Developments (X3)	0,151	6,638	No Multicolonality
Risk Preferences (x4)	0,415	2,408	No Multicolonality
Family environment (X5)	0,160	6,268	No Multicolonality

Source: Appendix 4 Results of the Classical Assumption Test.

Based on table 4. above, it can be seen that all independent variables have a *tolerance value* of more than 0.1 and a VIF value of less than 10. Meanwhile, according to Ghozali (2013), *the cutoff value that is commonly used to indicate the existence of multicollinearity is a tolerance value of less than 10 or equal to a VIF value of more than 0.1.* The conclusion is that there is no multicollinearity.

Heteroscedasticity Test

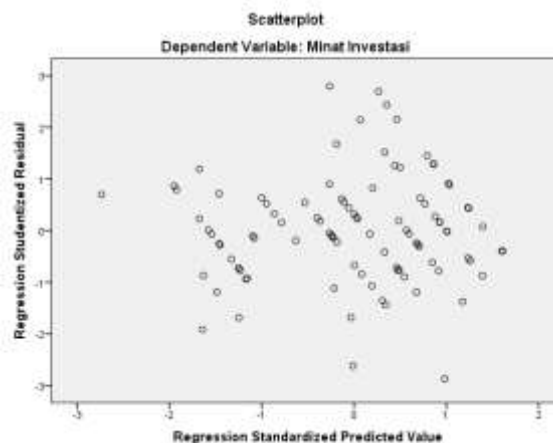


Figure 3 Heteroscedasticity Test Results.

Based on figure 3, it can be seen that the dots are at the top and carry the number 0 on the Y axis randomly. It can be concluded that in the regression model there is no heteroscedasticity. This is in accordance with the statement according to Ghozali (2013) if there is no clear pattern, and the dots spread above and below the number 0 on the Y axis, then there is no heteroscedasticity.

Multiple Linear Regression Analysis Results

Table 5. Multiple Linear Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Say.
	B	Std. Error	Beta		
1 (Constant)	1,417	.849		1,669	0,098
Understanding Investment	.311	.144	.207	2,166	0,033
Modal Minimal Technological Developments	.189	.084	.179	2,245	0,027
Risk Preferences	.403	.163	.268	2,476	0,015
Family Environment	.181	.091	.130	1,991	0,049
	.308	.150	.216	2,056	0,043

Source: Appendix 5 Results of Multiple Linear Regression Analysis.

Based on table 5. above, the regression equation is as follows:
 $Y = 1,417 + 0,311X_1 + 0,189X_2 + 0,403X_3 + 0,181X_4 + 0,308X_5$
 The above regression equation can be explained as follows:

$a =$ Kostanta of 1,417 states that if the variables Investment Understanding (X1), Minimum Capital (X2), Technological Development (X3), Risk Preferences (X4), and Family Environment (X5) are considered to be assumed to be the same as zero, then students have an interest in investing in the Capital Market. The Investment Understanding variable (X1) has a positive coefficient direction towards Investment Interest (Y) with a positive value of 0.311. This shows that if students understand investment more, then their interest in investing in the Capital Market will be higher. The Minimum Capital variable (X2) has a positive coefficient direction towards Investment Interest (Y) with a positive value of 0.189. This shows that if the minimum capital requirement in investing is low, then the higher the interest of students to invest. The Technological Development variable (X3) has a positive coefficient towards Investment Interest (Y) with a positive value of 0.403. This shows that if the more sophisticated the Technological Development so that it makes it easier for students to invest, then the higher the interest of students to invest. The Risk Preference variable (X4) has a positive coefficient direction towards Investment Interest (Y) with a positive value of 0.181. This shows that if the Risk Preferences are higher, the more interested students are in investing in the Capital Market. The Family Environment variable (X5), has a positive coefficient direction towards Investment Interest (Y) with a positive value of 0.308. This shows that with the encouragement and motivation from the family, the higher the interest of students to invest.

Test t

Based on the results of the t test, all data obtained a significance result of < 0.05 , it can be concluded that all variables of investment understanding (X1), minimum capital (X2), technological developments (X3), risk preferences (X4), and family environment (X5) have an influence. partially on students' investment interest in the capital market.

Test F

Based on the results of the F test F is calculated as 94.867 with a significance level of 0.000. According to Ghozali (2018), with a significance value of $F < 0.05$, it means that H_0 is rejected and H_1 is accepted.

Determination Coefficient (R2) Results

Table 6. Results of Multiple Determination Coefficient R2

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0,914a	0,835	0,826	1,06623	2,226

Source: Appendix 7 Results of the R2 Determination Coordination.

Based on the results of the analysis that can be seen in table 6. the result of the multiple determination coefficient (R2) of 0.826 (82.6%) was obtained. This means that 82.6% which is close to one means that the independent variables namely investment understanding, minimum capital, technological developments, risk preferences, and family environment provide almost all the information needed to predict the bound variable (investment interest).

