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Investment Training Moderates the Effect of Financial Literacy, Return and Risk on Investment Interest in Capital Markets

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Abstract

This study aims to analyze the effect of financial literacy, return and risk on investment interests in the capital market members of Forum KSPM Kota Semarang with investment research as a moderating variable. This research uses structural equation model analysis with WarpPLS 6.0 to evaluate the relationship between variables and the effect of moderation on investor investment training with financial literacy, return, risk, and investment interest by conducting a survey of 113 respondents who were successfully collected. The results of this study confirm previous findings that financial literacy has a positive effect on investment interest, returns have a positive effect on investment interest, and risk has a positive effect on investment interest. Researchers also found that investment training could not moderate the effect of financial literacy on investment interest, but investment training could moderate the effect of return and risk on investment training.

INTRODUCTION

Investments can be determined as funds for one or more assets that will be needed over the coming period. It is important to consider that everyone has wealth, if nothing else, this wealth can consist of the value of their services in the market. Most individuals must make investment decisions in their lives (Jones et al., 2009). One investment instrument that is currently developing is the capital market.

The capital market has an important role in the economic development of a country. Because of the capital market, individual investors and business entities can channel their excess funds to be invested in the capital market, and entrepreneurs can obtain additional capital funds to expand their business networks from investors who are in the capital market (Yuliana, 2003).

The country of Indonesia is a developing country where the financial orientation of the community is still short-term or in the saving society category, when compared to developed countries the orientation is more long-term or in the category of investing society (investment).

Awareness of their financial management has been so great that they are able to leave 30% of their income for investment. Therefore, intensive and sustained public education is needed to change the community from a saving society to an investing society (Gumanti, 2011). Investment in Indonesia can be very profitable but also carries more risks than investing in developed countries because Indonesia has certain dynamics and characteristics that can thwart the investment and climate of KPMG International Cooperative (Abdillah et al., 2019).

The importance of investing in companies is stated by Irdawanti and Yulianto (2017) which says that the value of a company is solely determined by investment decisions. Education carried out. Consistently and gradually it is expected

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to be able to build people's motivation to move from saving to investing. Consistently and gradually it is expected to be able to build people's motivation to move from saving to investing.

There are several studies on factors that influence investment interest. Tandio and Widanaputra (2016) examined the effect of capital market training, returns, risk perception, gender, and technological progress on student investment interests at FEB Udayana University. Daniel et al. (2014), Budiarta et al (2014) examined the effect of minimal investment capital in BNI securities, returns, risks to interests student investment, with income as a moderating variable at FEB Udayana University. Hodge (2003) examines investor perceptions about earnings quality, independent auditors, financial information on investment decisions. According to (Nurakhmah, 2017) investment decisions are the most important decisions for the sustainability of the company.

The theory of planned behavior is a theory related to one's investment interest, this theory was put forward by (Fishbein & Ajzen, 2009). The theory of planned behavior is related to the attitude of its predecessor, subjective norms, and control of perceived behavior, the predecessor who in the final analysis determines intentions and actions. Mumtaz (2010) states that now is an era of investment without space and time. This period is a period where humans can make connections anytime and anywhere. The business has lived with a 24-hour rotation of activities, while the rapid development of technology and information has also driven changes in the science of investment to adapt to current conditions. One of the factors that influence investment interest is financial literacy. Financial literacy is the ability to produce information-based valuations and to take effective action regarding the current and future uses of money management (Purwidianti & Tubastuvi, 2019). Financial literacy is considered as a means to accelerate financial well-being, because having an understanding of finance will help households and their daily financial tasks, thus being able to overcome financial emergencies and even pull them out of poverty (Garg & Singh, 2018).

Financial literacy is important for every individual in the community to avoid a financial problem especially related to the allocation of funds (Maulani & Witiastuti, 2016). Financial knowledge (financial literacy) of individuals will affect the desires in managing the financial system and thinking about the future, one of which is an investment. Umboh et al. (2019) say financial literacy has the goal of avoiding someone from financial problems. Several studies have shown that there are still many individuals who experience a lack of financial literacy and do not even understand the most basic economic principles Lusardi and Mitchell (2007), but are more likely to take high-interest mortgages (Moore, 2014).

