
The Effect Of Investment Knowledge, Motivation, Minimum Capital And Risk Perception On Student Investment Interest In The Faculty Of Economics And Business National University In Capital Markets

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ABSTRACT

The goal of this study is to disentangle the effects of investing-related knowledge, investment motivation, required starting capital, and perceived risk. In 2019, 453 full-time students and employees enrolled in the Management Study Program participated in this study. This study used a non-probabilistic sampling method called purposive sampling, in which a predetermined set of criteria had to be met in order for the sample of 212 students to be selected. The data in this study was gathered by distributing questionnaires to students using data collection tools. Data analysis techniques such as the use of the Statistical Product and Service Solution (SPSS) software, version 23.0, for descriptive and inferential statistics based on multiple linear regression. Statistically significant positive effects of motivation, minimum capital, and perception of risk on investment interest were found in this study. This study also found a positive effect of investing knowledge on investment interest, although the effect was not statistically significant.

Keywords: Investment Knowledge, Motivation, Minimum Capital, Risk Perception, and Investment Interest

1. INTRODUCTION

Students' interest in investing is quite high, especially at the beginning of their studies, but when the theory learned in college is practiced in the real world, many students become discouraged (Hasanudin et al, 2022) . There are several factors that influence this to happen, including a lack of reserve allowance that can be invested, a lack of time to conduct and monitor transactions, and limited investment education. Interest in investing is a strong will, inclination, interest, or urge to invest in one or more assets to generate profits in the future, accompanied by feelings of pleasure (Sulistyowati, 2017) .

At the Indonesia Stock Exchange, prospective investors can make trades in either the primary or secondary markets for equities and other financial instruments. A huge number of issuers are now selling shares on the Indonesia Stock Exchange in order to raise the operating capital of their respective companies (Nurwulandari et al, 2022) . Several shares for students or the general public have been provided by the Indonesia Stock Exchange which offers places in several representative offices or in several investment gallery collaboration units from various collaborating universities, including investment galleries or exchange corners of the Faculty of Economics and Business, National University which has been inaugurated on November 15, 2022. Institutions or organizations such as KSPM or what is commonly called the capital market study group are responsible for investment galleries.

Investment interest in the National University's investment gallery is decreasing every month. The table below shows the percentage of customers who are interested in investing in the National University investment gallery.

Table 1
Number of National University Investment Gallery Customers in 2022

No	Monthly	Number of Investors (Person)
1	October	16
2	November	53
3	December	12
Amount		81

Source: National University Investment Gallery 2023 (data processed)

In Table 1 above, it can be seen that the number of National University investment gallery customers in 2022 continues to experience fluctuations from October to December 2022.

Decreasing student interest in investing is certainly not an easy thing to do, because the rise of fake investments circulating in society lately has made people reluctant to invest. But this will not happen if the investment is made in a good and correct way, namely through a trusted institution that has been registered with the financial service institution. To increase investment interest in the capital market, it is necessary to understand and pay attention to the factors that influence investment interest (KR, 2022) .

The authors of "The Influence of Investment Knowledge, Motivation, Minimum Capital, and Perceived Risk on Student Investment Interest" studied investing enthusiasm among students at the National University of the Capital Market's Faculty of Economics and Business. The problem's background was taken into account in this investigation. In light of such background, this research will attempt to answer the following questions: To what extent do students from the National University's Faculty of Economics and Business have an interest in investing in the capital market, and is this interest influenced by their level of investment knowledge? Is there a statistically significant and favorable interest in stock market investment among students at National University's Faculty of Economics and Business? Would you be interested in participating in the stock market if the minimum capital requirement were decreased if you were a student in the Faculty of Economics and Business at National University? 4) Do students at the Faculty of Economics and Business at National University have a greater appreciation for risk and a consequently greater desire to invest in the stock market? The goal of this research is to find out if people's enthusiasm for investing in the stock market can be piqued by providing them with investment education, highlighting the need of starting with a little amount of money, and encouraging them to make investments with the expectation of future financial benefit. And reduce the risk by considering how important each factor is.

2. LITERATUR REVIEW

Investment is an activity of investing capital in the form of money or other valuable assets in an object, institution or entity with the hope that the investor or investors will receive a profit after a certain period of time. This investment is also known as investment because it expects profit in the future. The term investment comes from the Italian word *investire*, which means "to use ". Funds or assets invested by investors are generally developed by the institution or agency that manages them. Profits from the development will be distributed to investors according to the agreement of the parties (Yulianah, 2022)

Fahmi, (2015: 6) reveals that investing is a form of money management to extract profits by investing these funds in allocations that are expected to generate additional returns.

