

The Influence of Risk, Minimum Capital, and Technology on Investment Interest in the Sharia Capital Market among the Millennial Generation

Faries Adjie Prayogie

¹Universitas Islam Negeri Sayyid Ali Rahmatullah, adjieprayogie@gmail.com

ABSTRACT

The purpose of this study is to provide empirical evidence regarding the Influence of Risk, Minimum Capital and Technology on Investment Interest in the Islamic Capital Market. The method used in this research is quantitative. The sampling method used is the Non Probability Sampling method with Purposive Sampling technique. Sharia Financial Management students were used as the population in this research. A total of 90 samples were observed, then tested using multiple linear regression.

The research results show that partially (T-test), there is an influence between risk and minimum capital on investment interest in the Islamic capital market. Meanwhile, technology has no effect on investment interest in the Islamic capital market. Simultaneously (F-Test), there is an influence between Risk, Minimum Capital and Technology on Interest in Investing in the Sharia Capital Market. The influence of all variables is 51%, while the rest is influenced by other variables.

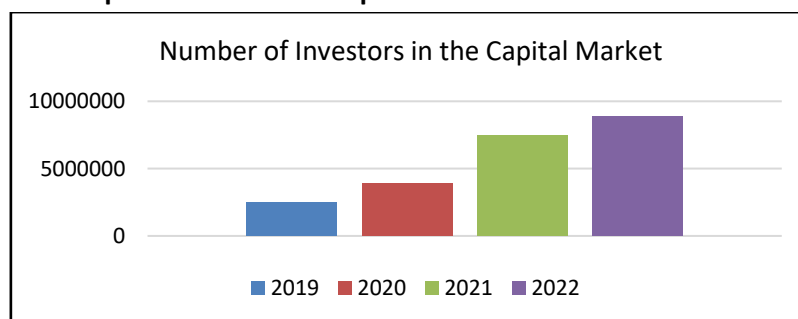
Keywords: Risk, Minimum Capital, Technology, Investment Interest

INTRODUCTION

Capital market is not again a draft foreign for students in the middle economy moment This And development technology very useful information rapidly. Besides that , the capital market becomes Wrong One choice capital funding for investors because is source very funding needed by company For additional capital. The capital market, according to Alan N. Rechtshaffen , is place gathering of investors and parties who need capital. run A business that is of a nature term short or long (Rahma , 2019).

Presence current capital market this already no foreign again for public general. Capital market itself functioning as receptacle activity investment various circles. The number of investors in the Indonesian capital market continues to increased, such as seen on the table below shows that development number of investors during the 2020-2022 period experienced rapid increase :

Graphic 1. Number of Capital Market Investors 2020-2022



Source : Kostadien Central Indonesian Securities (KSEI)

Based on Custodian data Central Indonesia Securities (KSEI), the number of capital market investors reached 8,859,468 SID (Single Investor Identification) in May 2022. Same as it is with KTP number (ID card) Sign Residents) issued by KSEI, SID is figures. The number of investors reached 3,880,753 SID in end in 2020, increased by 18.29 %. Meanwhile that , the investor capital market has 7,489,337 SIDs as of 2021.

This increase in investors show A improvement interest on world investment. Interest investment is a things that appear on self somebody as a desire in know something related with investing (Safitri and Hapsari 2022). Interest is a condition notice something with Meaning For learn it more continue , study it , and witness it Bimo Walgito 2011 (Bimo Walgito, 2011).

Meanwhile according to Syaeful Bakhri 2018, interest is element not quite enough answer or awareness will interest to a goods , good to object and also different structures (Bakhri 2018). The height interest investment this can also reviewed on the Theory of Planned Behavior which explains that intention somebody influenced by attitude individual towards something to want done , norms subjective And control behavior (Ajzen 1991).

This increase in investors can interpreted as improvement interest to activity investment in the capital market . Some study identify source that becomes reason investors' considerations . as results kurniawan And Helen (Kurniawan and Helen 2022) , they identify that risk , capital, and technology become factors that influence investor interest.

According to Wefi (2020), Risk is possibility existence something that is not profitable will happen in the future. Risk is also possibility difference between the returns received with the expected return. The more big possibility the difference , means the more big risk investment mentioned.

Indrasaraswati & Adigun explain that interest invest somebody Can due to by factor underlying factors that is , knowledge And progress technology (Indrasaraswati & Adiguna 2020) . However thus knowledge just No Enough For push somebody investing . There are factors Supporter such as minimum capital or initial capital that can be influence interest investment (Bambang 2021).

Investment capital become important Because covers estimated funds needed For investment (Tona, 2016) . Investment capital base under consideration remember in size the there is size asset For business , increasingly big subsidy the necessary basis , the more tall income somebody in management effective money (Rima Wati, 2015).

Besides That , Change drastic technology on century final has expand coverage all over industry . Group society , style life , habits , income And structure public can become opportunity for industry For create a product (Syahputri et al., 2023). Change This pushed by factor shift preference consumer driven request For innovation And progress technology in the field finance including in the field market fashion (Rima Wati, 2015).