Return is the driving force in the investment process, the return is the reward in investing. return on investment is very important for investors, that's the goal of the investment game (Jones et al., 2009). The returns obtained depend on the reliability of the researcher or investor in assessing the information or elements that are the basis of making the assessment (Wijayanto, 2010).

Returns and risks are interrelated. As revealed by Brigham & Huston (2010), in a market that is dominated by investors who avoid risk, the riskier effects must have higher expected returns as estimated by investors with margins above the less risky effects. If this situation does not occur, there will be no buying and selling in the market until the situation occurs. According to Malikatun & Khoiruddin (2018) company performance involves risk factors that must be improved in order to achieve maximum performance because risks can have a negative impact.

Khusna & Ardiansari (2017) Investors or individuals who make investment decisions must be prepared with the consequences that their money will decrease a lot at any time because it is an investment risk. The risk of an asset can be calculated in two ways, namely on a stand-alone basis, that is the risk faced by an investor if he only has one asset or portfolio risk where the cash flows of a number of assets are combined and the consolidated cash flows are analyzed. Whereas in the context of a portfolio, risk can be divided into two components, namely diversifiable risk that can be eliminated through diversification and is not a concern for diversified investors, and market risk that reflects the general stock market downward risk that cannot be eliminated by diversification to the attention of investors. Only market risk is relevant and rational for investors while the diversified risk is irrelevant to risk because this risk can and will be eliminated (Brigham & Huston, 2010).

Research by Nosic and Weber (2010), Sindhu and Kumar (2014), Farayibi (2015), Malik (2017), and Thai et al (2017) mention the results that risk has a positive influence on investment interest. In reducing investment risk, investors must know what investment they are going through. Even with minimal income and capital does not affect the interest in investing.

Tandio and Widanaputra (2016) revealed that education about the capital market to the public is very important. This education will be

very useful to increase the number of interested parties to invest in the capital market. Subjects on investment and capital markets investment seminars, capital market training held by brokers will increase individual awareness of the importance of investing, how to invest and everything that potential investors should know, including in order to avoid fictitious investments. Securities companies today have also made it easy for potential investors to practice stock investing.

Education can influence investment decisions, it is expected that the higher the level of education, the investment decision will provide satisfaction or optimal benefits, where investment returns are an indicator to improve investment performance for investors Fachrudin and Fachrudin (2016). Abdillah et al (2019) Said to understand someone's financial knowledge can be chosen in a way how the individual is able to manage their finances.

Research results from Al-tamimi (2014), Iskandar et al (2019), Lutfi (2011) and Tandio et al (2016) argue that investment education or training has a significant positive effect on individual investment interests.

Hypothesis development

Knowledge is very important for someone. Knowledge in the field of investment makes it easy for someone to make a decision related to investment. Investment in the capital market requires sufficient knowledge, experience, and business sense to analyze which effects will be purchased (Halim, 2005). Knowledge is very important for an investor because this will also prevent investors from various kinds of crimes and losses in the world of capital markets.

The theory in this study is the theory of planned behavior according to Fishbein and Ajzen (2009) which is able to verify the effect of knowledge on one's investment interests. The theory of planned behavior states three factors that influence intention. One of these factors that causes a person to have an interest and do something is a perceived behavioral control factor.

Several studies prove the influence of financial literacy on students' investment interests, namely research from Satria (2015), and Aren et al (2015), and Akims and Jagongo (2017), which show that financial literacy, especially investment knowledge, positively influences student investment interests.

H1: Financial Literacy has a positive effect on capital market investment interests.

Return is the return expected by all investors. Return is defined as the hope of future benefits as a professional compensation for delaying consumption of the effects of inflation and the risks (Tandelilin, 2010). An investor has the goal of getting a return or a return on the investment.

The theory that influences the return on investment interest is the theory of planned behavior developed by (Ajzen, 2009). Perceived behavior control (perceived behavior control) is one of the three factors that cause someone's interest in something.

According to the results of research by Budiarta et al (2014), and Tandio and Widanaputra (2016), returns have a positive effect on investment interest, meaning that the better the perception of return that will be obtained, the higher the investment interest. The value of the effect of return on investment interest in Budiarta et al (2014) research it was 27.2% while in Tandio & Widanaputra (2016) research was 42%,.Thus the return offer can increase interest in investing in the capital market.

H2: Return has a positive effect on capital market investment interests.

