POLITEKNIK NEGERI BALI

The Influence of Investment Knowledge, Individual Income, and Social Media Influencers towards Investing Interest Provincial Millennials Bali on The Indonesia Stock Exchange

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Abstract: This study aims to determine the influence of investment knowledge, individual income, and social media influencers on the interest in investing in the millennial generation of Bali Province on the IDX. This research uses a quantitative approach. The object in this study is the millennial generation who were born in 1980 to 2000 who are domiciled in Bali Province. Sampling used the slovin formula so that 100 respondents from the total population were obtained. The sampling technique uses simple random sampling. And data collection uses online questionnaires, the dissemination of which is assisted by google form media. The data were then analyzed by multiple linear regression analysis using ibm SPSS Statistics 23.0 applications. The results showed that Investment Knowledge, Individual Income, and Social Media Influencers had a positive and significant effect both partially and simultaneously on the interest in investing in the millennial generation of Bali Province on the IDX

Keywords: Investment Knowledge, Individual Income, Social Media Influencers, Millennials, and Investing Interests

Introduction

The Indonesia Stock Exchange (IDX) recorded a very rapid number of investors in 2021. The investors reached 7.49 million in 2021, an increase of 92.99% from 3.88 million investors at the end of 2020, this is based on data uploaded by the Indonesian Central Securities Depository (KSEI). Of the total number of investors in the capital market, stock investors or C-Best reached 3.45 million, up 103.60% from 1.69 million investors at the end of 2020. According to Indonesian capital market statistics uploaded by KSEI, the group from 1981-1996 and 1997-2012 dominated new capital market investors. It is reported that 88% or 2.7 million of them are young investors. According to Inarto Djajadi in a separate statement, the emergence of young people will encourage the capital market. The surge in the number of capital market investors also occurred in Bali Province. According to the Head of IDX Bali Representative I Gusti Agus Andiyasa, in 2021 the number of capital market investors is 148,270 investors. The number of new investors has increased by 69,653 or 89% from 2020. Meanwhile, the number of stock investors in Bali throughout 2021 increased by 36,695 investors or 94.83 percent from 2020 (CNN Indonesia, 2021) . Judging from age, stock investors in Bali are dominated by 18-25 years old with a percentage of 38 percent. Followed by 26-30year olds at 22 percent, 31-40 years old at 22 percent, and the remaining 18 percent for 41-100 years old. This condition indicates that the interest in investing in Indonesia's millennial generation, including Bali, is very high.

The rapid growth of investors must be accompanied by good investment knowledge. According to Latha (2016), investment knowledge is information, facts, assumptions, news, and rumors

that investors seek and understand as a basis for evaluating investment tools. Syahyunan (2015) states that investment is a commitment to a group of funds/capital at a certain point in time with the aim of generating profits in the future. Basic investment knowledge is an important part of potential investors. That way, investors can avoid irrational investment activities, and fraudulent activities and reduce the risk of loss. Investment knowledge also influences an individual's assessment of investment returns and risks. Individual income is also something that potential investors must consider before investing. According to Kagariannaki & Platt (2015) individual income is defined as the sum of all sources of income obtained from individuals, consisting of: income, income, income, income, income, income, and other sources of income. When individual income is relatively low and only enough to meet basic needs, it cannot set aside individual income for other things such as investment. Social media plays a role in the increasing number of young-dominated investors. Nasrullah (2015) states that social media is a media platform that cares about the presence of users who support their activities and collaborations. Considering that in this era, social media is a must-have for everyone, especially the millennial generation. As a result of this condition, many social media influencers have emerged, including in the capital market field. Social media influencers are individuals who have popularity and ability on social media who act as third parties in conveying, describing, and recommending certain information or topics through social media so that they can influence their audience (Putri dan Tiarawati, 2021). Millennials consider that the information conveyed by social media influencers is easier to digest because it is conveyed interestingly.

This study aims to empirically prove the influence of investment knowledge, individual income, and media influencers social on the interest in investing in the millennial generation of Bali Province on the IDX. The results of the research are expected to contribute to the development of science and be able to increase understanding of the factors that affect the investment interest of the millennial generation of Bali Province on the IDX. And it is expected to be used as input for the IDX in increasing the number of investors targeting the millennial generation.

Method

This research is a type of quantitative research sourced from primary data. Primary data sources were obtained directly through the distribution of questionnaires to 100 respondents who were obtained by the slovin formula. The study sample was determined by a simple random sampling technique. The technique for analyzing the data is multiple linear regression analysis assisted by IBM SPSS v.23.0 application.

Result and Discussion

1. Test result.
a. Multiple Linear Regression Analysis

The requirements of multiple linear regression analysis have been met, namely the assumption of the classicization of the test consisting of a multichollinearity test, an autocorrelation test, a heteroskedasticity test, and a normality test so that regression analysis can be carried out (Sugiyono, 2018). Here are the results of multiple regression analysis:

Table 1
Multiple Linear Regression Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	3,196	2,080		1,536	,128
Pengetahuan_investasi	,155	,062	,270	2,490	,014
Individual_income	,354	,102	,339	3,487	,001
Influence media_sosial	,126	,053	,256	2,357	,020

a. Dependent Variable: Minat_Berinvestasi

Source: Primary Data Processed, 2022.