Investment knowledge is information about how to use some of the money or resources you have for future profits. This information can be obtained from studies obtained from various existing literature. Investment education, especially about the capital market, is expected to trigger an individual's interest in investing in stocks. (Wibowo et al., 2019) states that investment knowledge is an explanation of how to utilize a certain amount of funds or resources to generate profits in the future. This information can be obtained from studies obtained from various existing literature and has seeped into human memory.

Motivation plays an important role in increasing one's interest in investing because motivation is the enthusiasm that moves someone to do something. This is proven if an individual is interested in investing, then the individual or community can definitely develop activities to meet the needs of society. (Malik, 2017) reveals that motivation is a process in which a person identifies their needs and takes steps to meet those needs, namely encouragement motivates people to take certain steps to meet their needs.

The minimum investment capital is one of the factors that must be considered before making an investment decision. In the minimum investment capital there is an approximate calculation of investment

capital, the minimum capital required, the higher the person's interest in investing. Invested capital is the capital used to buy securities. The most risky thing to consider when making an investment is how much capital you have. (Wijayanti, 2014) revealed that this is because the more you invest with a higher rate of return, the higher the capital that must be prepared to reach the minimum capital limit.

Perceived risk is an event related to uncertainty that creates negative negative thoughts in the minds of consumers, but investors can minimize this risk by considering the level of influence of each factor. (Suhir et al., 2014) stated that perceived risk is an individual's subjective assessment of the possibility of an accidental event and the person's level of concern about the impact or consequences of the event.

According to the Big Indonesian Dictionary, the notion of interest is a strong tendency to think about something, desire, or desire. High interest in something is a great asset to achieve the desired goals. In this case, invest specifically in the capital market sector. This is reflected in the activity of someone who seeks explanations, identifies interesting issues, analyzes and lists interests and determines areas of interest. (Sulistiyowati, 2017) states that interest in investing is a strong will, inclination, interest, or drive to invest in one or more assets to generate profits in the future, accompanied by feelings of pleasure.

3. RESEARCH METHOD

The focus of this research is the capital market investment interest of students at the National University's Faculty of Economics and Business. In this research, data were collected by disseminating questionnaires to 453 ordinary students and employees of the Management research Program, Faculty of Economics and Business, National University, class of 2019. This study employs descriptive quantitative data that has been processed and exhibited statistically through existing samples.

This research employs a non-probabilistic sampling method with a purposive sampling technique, selecting samples based on specific criteria. (1) Class of 2019 management students who have taken investment management courses; (2) Class of 2019 management students who have taken financial management courses. Based on the aforementioned criteria, the researcher used the number of samples determined by the Taro Yamane formula in (Riduwan et al., 2013: 65) and took a sample of 212 students.

This study employs the first stage of multiple linear regression analysis to determine the relationship between Investment Knowledge, Motivation, Minimum Capital, and Perceived Risk and Investment Interest. First, do a multiple linear regression test. Second, perform tests of classical assumptions including normality, multicollinearity, autocorrelation and heteroscedasticity. Third, do a coefficient determination test. Fourth, do a hypothesis test. Data processing techniques use the SPSS Version 23.0 program.

4. RESULTS AND ANALYSIS

a. Multiple Linear Regression Statistics

Table 2. Multiple Linear Regression Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	std. Error	Betas			tolerance	VIF
1	(Constant)	1.799	.777		2.316	.022		
	X1 (Investment Knowledge)	.012	.022	.021	.524	.601	.981	1.019
	X2 (Motivation)	.314	.077	.339	4.069	.000	.230	4.344
	X3 (Minimum Capital)	.162	.063	.215	2.574	.011	.229	4.360
	X4 (Perceived Risk)	.315	.066	.322	4.758	.000	.349	2.869
a. Dependent Variable: Y (Investment Interest)								

Source: Primary data SPSS output 23. Processed in 2023

The model's framework may be included into the multiple linear regression equation in light of the results of multiple linear regression tests, as shown below:

$$MI = 0.021 PI + 0.339 M + 0.215 MM + 0.322 PR$$

From the regression equation above, it can be explained as follows:

1) Constant (α)

A constant value of 1.799 means that there is no influence from the independent variables namely Investment Knowledge, Motivation, Minimum Capital, and Perceived Risk.

2) Investment Knowledge Variable

The regression coefficient value of the Investment Knowledge variable is 0.021, which means that an increase in one unit of Investment Knowledge variable will increase the Investment Interest variable by 0.021.

3) Motivational Variables

The regression coefficient value of the Motivation variable is 0.339 which means that an increase in one unit of the Motivation variable will increase the Investment Interest variable by 0.339.