Alliyatul & Himmah (2020) find the partial show that taking decision investment influenced in a way significant by minimum investment capital , motivation invest , and knowledge invest . But study by Gede (2021) As for perception risk investment And use technology No influential to student investing in the capital market . Rima Wati (2015) results research show that return variables , risk , and price influential significant to interest invest. Regardless from various factors that influence , day This world the capital market has been dominated by race millennials . This is proven with the number of investors reached 57.04% are investors aged under 30 years old (Annur , 2023).

From various study literature , theory , and study previously , with This researcher interesting hypothesis study as following :

H1 : There is influence risk investment to interest investing in the sharia capital market .

H2 : There is the influence of minimum capital on interest investing in the sharia capital market.

H3 : There is influence progress technology to influence investing in the sharia capital market.

METHOD

Approach quantitative taken in study This . Type research used in study This that is nature associative . Research associative used For know influence And For know connection between other variables . The population used in study This is Student Management Finance Sharia , which consists of 814 students on class of 2020-2022. The selected *Non Probability* Sampling Technique in study This that is *Purposive Sampling*. There are several selected criteria researcher in study this , namely :

- a. Student Management Finance Syariah UIN Sayyid Ali Rahmatullah The city of Tulungagung class of 2020-2022.
- b. Student Management Finance Syariah UIN Sayyid Ali Rahmatullah Tulungagung which has get eye studying Islamic capital market .

Based on calculation slovin , number sample in study This is 87,293 and rounded up to 90 students . Engineering analysis used is multiple linear regression.

Table 1. Indicator and Variable

No	Variables	Indicator
1	Risk (X1)	Knowledge will existence risk or possibility losses experienced moment investment. Knowledge various type risk in investment. The more high expected return the more tall the risk taken.
2	Minimum Capital (X2)	Initial capital determination. Minimum purchase limit affordable stocks. Affordable minimum capital limit.
3	Technology (X3)	Convenience in do online trading transactions. Feature And easy to understand facilities. Convenience in access information on the capital market.
4	Interest Investing (Y)	Attitude Subjective Norms Control Behavior

Source : processed by researchers

DISCUSSION

Table 2. T-Test Table

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta				Toleranc e	VIF
	1	Constant	4.07	2,054				1.984
	X1	.416	.141	.372	2,949	.004	.539	1,855
	X2	.349	.159	.249	2.189	.031	.665	1,504
	X3	-.116	.149	-.087	-.781	.437	.687	1.455

Source : Processed by researchers

The Influence of Investment Risk on Interest in Investing in the Islamic Capital Market

Based on the table above, the Tcount value obtained from the Investment Knowledge variable is 2.949 with a Ttable value of 1.662. This shows that the Tcount value of 2.949> Ttable 1.662 and the Sig value of 0.004<0.05. So Ho is rejected and Ha is accepted. The conclusion is that the risk variable (x1) has a significant effect on Investment Interest.

There is an assumption that basically investors do not like something that is uncertain. This shows that basically investors are rational creatures. However, it still depends on each

investor regarding risk preferences. Courageous investors will not hesitate to choose a type of investment with high risk followed by the expectation of high returns and vice versa. (Nisa & Hidayati, 2022)

According to the theory put forward by Tandio and Widana Putra, risk is the possibility that an investment will result in a loss or negative profit. Where the higher the stake of a stock, the better the effort made on the grounds that it can create profit, and vice versa, the lower the stake, the worse the consequences of the speculation made. (Tandio T & Widanaputra, 2016) The main reason for someone to invest is to seek profit. In the context of investment management, the level of profit in investment is referred to as return. It is natural for investors to demand a certain level of return on invested funds

There are three types of investor attitudes regarding investment in the sharia capital market, namely 1) Investors who are willing to take big risks in the hope of obtaining relatively high profits (high risk return). 2) Investors who are willing to take moderate risks with moderate returns (medium risk medium return). 3) Investors who are only willing to take low risks with fairly low returns (low risk low return) (Brahmanto, Djohanputro, 2010).

These results are in line with the findings of Nisa and Hidayati (Khairunnisa' & Bahrin Ni'am, 2023) , that risk perception has a significant effect on investment interest in generation z. In line with this, Khairunnisa and Niam also found something similar, that risk perception has a significant effect on investment interest in the millennial generation. (Sapitri & Anhar, 2020)

Through the discussion above, the researcher interprets that risk affects the interest in investing in Islamic Financial Management students. This is due to investors' expectations of the profits obtained by taking existing risks. Although there are risks in investment, the existence of risk mitigation strategies can be a solution for investors to overcome existing risks.

