The Influence of Invesment Knowledge and Return Investment on Students' Investment Interest In Invesment Banking Products

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Article Info	Abstract
	This research aims to examine the influence of investment knowledge and investment returns on students' investment interest in banking investment products. This research used a simple random sampling technique on 96 students in Sukabumi to reveal interest in investing in banking products. The associative quantitative approach in this research uses SPSS V.27 software in the processing process. Primary data was collected through a questionnaire using Google Form. The research results show that partially investment knowledge does not have a significant effect on students' investment interest in banking investment products, while investment returns have a significant effect on students' investment interest in banking investment products. Simultaneously, investment knowledge and investment returns have a significant influence on students' investment interest in banking investment products.

INTRODUCTION

The tightening of monetary policy after the recovery from the Covid-19 pandemic has made the banking financial sector and non-bank financial institutions vulnerable. Several financial institutions that depend on nominal interest rates experience unpreparedness for interest rates. This resulted in two large banks *Silicon hill* And *Signature Bank* in early 2023 it will fail. The failure of these two large banks had an impact on the many evaluations carried out by investors regarding the security of their invested assets, due to concerns about the inability of

banking and non-banking financial institutions to adjust to the increase in interest rates. (Bappenas RI, 2023)

Based on Indonesian banking statistics for 2022, the number of commercial banks in Indonesia has decreased due to bankruptcy. Bankruptcy was caused by failure to repay credit by debtors, making it difficult for banks to fulfill their obligations to depositors. Apart from that, the performance of conventional commercial banks in 2022 shows an increase of 2.45% based on ROA, which means that banks can gain overall profits. However, in fact, the development of investment interest in banks in investment products has decreased. Based on a report from the Financial Services Authority (OJK), the development of investment products in financial institution pension fund instruments decreased by 2% or from 60,447 participants to 3,929,787 participants. (Widyaningrum et al., 2022)

Apart from pension funds, other banking investment products such as deposits, mutual funds and bonds also experienced a decrease in the amount of savings, this is shown in the folowing table.

Table 1. Decrease in Banking Product Deposits

Information	In million (Rp)		
	June 30, 2023	**December 31, 2022**	**Change**
Deposit *in a call*	900	1.000	(100)
Time deposit	320.476	347.015	(26.539)
Mutual funds	996.309	997.373	(1.064)
bond	1.686.597	1.721.054	(34.457)

Source: Bank Indonesia, 2023

Table 1 above shows that in general investment savings will experience a slowdown until mid-2023. In addition, according to OJK data from January to September growth in banking deposits only reached 6.54% yoy. The Deposit Insurance Corporation (LPS) also stated that 2023 will be the year with the lowest growth for banks in the last five years. (Simamora, 2023)

Apart from a slowdown in deposits and a decrease in investment interest in banking investment products, based on data from the Indonesian Central Securities Depository (KSEI), 81.64% of the number of stock investors in mid-2022 are the younger generation. Until the beginning of 2023, the younger generation of investors will still dominate with an average education level of a bachelor's degree. This indicates that the younger generation's awareness of investment continues to increase. (Safitri & Ika, 2022)

Investment knowledge, which is information on how to manage finances to gain profits in the future, is basically needed by investors and potential investors in the process of minimizing the risks that occur as a result of the investment process. Humans who are rational social creatures always expect maximum benefits in every sacrifice they make. Therefore, before deciding to do something, generally someone will look for a lot of information about the type, process, risks and benefits obtained. The higher the understanding, the lower the expected risk tolerance. According to research conducted by Komang Sri Widiantari and Ni Komang Indah Oktaliasari (2022), investment knowledge has a significant influence on student interest in Bali. (Widiantari & Oktaliasari, 2022) Research by Randi Saputra, et al (2019) states that investment knowledge is one of the dominant factors that influences generation Z's investment interest in Bandung. (Saputra, 2019) Based on this, it shows that the better a person's understanding of investment, the greater their interest in investing.

Apart from knowledge that can encourage someone's investment interest, the level of profit *(return)* According to research conducted by Astried Nurrizqy and Nurjanti Takarini (2021), the results obtained can influence students' investment interest. (Savanah & Takarini, 2021) Likewise, research conducted by Elvi Felisiah and Erni Yanti (2023) resulted that knowledge, and *return* investment has a significant positive effect on students' investment interest. (Felisiah & Natalia, 2023) Understanding investment knowledge can help potential investors before making an investment. Knowing the risks, profits and transaction processes is the basis of investment knowledge. Investing with the hope of a maximum rate of return is one of the objectives of investing. With a foundation that comes from knowledge, and motivation from profits, it is hoped that someone can manage their finances through investment.