4) Minimum Capital Variable

The regression coefficient value of the Minimum Capital variable is 0.215, which means that an increase in one unit of the Minimum Capital variable will increase the Investment Interest variable by 0.215.

5) Risk Perception Variable

The regression coefficient value of the Risk Perception variable is 0.322 which means that an increase in one unit of the Risk Perception variable will increase the Investment Interest variable by 0.322.

b. Classical Assumption Testing

1) Normality test

Table 3. Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residuals
N		.212
Normal Parameters ^{a,b}	Means	.0000000
	std. Deviation	.78331615
Most Extreme Differences	absolute	.162
	Positive	.098
	Negative	-.162
Test Statistics		.162
asympt. Sig. (2-tailed)		.200 ^c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: SPSS output 23. Coefficients, linear regression. Processed 2023

Based on the results from Table 3 above, it shows that the value of Asymp Sig. (2 – tailed) is 0.200. Which means that the regression model in this study the dependent and independent variables have a normal sample distribution based on their significance value $> \alpha = 0.05$. So it can be said that the distribution of purchase decision results derived from Investment Knowledge, Motivation, Minimum Capital, and Perceived Risk is normally distributed at a significance level of $\alpha = 0.05$.

2) Multicollinearity Test

Table 4. Multicollinearity Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	std. Error				tolerance	VIF
1	(Constant)	1.799	.777		2.316	.022		
	X1 (Investment Knowledge)	.012	.022	.021	.524	.601	.981	1.019
	X2 (Motivation)	.314	.077	.339	4.069	.000	.230	4.344
	X3 (Minimum Capital)	.162	.063	.215	2.574	.011	.229	4.360
	X4 (Perceived Risk)	.315	.066	.322	4.758	.000	.349	2.869
a. Dependent Variable: Y (Investment Interest)								

Source: SPSS output 23. Coefficients, linear regression . Processed 2023

Based on the results of Table 4 (*Coefficients*), it can be seen that *the variance inflation factor* (VIF) for each *independent variable* has the following values:

- 1) The VIF value for the Investment Knowledge variable (X1) is $1.019 < 10$ and the *tolerance value* is $0.981 > 0.1$.
- 2) The VIF value for the motivation variable (X2) is $4.344 < 10$ and the *tolerance value* is $0.230 > 0.1$.
- 3) The VIF value for the Minimum Capital variable (X3) is $4.360 < 10$ and the *tolerance value* is $0.229 > 0.1$.
- 4) The VIF value for the Risk Perception variable (X4) is $2.869 < 10$ and the *tolerance value* is $0.349 > 0.1$.

Thus it can be concluded that there is no multicollinearity in the regression model (assumptions are met) and can be used in this study.

3) Autocorrelation Test

Table 5. Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	std. Error of the Estimate	Durbin-Watson
1	.818 ^a	.669	.662	.791	.2049

a. Predictors: (Constant), X4 (Perceived Risk), X1 (Investment Knowledge), X2 (Motivation), X3 (Minimum Capital)

b. Dependent Variable: Y (Investment Interest)

Source: Primary data SPSS output 23. Processed in 2023

Based on the results of Table 4 above, it shows that the calculation of the DW (durbin watson) value is 2.049. In this study, 212 respondents were used with a dU value (1.803) and a dL value (1.745). The provisions of the DW test (durbin watson), namely the value of $du < dw \text{ value} < (4-du)$, in the study produced a value of $1.803 < 2.049 < 2.197$, therefore it can be concluded that there are no symptoms of autocorrelation in the residuals (assumptions are met).

4) Heteroscedasticity Test

Table 6. Heteroscedosity Test Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	std. Error	Betas		
1	(Constant)	1.329	.439		3.029	.003
	X1 (Investment Knowledge)	.014	.013	.070	1.115	.266
	X2 (Motivation)	.072	.044	.213	1.641	.102
	X3 (Minimum Capital)	.086	.036	.313	2.408	.057
	X4 (Perceived Risk)	.261	.037	.735	1.972	.060

a. Dependent Variable: RESABS

Source: SPSS output 23. *Coefficients, linear regression* . Processed 2023

Based on the results of the Glesjer Test, it shows that the profitability value of Investment Knowledge is 0.266 (Sig. > 0.05), Motivation is 0.102 (Sig. > 0.05), Minimum Capital is 0.057 (Sig. > 0.05) and Perceived Risk is 0.060 (Sig. > 0.05). From the results of testing the data, the significance value of each independent variable was > 0.05 , so it can be concluded that each variable in this study did not have heteroscedasticity.

c. Determination Coefficient Test (R^2)

Table 7. Determination Test Results (R^2)