The Influence of Minimum Investment Capital on Interest in Investing in the Sharia Capital Market

Based on the table above, the Tcount value obtained from the Investment Knowledge variable is 2.189 with a Ttable value of 1.662. This shows that the Tcount value of 2.189 > Ttable 1.662 and the Sig value of 0.031 < 0.05. So Ho is rejected and Ha is accepted. The conclusion is that the minimum capital variable (x2) has a significant effect on Investment Interest.

Before deciding to invest, one of the things that an investor needs to think about is the minimum investment capital. The basic investment capital is considered considering that in that size there is a measure of assets for the business, the greater the basic subsidy required, the higher a person's income in effective money management (Rima Wati, 2015).

Minimum capital is one of the factors that an investor must consider before making a decision to invest. The minimum capital to open an account at several securities companies is quite affordable, making students interested in trying it (WIDIANTO, 2021).

The results of this study show results that are in line with Mahrina's findings (Helvony Mahrina, 2022) , that minimum investment capital affects the interest in investing in the Islamic capital market. The same thing was also found by Parulian and Aminudin, both of whom conducted research and found the influence of financial literacy and minimum capital on investment interest (Parulian & Aminnudin, 2020).

Through the discussion above, the researcher concludes that the minimum investment capital has an effect on the investment interest of Islamic Financial Management students. The lighter the capital required by investors to invest, the more investors are interested in investing.

The Influence of Technology on Interest in Investing in the Islamic Capital Market

Based on the table above, the Tcount value obtained from the Investment Knowledge variable is 0.781 with a Ttable value of 1.662 . This shows that the Tcount value is $0.781 < Ttable 1.662$ and the Sig value is $0.437 > 0.05$. So H_0 is accepted. The conclusion is that the technology variable (x3) does not have a significant effect on Investment Interest.

Based on the test results, it shows that the Technology variable does not affect the interest in investing in the Islamic capital market by Islamic Financial Management students at UIN Sayid Ali Rahmatullah.

According to Wibowo, technological advances make investing in the capital market more convenient through the use of applications provided by securities companies. The Online Trading System facility is part of the technological development in the capital market that facilitates the buying and selling process and analysis of all information in the capital market such as profits, losses, and company issues. Along with the increasing ease of accessing and using this technology, there has been an increase in investment activity through digital media (Wibowo, 2019).

One important thing to note is that technological advancements have occurred across the financial world. This new lifestyle has been implemented in everyday society that brings this innovation as something that people can use every day, and for everyday use it means that it is considered something normal that must be understood today.

Thus, the development of technology in finance including investment is actually considered not as a unique and impactful value that can trigger user interest in investing their funds, because it is a normal thing that society has today (Kurniawan & Helen, 2022).

The non-influence of technology on investment interest was found by (Kurniawan & Helen, 2022). There are other findings that are in line with Winanda's research (Widanaputra, 2016) which found that technological advances do not affect students' investment interest.

Through the discussion above, the researcher concludes that technology is not a factor that influences the investment interest of Islamic Financial Management students. In the sense that technology is no longer something that increases interest, but something that is inevitably followed by all groups in various financial fields including investment.

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Table 3. F Test Table

Anova					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	79,320	3	26,440	10.166	.000 ^b
Residual	223,669	86	2,601		
Total	302,989	89			

a. Dependent Variable: Y

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

Source : Processed by Researchers

Table 4. R-Square Test Table

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.226 ^a	.051	.018	.97347

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

Source : Processed by Researchers

The F test is known as the Simultaneous Test or Model test/Anova Test, Based on table 4.8 above, it is known that the results of the simultaneous test (F Test) show a significance value of $0.000 < 0.05$ and a calculated F value of $10.166 > F_{table} 1.988$. So it can be concluded that the variables of investment knowledge, investment motivation, minimum capital and technology simultaneously influence the interest of students to invest in the capital market.

Based on the test, the variables of investment knowledge, investment motivation, minimum capital and technology simultaneously influence the interest in investing in the Islamic capital market by Islamic Financial Management students of UIN Sayid Ali Rahmatullah.

These findings are in line with the study of Kurniawan and Helen (Kurniawan & Helen, 2022) , that Risk, Minimum Capital, and Technology are factors that influence investor interest. However, they emphasized that the main factors are risk and capital, while technology is not included in the main factor category.

The magnitude of the influence of the 3 variables simultaneously is also shown by the R-square of 0.51. This shows that the independent variables together influence the dependent variable by 51%, the remaining 49% is influenced by other variables not studied.

CONCLUSION

Investment risk affects the investment interest, the existence of this risk is in line with the potential profit from the investment. So with knowledge of the risk, investors can mitigate to maximize the profits obtained.

Minimum capital affects the investment interest, this happens because minimum capital is a factor related to a person's financial ability. The more affordable the capital needed to invest, the more investors will be interested in investing.

Technology does not affect the investment interest, this is because technology is something that occurs in all lines, both in finance and investment, so it is not something that increases interest in investing in the Islamic capital market.

Investment risk, minimum capital, technology simultaneously (together) influence the investment interest. The influence of these variables is 51%, while the rest is influenced by other variables that are not studied.

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