Gumanti (2011) states that risk is the likelihood of loss that will be experienced by investors or the uncertainty of the return to be received in the future that can be measured in the form of the probability that some results will appear that move in the range from very good to very bad. The theory of planned behavior is a theory that is able to explain the effect of investment risk on investment interest expressed by (Fishbein & Ajzen, 2009). One of the factors that cause someone to do a behavior because of an interest in something is perceived behavioral control.

Every individual's risk perception is different, but now there is an assumption that risk is not a barrier to investing for potential investors and investors themselves. Thus investors tend to take risks. This is in line with Malik's research (2017), that risk perception has a positive effect on investment interest, meaning that the better the risk perception will be, the higher the investment interest will be.

H3: Risk positively influences investment interest.

Halim (2005) revealed a basic understanding of investment which includes the type of investment, return and investment risk makes it easy for someone to make investment decisions. Investing in the capital market requires sufficient knowledge, experience, and business sense to analyze which securities to buy.

Theory of Reasoned Action Ajzen (1985) explains that a person's behavior is determined

by an intention. The intention is a function of behavior towards subjective norm behavior. This intention is determined by three things: behavior, subjective norms, and behavioral control. Theory of Planned Behavior (development of Theory of Reasoned Action) states that of the three things that determine the intention, the behavior is the main point that is able to predict behavior. Therefore the intention to behave can indicate the behavior to be carried out by someone. This can explain that if a person who has an interest in investing, it is likely that he will take actions to be able to achieve his desire to invest, such as attending training and seminars on investment, accepting investment offers, and ultimately investing (Kusmawati, 2011).

Rooij et al. (2007), Tandio and Widanaputra (2016) stated that a person's interest can be grown by providing an opportunity for that person to learn about what he wants. In the research of Akims & Jagongo (2017) and Arif (2019) states that financial literacy has a positive effect on investment interest. While research by Fachrudin & Fachrudin (2016) found that the results of the capital market training were able to provide a financial understanding that had a positive effect on student investment interests.

H4: Investment training moderates the effect of Financial literacy on investment interests.

Return is the result obtained from investment in an investment (Tandio et al, 2016). Hartono (2010) states that returns can be realized returns, calculated using historical data that has already occurred or expected returns that have not yet occurred but are expected to occur in the future. Returns and risks in investment have a positive relationship that is the higher the risk, the expected return is also higher.

The theory of planned behavior is a theory that is able to explain the effect of investment risk on investment interest expressed by (Ajzen, 1991). One of the factors that cause someone to do a behavior because of an interest in something is perceived behavioral control.

Capital market training is able to provide broad insights for investors in maximizing profits so as to increase investment interest. The research of Tandio & Widanaputra (2016) found the results that return has a positive effect on investment interest.

H5: Investment training moderates the effect of return on investment interest.

Capital Market Training is one of the educational programs organized by the Indonesia Stock Exchange in collaboration with PT. Kustodian Sentral Efek Indonesia (KSEI) and PT. Kustodian Sentral Efek Indonesia (KPEI). Corner of the Faculty of Economics Mahasaraswati University Denpasar in collaboration with the Indonesia Stock Exchange and BNI Sekuritas routinely conduct capital market training on campus to educate students, lecturers and the general public about investing in the Indonesian capital market. Training material is given around the types of investment and the initial investment techniques. Of course, the ultimate goal is to attract participants to start investing, especially in students who already have basic investment knowledge (Mega & Semara, 2015).

Risk arises because of the uncertainty, which means uncertainty is a condition that causes the growth of risk because it causes people's doubts about their ability to predict the possibility of the results that will occur in the future (Djojosoedarso, 1999). With the training, there will be an insight into individuals who can eliminate these doubts.

Theory of Planned Behavior or Reasoned Action (Ajzen, 1985), these learning activities will cause a change in behavior as a result of individual experiences in interactions in their environment involving cognitive, affective and psychomotor. Training on capital markets and investment seminars especially on capital markets is a form of learning for the individuals involved so that they are able to understand the risks involved in investing mainly in the capital market and are able to minimize these risks, which will then foster interest for the individual. In a previous study by Nosic et al (2010), Sindhu et al (2014) and Thai et al (2017) which showed a positive relationship between risk and investment interest.

H6: Investment training moderates the effect of risk on investment interest.