Table 1 provides information on regression equations and the influence of independent variables, namely investment knowledge, individual income, and social media influencers partially on investment interests. The formula of the regression equation in this study is as follows

Y = 3.196 + 0.155 X1 + 0.354 X2 + 0.126 X5 + e

The value of the constant is 3.196. This means, that if the variable conditions of Investment knowledge (X_1), Individual income (X_2), and Social media influencers (X_3) are considered constant, then variable Y is 3.196. The coefficient of regression of the investment knowledge variable (X_1) of 0.155 means that if any increase in the level of investment knowledge by one unit and other factors are considered constant, then the investment interest will increase by 0.155. The regression coefficient of the individual income variable (X_2) of 0.354 means that any increase in the individual income rate by one unit and other factors are considered constant, then investment interest will increase by 0.354. The variable regression coefficient of social media influencers (X_3) of 0.126 means that if any increase in the level of social media influencers by one unit and other factors are considered constant, then investment interest will increase by 0.126.

b. Partial Test (t-test)

Based on table 1, the SPSS test results above show that the free variables, namely investment knowledge (X_1), individual income (X_2), and social media influencers (X_3) have a significant effect on the dependent variable, namely investment interest, with the significance of 0.014, 0.001, and 0.02 which is smaller than the significance level of 0.05. Based on decision-making on the t-test, it can be concluded that the first hypothesis (H1), the second hypothesis (H2), and the third hypothesis (H3) are accepted because all free variables have proven to have a positive and significant effect on the dependent variable.

c. Simultaneous Test (F-Test)

Table 2
Simultaneous Test Results (F-Test)

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	369,307	3	123,102	51,203	,000[b]
Residual	230,803	96	2,404		
Total	600,110	99			

a. Dependent Variable: Minat_Berinvestasi
b. Predictors: (Constant), Media_sosial, Individual_income, Pengetahuan_investasi

Source: Primary Data Processed, 2022.

Based on Table 4.14 of the F test in this study, a calculated F value of 51.203 and a significance figure (P value) of 0.000 < 0.05, then H_0 was rejected or means the variables investment knowledge (X_1), Individual income (X_2), and social media influencers (X_3) has a simultaneous significant influence on the variable Investment interest (Y).

d. Coefficient of Determination

Table 3
Coefficient of Determination Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,784ᵃ	,615	,603	1,551	1,779

a. Predictors: (Constant), Media_sosial, Individual_income, Pengetahuan_investasi
b. Dependent Variable: Minat_Berinvestasi
Source: Primary Data Processed, 2022.

From table 4.16, it is known that the adjusted R Square value is 0.603 or 60.3%. This means that the dependent variable of investment interest (Y) can be explained by investment knowledge (X_1), individual income (X_2), and social media influencers (X_3) by 60.3%, while other factors that were not studied can explain the remaining 39.7%.

2. Discussion

a. The Effect of Investment Knowledge on Investment Interest

Partial hypothesis testing (t-test) showed that investment knowledge (X_1) had a positive and significant effect on investment interest (Y). This means that the interest in investing in the millennial generation of Bali Province will increase when they have good investment knowledge. The results of this study are in line with research from Patrianisaa (2018), Pajar (2017), Hati and Harefa (2019) which state that investment knowledge has a positive and significant influence on investment interest in the IDX.

b. The Effect of Individual Income on Investment Interest

Partial hypothesis testing (t-test) showed that individual income (X_2) had a positive and significant effect on investment interest (Y). This means that the interest in investing in the millennial generation of Bali province will increase along with the increase in individual income that occurs. The results of this study are in line with research from Rusda (2020), which states that individual income has a positive and significant influence on investment interest in the Capital Market. In addition, the results of this study are also supported by several studies, namely by Malik (2017) which state that income has a positive and significant effect on people's interest in investing in the Islamic Capital Market. And research from Patrianissa (2018) states that pocket money has a positive and significant effect on students' interest in investing.

c. The Influence of Social Media Influencers on Investing Interest

Partial hypothesis testing (t-test) shows that social media influencers (X_3) have a positive and significant effect on investing interest (Y). This means that the higher the level of trust of the millennial generation of Bali Province in social media influencers, the higher the interest in investing. The results of this study are in line with research from Pratiwi (2020) and Fauzianti and Retnosari (2022), which states that social media influencers have a positive and significant influence on investment interest in the Capital Market. In addition, the results of this study are also supported by research

from Luthfiyah et al (2021) which states that social media has a positive and significant effect on the investment interest of the millennial generation.

d. The Influence of Investment Knowledge, Individual Income, and Social Media Influencers on Investment Interest

The results of the study support the fourth hypothesis that the variables of investment knowledge (X_1), the variables of individual income (X_2), and the variables of social media influencers (X_3) have a positive effect together or simultaneously on the interest in investing in the millennial generation of Bali Province on the IDX. This is indicated by a calculated F value of 51.203 with a significant number (P value) of 0.000. With a significant rate of 95% (α =0.05). The significance (P value) of 0.000 < 0.05. Based on the value of the coefficient of determination simultaneously obtained the value of Adjusted R Square is 0.603 or 60.3%. This can be interpreted to mean that investment knowledge (X_1), individual income (X_2), and social media influencers (X_3) can explain the dependent variable of investment interest (Y) of 60.3%, while the remaining 39.7% is explained by other factors that were not studied.

Conclusion

Based on the results of the analysis and discussion in the previous chapter, the following conclusions can be drawn: 1) Investment knowledge has a positive and significant effect on the interest in investing in the millennial generation of Bali Province on the IDX 2) Individual income has a positive and significant effect on the interest in investing in the millennial generation of Bali Province on the IDX 3) Influencers Social media has a positive and significant effect on the interest in investing in the millennial generation of Bali Province on the IDX 4) Investment knowledge, individual income, and social media influencers together (simultaneously) have a significant effect on the interest in investing in the millennial generation of Bali Province on the IDX.

Acknowledgment

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