The difference between previous research and the one to be conducted lies in the investment object. Previous research mostly discussed students' investment interest in shares, *crypto currency*, and other capital market instruments as well as general investment interests. Meanwhile, the research that will be carried out will focus on banking investment products in general, including DPLK products, term savings, deposits, etc. Student sampling was based on the increasing number of stock investors who were dominated by the younger generation. Therefore, this research will examine the interest of students as the younger generation towards investing in banking investment products. (Purwanto et al., 2022)

Based on the phenomena, problems and previous research described. This research aims to test and explain the influence of investment knowledge and *return* investment towards students' investment interest in banking investment products.

METHODS

Research methods are steps to obtain information from problem solving. According to Sugiyono in (Sahir, 2022) research methods are scientific steps to obtain data with goals and benefits. Quantitative research methods that determine data using numbers are analyzed through statistical processes. So that quantitative research will produce a reality that becomes a standardized and standard object. (H. Rifa'i, 2021)

The formulation of the research to be carried out is as follows.
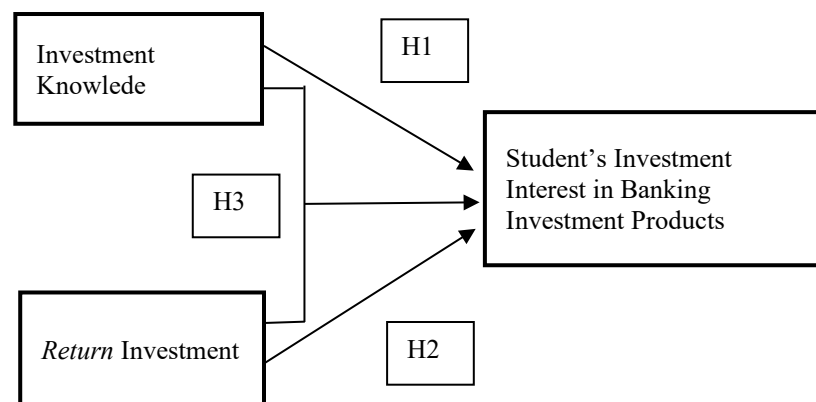
Figure 1. Research Paradigm

Based on the research concept in Figure 1, this research uses an associative quantitative method by testing the influence of investment knowledge on students' investment interest in banking investment products, the influence *return* investment

on investment interest in banking investment products, as well as the combined influence of knowledge and investment returns on students' investment interest in banking investment products.

The data source used in this research is primary data collected through distributing questionnaires via *Google Forms* with an ordinal scale of 1-5 which includes statements of agreement and disagreement.

The population chosen in this study were students from university cluster colleges in Sukabumi class of 2020 and 2021. The sampling technique chosen was *probability sampling* with technique *simple random sample*. The selection of this sampling technique is based on the large, unknown population size. Therefore, sampling was carried out randomly, by determining the number of samples using a formula *Lemeshow*.

$$n = \frac{z^2 \; x \; P \; (1 - P)}{d^2}$$

Information:

n   : number of samples

z   : z score at 95% confidence = 1.96

P   : maximum estimate = 0.5

d   : alpha/10% sampling error = 0.10

$$n = \frac{1,96^2 \; x \; 0,5 \; (1 - 0,5)}{0,1^2} = 96$$

From these calculations, a sample of 96 respondents was obtained

The data analysis process in this research was assisted by *software* SPSS V.27. Data processing includes validity and reliability tests, descriptive statistical tests, basic classical assumption tests, and hypothesis testing with multiple linear regression.

RESULTS AND DISCUSSION
Result
Validity test

The validity test aims to measure whether or not the question items in the questionnaire are valid. An item is declared valid if the significance value is < 0.05 or the calculated R value is > R table. In this validity test, the R table value is 0.200.

Table 2. Validity Test Results

Variable	Question Items	R Value	Information
Investment Knowledge	X1.1	0,650	Valid
	X1.2	0,731	Valid
	X1.3	0,729	Valid
	X1.4	0,720	Valid
	X1.5	0,802	Valid
	X1.6	0,787	Valid
Return Investment	X2.1	0,830	Valid
	X2.2	0,712	Valid
	X2.3	0,845	Valid
	X2.4	0,757	Valid
Investment Interest	Y1	0,849	Valid
	Y2	0,884	Valid
	Y3	0,558	Valid
	Y4	0,870	Valid

Source: SPSS output, 2024

Based on table 2, the validity test results show that all Investment Knowledge question items, *Rate of Return,* and Investment Interest has a calculated R value > R table, which means all statements submitted are valid.