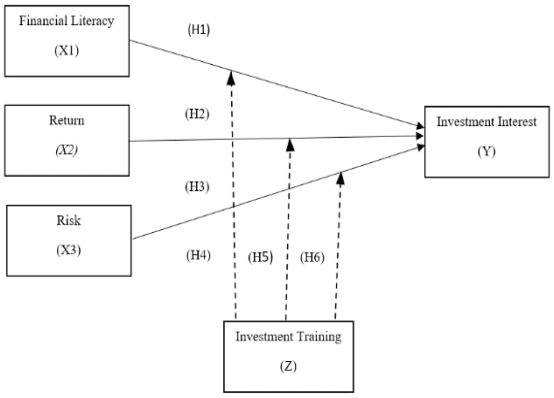

Figure 1. Research Model

METHOD

This type of research is quantitative research. According to Sugiyono (2017), the quantitative method is called positivistic because it is based on the philosophy of positivism. This method as a scientific method or scientific because it has met the scientific principles of concrete or empirical, objective, measurable, rational and systematic. This method is also called the discovery method because this method can be found and developed a variety of new science and technology. This method is called quantitative method because of the research data in the form of numbers and analysis using statistics to find out investment training moderate the influence of financial literacy, return, and risk to investment interests of members of Forum KSPM Kota Semarang.

This study uses associative problem formulation and forms of casual relationships. According to Sugiyono (2017), the formulation of associative problems is the formulation of a research problem that asks the relationship between two or more variables, and the relationship between variables is causal, namely the relationship of independent and dependent variables.

The type of data used in this study is primary data. The data was obtained from a questionnaire that was filled in by members of Forum KSPM Kota Semarang which was the sample in this study. According to Sugiyono (2017) in quantitative research methods that can be used are survey methods, ex post facto, experimentation, evaluation, action research, policy research (in addition to naturalistic and historical methods).

The population is a generalization area that consists of objects or subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions (Sugiyono, 2017). The population in this study are members of the Semarang City Capital Market Study Group, which consists of 10 Capital Market Study Groups (KSPM) from various universities in Semarang that actively participate in the forum activities.

The sampling technique in this study is to use the Slovin formula. This sample selection phase is done by knowing in advance the total population of the study after the total population has been carried out then further searching the minimum number of samples needed. following the formula:

$n = N / (1+ (N \times e^2))$

Information:

n = Sample size

N= Population size

e = The percentage of leeway accuracy because sampling errors can still be tolerated. Writing uses 5% (0.05).

The population contained in this study amounted to 10 Capital Market Study Groups who are members of the Semarang City Capital Market Study Group with a total number of active members participating in FKKS activities is 158 people. The level of significance set is 0.05, so the sample size in this study is:

$n = N / (1+ (N \times e^2))$

$n = 158 / (1 + (158 \times 0{,}005^2))$

n = 113,261 rounded to 113

So the number of samples in this study was 113 KSPM members who were members of Forum KSPM Kota Semarang.

Investment interest can be interpreted as an individual's desire to sacrifice the funds owned to get more valuable rewards in the future to invest in the capital market. The indicators of investment interest according to Trang & Tho (2017) consist of: a) Investment plans in the capital market in the future; b) The desire to invest in the capital market in the future; c) Probability to invest in the capital market in the future.

Financial literacy is a set of skills and knowledge that enables an individual to make decisions and be effective with all their financial resources. Knowledge is a fundamental thing that must be owned by someone to make a certain decision. Financial literacy is directly related to individual welfare, this is because a person's knowledge is directly related to the decisions and attitudes that a person will take on his economic and financial conditions. The indicators of financial literacy according to Wiharno (2015) are general financial knowledge, savings, and loans, insurance and investment.

Return is an investor's view of the profits expected by investors when buying or selling securities. Return is one aspect that greatly affects the interests of potential investors and investors to invest. Indicators for measuring returns based on Thai et al. (2017) are: a) The return on investment of new shares in line with expectations; b) The rate of return is equal to or higher than the last rate of return; c) Satisfaction with investment decisions taken.

Risk is the view of investors that allows not getting the return as expected. This risk will affect investors in their investment interests because risk itself is a threat that must be faced by investors. As for the indicators of risk according to Thai et al (2017) which consists of: a) Feeling risky in the capital market marked "warning"; b) Feeling risky in the capital market that is marked "controlled"; c) Feeling risky in a capital market that has high speculation.