The Partial Influence of Investment Understanding on Students' Interest in Investing in the Capital Market

In this study, it shows that the results of t calculation of $2.116 > 1.984$ from the Investment Understanding variable have a significance value of $0.033 < 0.05$ (= 5%), then

H_0 is rejected and H_1 is accepted. So it can be interpreted that the variable of investment understanding partially has a significant effect on students' interest in investing in the capital market. The results of this study are supported by research (Agustin et al., 2022) stated that investment understanding has a significant effect on investment interest. Meanwhile, according to research (Haidir, 2019) stated that investment understanding does not have a significant effect on investment interest.

The Partial Effect of Minimal Capital on Student Interest in Investing in the Capital Market

Minimum capital is one of the factors that need to be considered before making an investment decision. Minimum capital is the initial deposit to open an account when you first enter the capital market. In this research, it shows that the results of t calculation of $2.245 > 1.984$ from the Minimum Capital variable have a significance value of $0.027 < 0.05 (= 5\%)$, then H_0 is rejected and H_2 is accepted. So it can be interpreted that the minimum capital variable partially has a significant effect on students' interest in investing in the capital market. The results of this study are supported by Research (Sari et al., 2021) stated that minimum capital has a significant effect on investment interest. Meanwhile, according to research (Burhanudin et al., 2021) stated that the minimum capital has a positive value but does not have a significant effect on investment interest.

The Partial Influence of Technological Developments on Students' Interest in Investing in the Capital Market

In this study, it shows that the results of t calculation of $2.476 > 1.984$ from the variable of Technological Development have a significance value of $0.015 < 0.05 (= 5\%)$, then H_0 is rejected and H_3 is accepted. So it can be interpreted that the variable of technological development partially has a significant effect on students' interest in investing in the capital market. Technology has increased market transparency and allowed investors to access market information in real-time. This can help students to make better investment decisions based on accurate and up-to-date data. Thus, technological developments have played a key role in increasing students' interest in investing in the capital markets by providing easier access, better education, and more advanced analytical tools. The results of this study are supported by research (Martin et al., 2023) stated that technological developments have a significant effect on investment interest.

The Partial Effect of Risk Preferences on Students' Interest in Investing in the Capital Market

Risk Preference is an individual's tendency to choose risky things Risk Students will want to get profits in investing in certain goods. However, in investing in any form of stock, there must be risks contained in it. In this study, it was shown that the results of t calculation of $1.991 > 1.984$ from the Risk Preferences variable had a significance value of $0.049 < 0.05 (= 5\%)$, then H_0 was rejected and H_4 was accepted. So it can be interpreted that the risk preference variable partially has a significant effect on students' interest in investing in the capital market. The results of this study are supported by research (Abdillah, 2019) stated that risk preference has a significant effect on investment interest, while according to research (Gesta et al., 2019) stated that risk preferences did not have a significant effect on investment interest.

The Partial Influence of Family Environment on Students' Interest in Investing in the Capital Market

In this study, it was shown that the results of t calculation of $2.056 > 1.984$ from the Family Environment variable had a significance value of $0.043 < 0.05 (= 5\%)$, then H_0

was rejected and H5 was accepted. So it can be interpreted that the family environment variable partially has a significant effect on students' interest in investing in the capital market. The results of this study are supported by research (Darmawan et al., 2019) stated that the family environment has a significant effect on investment interest. According to research (Asrifah et al., 2022) stated that the family environment has a significant effect on investment interest.

Simultaneous Influence of Investment Understanding, Minimum Capital, Technological Developments, Risk Preferences, and Family Environment on Students' Interest in Investing in the Capital Market

In this study, the result of F calculation is 45.165 with a significance level of 0.000. According to Ghozali (2018), with a significance value of $F < 0.05$, it means that H_0 is rejected and H_1 is accepted. Therefore, it can be concluded that the independent variables of investment understanding, minimum capital, technological developments, risk preferences, and family environment simultaneously (simultaneously) and their significance affect the dependent variable, namely investment interest.

CONCLUSION

Based on the results of research and discussion on the influence of investment understanding, minimum capital, technological developments, risk preferences, and family environment on students' interest in investing in the capital market, it can be concluded as follows:

- a. Understanding investment partially has a significant effect on students' interest in investing in the capital market. This shows that with a good understanding of investment and capital markets, students can feel more confident and motivated to start their investment journey and this is important to build healthy financial habits and prepare for a more stable financial future
- b. Minimum capital partially has a significant effect on students' interest in investing in the capital market
- c. Technological developments partially have a significant effect on students' interest in investing in the capital market
- d. Risk preferences partially have a significant effect on students' interest in investing in the capital market
- e. The family environment partially has a significant effect on students' interest in investing in the capital market
- f. Understanding investment, minimum capital, technological developments, risk preferences, and family environment simultaneously have a significant effect on students' interest in investing in the capital market.

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