Reliability Test

Reliability testing aims to show the consistency of the instrument. The instrument is declared reliable if the value *Alfa Cronbach* > 0,6.

Table 3. Reliability Test Results

Variable	N	*Alfa Cronbach*	Information
Investment Knowledge	6	0,831	Reliable
Return Investment	4	0,795	Reliable
Investment Interest	4	0,813	Reliable

Source: SPSS output, 2024

Based on the reliability test results table above, data from 96

respondents collected through three variable statements, shows reliable overall results. Because of value *Alfa Cronbach* for all statements in this variable > 0.06

Descriptive Statistical Analysis

Descriptive statistical analysis in research is useful for describing the data obtained by looking at the minimum, maximum, average and standard deviation values.

Table 4. Results of Descriptive Statistical Analysis

Variable	Mark			
	Minimal	**Max**	**Means**	**Std. Deviation**
Investment Knowledge	19	30	26.63	2.802
Return Investment	11	20	17.14	2.275
Investment Interest	10	20	16.14	2.462

Source: SPSS output, 2024

Based on table 4, the results of descriptive statistical tests total N = 96 respondents. For variable X1 investment knowledge, the minimum value is 19, the maximum value is 30, the average is 26.63, and the standard deviation is 2,802. For variable X2 *return* The minimum investment value is 11, the maximum value is 20, the average is 17.14, and the standard deviation is 2.275. Meanwhile, for variable Y, student investment interest in banking investment products, the minimum value is 10, the maximum value is 20, the average is 16.14 and the standard deviation is 2.462.

Classic assumption test
Normality test

The normality test is used to determine whether the distribution of variables is normal, provided that the data is said to be normal if the residual value is around the regression line. Normality testing in this study uses test *one sample Kolmogorov-sminoriv.* Where the probability comparison obtained in this test has a significance level of 5% or 0.5

Table 5. Normality Test Results

Nonstandard Residues		
N		96
The Most Extreme Difference	*Means*	.0000000
	Std. Deviation	1.80665283
	Absolute	.066
	Positive	.046
	Negative	-.066
Test statistics Asymp. Sig		.066 .200
Monte Carlo Bpk.	Sig.	.371
	99% confidence interval.	Lower limit	.359
		Upper limit	.383

Source: SPSS output, 2024

Based on table 6 above, it shows that the value *asymp. Signature (2-piece)* obtained 0.200, which means it can be concluded that the data is normally distributed. Because the value is > 0.05.

Multicollinearity Test

The multicollinearity test aims to describe the relationship between independent variables in the regression model. It can be said that multicollinearity does not occur when the value *tolerance* > 0.10 or VIF < 10.

Table 6. Multicollinearity Test Results

Variable	*Tolerance*	VIF	Information
Investment Knowledge	0,557	1.794	Multicollinearity does not occur
Return Investment	0,557	1.794	Multicollinearity does not occur

Source: SPSS output, 2024

Based on table 7, the multicollinearity test results show the value *tolerance* for variable X1 investment knowledge is 0.557 with a VIF value of 1.794, and value *tolerance* for variable X2 *return* investment is 0.557 with a VIF value of 1.794. This means there is no multicollinearity problem in the data obtained.

Heteroscedasticity Test

The heteroscedasticity test aims to see whether there are similarities in residuals or interference. The provisions in the heteroscedasticity test are that it can be said that heteroscedasticity does not occur when the significance value is in the test *gletzer* value > 0.05

Table 7. Heteroskedasticity Test Results

Variable	Sig.	Information
Investment Knowledge	0,691	Heteroscedasticity does not occur
Return Investment	0,662	Heteroscedasticity does not occur

Source: SPSS output, 2024

Based on table 7, the results of the heteroscedasticity test above show that the significance value of the two independent variables was > 0.05, which means that heteroscedasticity did not occur in these two variables.

Hypothesis testing

t Test (Partial)

The t test aims to assess each independent variable against the dependent variable. This influence is determined based on the significance value, if the significance value is < 0.05 then the independent variable is considered to have an influence on the dependent variable.