Tandio and Widanaputra (2016) suggested that investment training is a form of learning for individuals about the capital market which will then foster the interest of the individual. The investment training indicators according to Tandio and Widanaputra (2016) consisting of: (1) The experience experienced by respondents regarding investment training, (2) Stock investment seminars, (3) Experience taking capital market theory courses.

Sugiyono (2016) research instrument is a tool used to measure natural and social phenomena observed. Specifically, all of these phenomena are called research variables. Research instruments in the social field that are already standard are generally difficult to find, and therefore research must be able to make instruments used for research. The quality of the instrument relates to the validity and reliability of the instrument, and also the quality of the data collection regarding the accuracy of the methods used to collect the data. The instrument in this study was a questionnaire to find out sources of information that investors use in making investment decisions, financial literacy, returns, risks, and investment training. Research instruments must be tested for validity and reliability before being used to measure variables when conducting research. A validity test is shown to determine the accuracy or speed of an instrument that is used to measure what you want to be measured in the questionnaire. While the reliability test aims to determine the consistency of the measuring instrument, whether the measurement tool can be relied upon and remains consistent if the measurement is repeated. In this study, the validity and reliability tests were conducted by evaluating the outer model. Where the validity test is conducted using convergent validity and discriminant validity, while the reliability test used is composite reliable.

A questionnaire or questionnaire is a data collection technique that is done by giving a set of questions or written statements to respondents to answer (Sugiyono, 2016). This research uses a closed questionnaire or also called a close form questioner, which is a questionnaire that is prepared by providing a complete answer choice so that the filler or respondent only gives a checklist on the selected answer. Questionnaire users are expected to make it easier for respondents to provide answers because alternative answers are available so the answers need a short time. The questionnaire was distributed to members of Forum KSPM Kota Semarang.

The questionnaire used was a closed questionnaire type that was measured using a Likert scale. Likert scale is used to measure the attitudes, opinions, and perceptions of a person or group of people about social phenomena. This scale uses five answer choices for each question.

Descriptive statistics are statistics that function to describe or provide an overview of the object under study through sample data or population as they are, without conducting analysis and making conclusions that are applicable to the public (Sugiyono, 2016).

In this study, researchers used moderating variables to strengthen the effect of independent variables on the dependent variable. It requires a multivariate analysis tool (multivariate analysis). According to Hox and Bechger (1998), SEM is a multivariate analysis tool developed to cover the limitations of previous analytical models that have been used extensively in statistical research. The intended models include regression analysis, path analysis, and confirmatory factor analysis. Hair, Ringle, and Sarstedt (2013) explain the purpose of using multivariate analysis for confirmation (primarily confirmatory), namely to test hypotheses that are developed based on existing theories and concepts or to explore (primarily confirmatory) that are used to look for patterns of data in cases where they do not yet exist or are still limited theory which states how the relationship between variables.

In its development, SEM is divided into two types, namely covariance-based SEM (CB-SEM) and variance-based SEM or partial least square (SEM-PLS). Hair et al. (2013) state that in research situations where theories have not yet been developed, research can use SEM-PLS. Especially if the main objective of the study is to predict or explain the target construct or latent variable. SEM-PLS is growing rapidly in business research and psychology. This is due to SEM-PLS being able to test complex causal relationships between latent variables. Based on this the researchers used SEM-PLS as an analysis tool. In addition to the above advantages, SEM-PLS is very suitable to be used to examine behavioral finance which combines business economics with psychological studies.

According to Hair et al (2013), SEM does not have the best single statistical test that can explain the power in predicting a model. Instead, the researchers developed several combinations of model compatibility tests that produced three perspectives, namely overall fit, comparative to the base model, and parsimony model. And has two stages of analysis, namely the outer model analysis and the inner model.

Outer models are often also called (outer relations or measurement models) defining how each block of indicators relates to their latency

variables. Blocks with reflective indicators can be written as follows:

$x = \Lambda_x \xi + \varepsilon_x$

$y = \Lambda_x \eta + \varepsilon_y$

Where x and y are indicators or manifest variables for exogenous and endogenous latent variables ξ and η, while λx and λy are loading matrices that describe simple regression coefficients that connect latent variables with their indicators. Residuals measured by εx and εy can be interpreted as matrix outer residual models (Ghozali, 2014: 37).