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.818 ^a	.669	.662	.791
a. Predictors: (Constant), X4 (Perceived Risk), X1 (Investment Knowledge), X2 (Motivation), X3 (Minimum Capital)				
b. Dependent Variable: Y (Investment Interest)				

Source: Primary data SPSS output 23. Processed in 2023

Based on the results from Table 7 above, it shows that the calculation of the coefficient of determination obtained an R Square value of 0.669. This means that the variable Investment Knowledge, Motivation, Minimum Capital and Perceived Risk can affect the Investment Interest variable by 66.9% while the remaining 33.1% is explained by other variables outside this study.

d. Model Feasibility Test

1) F test

Table 8. F test results

Model		Sum of Squares	df	MeanSquare	F	Sig.
1	Regression	261.081	4	65.270	104.359	.000 ^b
	residual	129.466	207	.625		
	Total	390.547	211			
a. Dependent Variable: Y (Investment Interest)						
b. Predictors: (Constant), X4 (Perceived Risk), X1 (Investment Knowledge), X2 (Motivation), X3 (Minimum Capital)						

Source: Primary data SPSS output 23. Processed in 2023

According to Table 8, the calculation of the simultaneous test yielded a significance value of 0.000, which is less than (0.05), and a F count of 104.359, which is greater than F table. (2.414). Therefore, the decision H₀ is rejected and H₁ is accepted, with the conclusion that Investment Knowledge, Motivation, Minimum Capital, and Perceived Risk have a significant effect on Investment Interest.

2) Test Hypothesis

Table 12. T test results

Model		t	Sig.
1	(Constant)	2.316	.022
	X1 (Investment Knowledge)	.524	.601
	X2 (Motivation)	4.069	.000
	X3 (Minimum Capital)	2.574	.011
	X4 (Perceived Risk)	4.758	.000

a.

Dependent Variable : Y (Investment Interest)

Source: Primary data SPSS output 23. Processed in 2023

Based on the results from Table 4.20 above, the conclusion of the test calculation is as follows:

- 1) The effect of Investment Knowledge variable significance value (0.601) is greater than α (0.05), and the calculated T value (0.524) is less than T table. (1.652). Therefore, the decision to adopt H₀ is based on the conclusion that Investment Knowledge has a positive but non-significant effect on Investment Interest.
- 2) The impact of the motivation variable has a significance value of 0.000, which is less than α (0.05), and the estimated T value of 4.069 is higher than T table. (1.652). So, the choice to reject H₀ is based on the fact that the motivation variable has a positive and significant effect on investor interest.
- 3) The impact of the Minimum Capital variable has a significance value of 0.011, which is lower than α (0.05), and the calculated T value of 2.574 is higher than T table. (1.652). So, the choice to reject H₀ is based on the fact that the Minimum Capital variable has a positive and significant effect on the Investment Interest variable.

The impact of the Perceived Risk variable has a significance value of 0.000, which is lower than α (0.05), and the calculated T value of 4.758 is higher than T table. (1.652). So, the choice to reject H₀ is based on the fact that the risk perception variable has a positive and significant effect on investor interest.

5. CONCLUSION

Students in the Management Study Program at National University's Faculty of Economics and Business participated in this research. The purpose of this research was to examine the relationship between student interest in capital market investing and their levels of investment knowledge, motivation, minimum capital, and perceived risk at the National University of Singapore's Faculty of Economics and Business. Based on what has been said and discussed further, it may be concluded that:

- a. There is no significant correlation between investment knowledge and investment interest. This is evident from the fact that the statistical value of the t-count test is less than that of the t-table ($0.524 < 1.652$) and the significant value is greater than $\alpha = 0.05$ ($0.601 > 0.05$), indicating that Investment Knowledge has no significant positive effect on Investment Interest.
- b. Investment Interest is positively and significantly affected by motivation. This is evident from the fact that the statistical value of the t-count test is greater than t-table ($4.069 > 1.652$) and the significant value is less than $\alpha = 0.05$ ($0.000 < 0.05$), indicating that motivation influences Investment Interest positively and significantly.
- c. Minimum capital has a significant and favorable impact on investment interest. This is evidenced by the fact that the statistical value of the t-count test is greater than the t-table ($2.574 > 1.652$) and the significant value is less than $\alpha = 0.05$ ($0.011 < 0.05$), indicating that Minimum Capital has a positive and statistically significant effect on investment interest.
- d. Investment Interest is influenced positively and significantly by the perception of risk. This is evident from the results of the analysis, which indicate that the statistical value of the t-count test is greater than the t-table ($4.758 > 1.652$) and the significant value is less than $\alpha = 0.05$ ($0.000 < 0.05$), indicating that Minimum Capital has a positive and statistically significant effect on investment interest.

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