Table 8. t test results

Model	Coefficients are not standardized		Standardized Coefficient	t	Sig	Collinearity Statistics	
	B	Std. Erro	Beta			tolerance	VIF
constant	5.704	1.816		3.141	0,002		
X1	-0,152	0,90	-0,174	-1.712	0,090	0,557	1.79
X2	0,847	0,110	0,783	7.682	<0,001	0,557	1.79

Source: SPSS output, 2024

Based on table 8 of the t test results above, variable X1 investment knowledge has a significance value of 0.110 > 0.05, which means investment knowledge has no significant effect on students' investment interest in banking investment products. Meanwhile, X2 *return* investment has a significance value of 0.001 < 0.05 which shows that *return* investment has a significant effect on students' investment interest in banking investment products.

F Test (Simultan)

The F test aims to assess whether the independent variable simultaneously has an influence on the dependent variable. It is said to have an effect on the dependent variable if the significance value is < 0.05

Table 9. F Test Results

ANOVA					
Model	Sum of Squares	df	Means Square	F	Sig.
Regression	265.879	2	132.939	39.872	< 0,001
Remainder	310.079	93	3.334		
Total	575.958	95			

Source: SPSS output, 2024

Based on table 9, the F test results above show that there is a

simultaneous influence of investment knowledge and *return* investment on students' investment interest in banking investment products, because the significance value obtained is 0.001 < 0.05.

Coefficient of Determination Test (R^2)

Table 10. Determination Coefficient Test Results

Model	R	R square	Adjusted R Square	Estimated error std
1	0,679	0,462	0,450	1.826

Source: SPSS output, 2024

Based on table 10, the results of the coefficient of determination test above show a coefficient of determination value of 0.450, this indicates that the variables investment knowledge and *return* investment together influences the student investment interest variable in banking investment products by 45%, meanwhile, the other 55% is influenced by other variables that can influence but are not included in this research model.

Discussion

The Influence of Investment Knowledge on Students' Investment Interest in Investment Banking Products

The t test results show that investment knowledge has no significant effect on students' investment interest in banking investment products. This is because the significance value obtained is 0.090 > 0.05, which means that the level of knowledge does not have a significant effect in encouraging students' interest in investing in banking investment products. This result is different from the findings in research by Richo Elfrizal, et al (2022) which states that investment knowledge has a significant influence on students' investment interest in the capital market. (Sabda Ar Rahman & Subroto, 2022)

Based on this, it can be identified that investment interest factors can arise not only depending on the level of understanding, but external factors such as trends can also support the emergence of students' interest in investing.

Influence *Return* Investment on Student Investment Interest in Investment Banking Products

The results of the hypothesis test show that in partial testing *return*

investment has a significant effect on students' investment interest in banking investment products. Because the significance value obtained is 0.001 < 0.05**.** This shows that profit and the realization of profits can influence the level of student interest in investing in banking investment products. The greater it is *return* obtained, the higher the level of student interest in investing in banking investment products.

Theory of Planned Behavior (TPB) indicates that interest in investing is influenced by attitudinal components, subjective norms and perceived behavioral control. The intention to behave which is included in the actual control component in the TPB is related to motivational factors, the higher the level of motivation, the greater the possibility of interest in investing appearing. (Hayati, 2019)

Apart from that, based on research by Komang Sri and Ni Komang Indah (2022), it is stated that information regarding has a positive and significant influence on students' investment interest in Bali Province. This shows that more and more information is available about products, including information about *return* resulting, students' interest in investing tends to increase. (Widiantari & Oktaliasari, 2022)

Influence of Investment Knowledge and *Return* Investment on Student Investment Interest in Investment Banking Products

The results of the F test (simultan) show that investment knowledge and *return* investment has a significant effect on students' investment interest in banking investment products. This shows that the higher the understanding and motivation they have, together it can increase students' interest in investing in banking products. *Theory of planned behavior* emphasizes that humans are rational creatures who systematically use information to make decisions, including regarding investment intentions and interests. (Purwanto et al., 2022)

CONCLUSION

Based on the results of research and statistical tests conducted on 96 students in Sukabumi City and Regency regarding the influence of investment knowledge and *return* investment towards students' investment interest in banking investment products, it can be concluded that:

1. Investment knowledge does not have a significant influence on students' investment interest in banking investment products

2. *Return* investment has a significant effect on students' investment interest in banking investment products

Investment knowledge and *return* investment has a significant simultaneous effect on students' investment interest in banking investment products

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