Unlike the other multiple analyzes, SEM does not have the best single statistical test tool that can explain the relationship in predicting a model. Therefore many combinations of model compatibility tests have been developed that can be used to justify whether a model is good or bad. The inner model determines the specification of the relationship between latent constructs and other latent constructs. The equation of the inner model is as follows:

$\eta = \beta_0 + \eta\beta + \xi\Gamma + \zeta$

Where η is an independent variable vector, ξ is a dependent variable vector and ζ is a residual vector (unexplained variance). Because PLS is designed for the recursive model, the relationship between latent variables, each latent dependent variable η, or often called the casual chain system of latent variables can be specified as follows:

$\eta j = \Sigma_i \beta_{ji} \eta_i + \Sigma_i \gamma_{jb} \xi_b + \zeta_j$

Where βji and γjb are path coefficients connecting endogenous predictors and exogenous variables ξ and η throughout the index range i and b, and ζj are inner residual variables (Ghozali, 2014). In the SEM-PLS test using WarpPLS 6.0, there are three fit indicators namely average path coefficient (APC), average R-squared (ARS), and average variance inflation factor (AVIF). Fit indicators for detailed measurements are in table 3.4.

Table 1. Fit indicator for model measurements

Measurement	Value Limit
APC	P< 0.05; Significant
ARS	P< 0.05; Significant
AVIF	Good if AVIF < 5

Sumber: Hair, Ringle, & Sarstedt (2013)

Effect of moderation Investment training on financial literacy, return, risk and investment interest are tested using an analysis path in accordance with the conceptual model of research. Conceptually, there are 6 interactions between investment training and financial literacy, return and risk.

RESULT AND DISCUSSION

The statistical data collected from research results are generally random, raw and unorganized. The data must be summarized well and regularly, both in the form of tables or graphics presentations. This analysis is used to provide an empirical description or description of the data collected in the study (Ferdinand 2014).

The following is a conclusion from the results of the variable descriptive analysis can be seen in Table 2 as follows

Table 2. Distribution of index values of each variable

Variable	Index value	Criteria
Investment Interest	80.79%	High
Financial literacy	72.99%	High
Return	70.44%	High
Risk	72.06%	High
Invetment training	63.86%	Moderate
Average	**72.03%**	**High**

Source: Primary data processed (2019)

Based on table 2, the value of each variable in the KSPM Forum members in Semarang, in general, is 72.03% included in the high criteria. The five variables provide information that each variable has different criteria with presentation details, namely investment interest 80.79% high, financial literacy 72.99% high, 70.44 return high, risk 72.06 high, and investment training 63.86 categorized as moderate.

Structural Equation Model (SEM) Test

Analysis of the data used in this study uses the Structural Equation Model (SEM) approach with the WarpPLS 6.0 program. Which consists of two stages, namely the outer model and the inner model.

Measurement Model Analysis (Outer Model)

Before analyzing and interpreting research data, a validity and reliability test must be performed. A validity test is shown to determine the accuracy or speed of an instrument used to measure what you want to be measured in the questionnaire items. Instead, the reliability test aims to determine the consistency of the measuring instrument, whether the measurement tool can be relied upon and remains consistent if the measurement is repeated.

The convergent validity of the measurement model can be seen from the correlation between the score of the indicator with the construct score (loading factor) with the criteria for the loading factor of each indicator greater than 0.70 can be said to be valid. Furthermore, p-value <0.50 is considered significant. Furthermore, it is also explained that the loading indicator <0.7 must be removed from the model.

Discriminant validity is assessed from cross-loading measurements with constructs. There are two ways to evaluate the fulfillment of discriminant validity, namely (1) by looking at loading latent constructs that will predict indicators or dimensions better than other constructs. If the construct correlation with the measurement principle (each indicator) is greater than the size of the other constructs then the discriminant validity is fulfilled. (2) analyze discriminant validity with AVE criteria. The criteria used are square roots of average variance extracted (AVE), which is a diagonal column and given parentheses must be higher than the correlation between latent variables in the same column (top or bottom).

The results in stage 2 show that the discriminant validity criteria have been met, indicated by the square root AVE greater than the correlation coefficient between constructs on each variable.

Reliability Test Results

The reliability test results with the composite reliability value of each variable used in this study are above 0.70 which means reliable, thus it can be said that the variables of investment interest (0.966), financial literacy (0.914), return (0.907), risk (0.931), and investment training (0.905) used in this research is reliable.

Evaluation of Structural Model (Inner Model)

Structural evaluation (inner model) which includes a model fit test of the path coefficient, and R2.

Table 3. Model Fit Indices and P-Value

Model Fit	Indeks	p-value	Criteria	Information
APS	0.204	0.016	P<0.05	Accepted
ARS	0.232	P=0.027	P<0.05	Accepted
AVIF	1.996	Good if ≤ 5 & ideally ≤ 3.3		Accepted

Source: WarpPLS output (2019)

Hypothesis Test Results

Testing this hypothesis is also intended to prove the truth of the alleged research or hypothesis. The results of correlations between constructs are measured by looking at the path coefficients and the level of significance.

Effect of Financial Literacy on Investment Interest

Hypothesis testing results show that financial literacy affects investment interest so hypothesis one (H1) which states financial literacy has a positive effect on capital market investment interest is accepted. This means that the higher the financial literacy, this will affect the high investment interest of FKKS members.

The test results on the first hypothesis are in line with the theory of planned behavior which states that knowledge influences one's investment interest. The theory of planned behavior states three factors that influence intention. One of these factors that causes a person to have an interest and do something is a perceived behavioral control factor.

This study contradicts the results of research by Wagner (2003) which states that financial literacy has no effect on investment decisions. This opinion was supported by further research from Vuthalova (2015), Arianti (2017), Pradiksari & Isbanah (2018) who stated the same thing. While the results of this study support the research results of Rooij et al (2007), Rizvi, R. & Abrar (2015), Awais et al (2016), Akims et al (2017), and Arif (2019) which states that financial literacy influences investment decisions.

Effect of Return on Investment Interest

Hypothesis testing results show that returns affect investment interest so that the second hypothesis (H2) which states that returns have a positive effect on capital market investment interests is accepted. This means that the higher the investment return will increase investment interest.

This study is in line with the theory of planned behavior by Ajzen (1991) namely the effect of perceptions of investment returns on investment interests can be verified. The theory of planned behavior states there are 3 factors that affect interest or intention. The core of this theory is that individuals will conduct a behavior based on interest/intention. One of the factors that can influence interest is perceived behavior control. The results of the study stated that investment returns can influence students to foster interest in investing in the capital market. In this research, it

is proven that the better the perception of investment return, the higher the investment interest will be made by students.

The results of this study support the research of Merikas et al. (2011), Riffin and Ahmad (2012) which states that return positive effect on investment interest. While the results of this study contradict the results of research from Wulandari et al. (2017) which states the return has not been able to prove the effect on investment interest. It can be concluded that the perception of investment return has an influence that can increase interest in investing in the capital market.

Effect of Risk on Investment Interest

Hypothesis testing results show that risk influences investment interest so the third hypothesis (H3) which states risk positively influences capital market investment interest is accepted. This means that the higher the investment risk perception, the higher the investment interest.

This is in line with the Theory of Planned Behavior proposed by Azjen (1991) able to verify the effect of investment risk perception on investment interest. This theory states that someone acts based on interest. One of the factors that influence interest is perceived behavior control. This study shows the perception of investment risk can influence students to foster interest in investing in the capital market. The results of this study prove that the better the investment risk perception, the higher the investment interest will be made by students.

The results of this study support research from Nosic and Weber (2010) which states that risk positively influences investment decisions. The research was supported by further research, namely Sindhu & Kumar (2014), Farayibi (2015), Malik (2017), who found the same results. This study contradicts the research from, Seetharaman et al. (2017) huge ethnic diversity, coming from different part of the world. This study aims to gain insights and information into the factors that affect investment planners, financial advisers and individuals need to consider improving their choice of the portfolio and its performance. People's investment decisions and hence their portfolio, which hitherto has not been tested. Furthermore, it intends to identify the factors that drive investors to choose one investment over another and determine how they make their investment portfolios. The survey was modelled using the smart-pls statistical package (PLS-SEM) and Wulandari et al. (2017) who revealed that risk perception has no effect on investment interest.

Investment Training Moderates the Effect of Financial Literacy on Investment Interests.

Hypothesis testing results show that investment training does not moderate financial literacy on investment interest so the fourth hypothesis (H4) is rejected. This means that investment training is not able to moderate the influence of financial literacy on investment interests.

Investment training is not able to be a determinant to strengthen or weaken the influence of financial literacy on investment interest as explained by the Theory of Reasoned Action theory. This research is in line with the research of Mega & Semara (2015) which says that the educational program conducted by the Denpasar Unmas Exchange Corner namely capital market training has not been able to moderate the relationship between investment knowledge and income with the investment interest of students of the Unmas Denpasar Faculty of Economics.

Individuals who participate in investment training may only be limited to meeting applicable regulatory obligations, not because of the awareness of the individual itself. Based on observations from information obtained from each KSPM it does require its members to attend investment training such as capital market schools, investment seminars, and compulsory investment training for internal organizations that can make members of the KSPM feel saturated with these obligations. Therefore, evaluation of educational material and the provision of material using the Capital Market Training workshop approach can be done by the manager of the Exchange Corner to compile educational material that is more interesting and interactive. So that the Capital Market Training program can run more optimally in increasing student investment interest (Mega & Semara, 2015).

Investment Training Moderates the Effects of Return on Investment Interest.

The results of hypothesis testing show that investment training moderates the return on investment interest so that the fourth hypothesis (H5) is accepted. This means that investment training can moderate the effect of return on investment interest. Investment training has a role to strengthen or weaken the effect of return on investment interest as explained in the theory of planned behavior. One of the factors that cause someone to do a behavior because of an interest in something is perceived behavioral control. The results of this study indicate investment returns can influence individuals to foster interest in investing in the capital market. Capital market training is able to provide

broad insights for investors in maximizing profits so as to increase investment interest.

The greater the return that might be obtained, the greater the investment interest. Conversely, the smaller the return that might be obtained, the smaller the investment interest (Tandio & Widanaputra, 2016). To increase individual returns must have qualified investment skills. Therefore, investment training is needed by individuals to improve these skills, because by practicing frequently, individuals have the analytical skills to maximize the returns they get. When the individual is able to increase his investment return it will be a stimulus to invest more often. Investment Training Moderates the Effects of Risk on Investment Interests.

The results of hypothesis testing show that investment training moderates risk to investment interest so that the fourth hypothesis (H6) is accepted. This means that investment training can moderate the effect of risk on investment interest. This is in line with the Theory of Planned Behavior or Reasoned Action (Ajzen, 1985) in Tandio & Widanaputra (2016), these learning activities will cause a change in behavior as a result of individual experiences in interactions in their environment involving cognitive, affective and psychomotor. Training on capital markets and investment seminars specifically on the capital market is a form of learning for the individuals involved so that they are able to understand the risks involved in investing mainly in the capital market and are able to minimize these risks, which will then foster the interest for the individual.

Risk arises because of uncertainty, which means uncertainty is a condition that causes the growth of risk because it causes people's doubts about their ability to predict the possibility of future results Djojosoedarso (1999). Because of the training, it will make individuals understand the risks of investment which will eliminate these doubts, so as to be able to foster investment interest.

is a very important thing for potential investors to know about. It aims so that investors (students) avoid irrational (gambling) investment practices, bandwagon culture, fraud and risk of loss, it requires knowledge, experience and business sense to analyze which effects will be purchased in investing in the capital market (Halim, 2005). Investment risks must be considered by individuals in investing as potential investors to avoid irrational investment practices. Uncertainty is the thing that causes risk arises because of people's hesitation about their ability to predict the likelihood of results that will occur.

CONCLUSION AND RECOMMENDATION

Based on the results of the research and discussion that has been presented, the conclusion can be drawn, it can show positive and significant financial literacy on the investment interests of members Forum KSPM Kota Semarang. Associated positively and significantly to the investment interests of members Forum KSPM Kota Semarang. Regarding the positive and significant influence on investment interests of members Forum KSPM Kota Semarang. Investment training does not moderate the development of financial literacy towards investment interests of members Forum KSPM Kota Semarang. Investment training moderates the interest return to investment interests of members Forum KSPM Kota Semarang. Investment training moderates the interests of investment members Forum KSPM Kota Semarang. Suggestions for research that is able to answer each variable in the study, so that the interview can use sentences that are easy to understand in order to answer respondents in answering them. In accordance with the requirements of good indicators namely (simple, measurable, reliable and timely) can be met. Finally, further research agrees to be able to provide variations of the research proposed by other variables or transfer variables that can support investor behavior in making an investment decision and also support research.

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