

# Determinants of Online Investment Decision in Islamic Mutual Funds: Theory of Planned Behavior (TPB) Approach

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The purpose of this study is to analyze the determinants or factors that determine the decision to invest in Islamic Mutual Funds through online platforms, using the Theory of Planned Behavior (TPB). This study measures one dependent variable, namely the decision to invest in Islamic Mutual Funds through online platforms and six independent variables, namely Islamic financial literacy, Islamic mutual fund investment literacy, benefit perception, technological advancement, investment risk and investment return. The research is quantitative in nature, using primary data. Data collection was conducted with the dissemination of questionnaires to respondents in Greater Jakarta Area who have accessed online platforms to invest in Islamic Mutual Funds. This study then uses SEM-PLS (Structural Equation Modeling-Partial least Square) analysis with SmartPLS software to analyze the data. The study shows that Islamic Financial Literacy and Investment Literacy of Islamic Mutual Funds have a negative and significant influence on the decision to invest in Islamic Mutual Funds Online. While the variables of perception of benefits, technological advances, investment risk and investment return have no influence on the decision to invest in Islamic Mutual Funds Online. Thus, the better the level of literacy or understanding of Islamic finance and the investment literacy of Islamic mutual funds, the more people's decisions to invest in sharia-compliant mutual funds through online platforms.

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Received: 15 October 2023

Accepted: 11 December 2023

Published: 31 December 2023

Citation:

(2023) Determinants of Online Investment Decision in Islamic Mutual Funds: Theory of Planned Behavior (TPB) Approach. Islamic Capital Market. 1.1.

**Keywords:** Islamic investment; Islamic financial literacy; Islamic mutual funds; Online investing; Investors preferences

## INTRODUCTION

Investment is one of the activities that can be carried out in the capital market, and is one of the economic indicators for a country as measured in Gross Domestic Product (GDP). Investment has a positive relationship with GDP, that is, if a country's investment increases, national income or GDP will also increase, and vice versa (Dyan, 2020). So that Indonesia continues to try to attract as many investors as possible to increase and help economic growth through investment activities.

Investment in Islamic financial instruments is one of the options for investors in developing their funds, because financial investments have advantages compared to real sector investments, such as an easy process (Pratama 2020). Currently, one of the investments that has grown rapidly since 2008 is mutual funds. Mutual funds are flexible investments that are managed by investment managers. Thus, investors only need to know and pay attention to the Net Asset Value (NAV). Data from the Financial Services Authority (OJK) recorded that the managed funds of the national mutual fund industry in December 2020 increased by 5.79% to IDR 573.5 trillion compared to the previous one in October 2019 worth IDR 553.26 trillion.

In its development, mutual funds bring up innovations where the management mechanism is based on sharia principles. So that Islamic Mutual Funds are developed by applying a profit sharing system to the profit sharing mechanism (Ismail 2013). Islamic mutual funds enrich alternative investment *instruments*, which do not provide good returns but are also "halal" for Muslims (Satiani 2016). Fatwa of the National Sharia Council (DSN) MUI Number 20/DSN MUI/IV/2001 Sharia Mutual Funds as mutual funds that operate in accordance with the provisions and principles of Islamic sharia, both the contract between the owner of the property (shahib al-mal) and the investment manager.

According to data from the Financial Services Authority (OJK), Islamic Mutual Funds experienced a very rapid increase and development from 2015 to 2020, seen from the number of Islamic Mutual Funds and the NAV of Islamic Mutual Funds (OJK, 2020). Data from the Financial Services Authority (OJK) also noted that the increase in Islamic mutual fund managed funds is in line with the increasing interest of investors in investment products that are halal and in accordance with sharia principles. The number of mutual fund participation units rose 20% to 64.14 billion units in

December 2020, compared to December 2019 of 53.34 billion, an increase of 10.8 billion units. This condition shows that investors are hunting for Islamic mutual fund instruments amid the Covid-19 pandemic (Malik, 2021).

The development of Sharia Mutual Funds cannot be separated from the factors that influence and determine the Indonesian people to invest in Sharia Mutual Funds. Meanwhile, PT Kustodian Sentral Efek Indonesia (KSEI) noted that the Single Investor Identification (SID) data as of December 2020 was recorded at 3.85 million compared to 2.47 million investors as of December 2019. The number of investors consists of investors in stocks, bonds, mutual funds, securities (SBSN) and other securities registered at the Indonesian Central Securities Depository (KSEI). In terms of demographics, the dominating age is the millennial generation or less than 30 years old, which reaches 50.24% or IDR 18.74 trillion, followed by the second largest position which is the 31-40 years age group (23.85%) or IDR 43.17 trillion. (Chin, 1998) (Prima, 2020).

According to Widya (2018) since 2017, the development of increasingly advanced technology in Indonesia's conventional or sharia stock market has provided many conveniences. With technological advances having a major influence on economic progress and encouraging various sectors, one of which is the conventional or sharia capital market sector to be more efficient and effective. Driven by increasingly sophisticated social media to give birth to online applications, it makes it easier for investors to invest online and transact whenever and wherever investors make decisions to invest.

Sharia financial literacy index data based on the National Financial Literacy Survey (SNLK) data from the Financial Services Authority (OJK) in 2019 amounted to 8.93 percent, an increase compared to 2016 of 8.1 percent. However, the increase in the Islamic financial literacy index is still low compared to the national literacy index which reached 38.0 percent from 29.7 percent in 2016. According to researchers, good financial literacy will positively influence or affect a person's ability to make investment decisions (Glaser and Weber, 2007). Therefore, understanding Islamic financial literacy specifically on Islamic Mutual Funds is needed to determine investment decisions.

Before investing in one of the investment *instruments*, investors first learn everything related to investment, one of which is investment knowledge. Research conducted by (Khotimah, et al, 2014) where

knowledge affects investment interest. If a person's knowledge is adequate, then that person is encouraged to invest. However, in contrast to the results conducted by (Malik, 2017) he found that knowledge has no effect on investment interest. This is due to the lack of knowledge of investors on Sharia stocks so that there is less interest in investing in Sharia stocks. Therefore, in this study, the variable of investment literacy or knowledge, especially in Islamic Mutual Funds, is needed to see how much influence the community has in making decisions to invest in Islamic Mutual Funds.

Research conducted by Tandio and Widanaputra (2016), to further understand what factors affect the investment interest of a student who has no experience in investing in the capital market by including capital market training factors, *returns*, risk perception, gender and technological advances. The conclusion of the study is that what affects student investment interest is capital market training and investment *returns*.

According to Jogyanto (2010) calculating *returns* in investment is not enough, investment risk must also be taken into account, because risk is one of the *trade-off factors* that need to be considered in investment or can be called another factor of *return*. Research conducted by Yuwono (2011) found that risk perception is the factor that most influences investment interest. Priambodo and Prabawani (2015) examined the effect of perceived benefits, convenience and perceived risk on user interest in using electronic money services. The results in this study indicate that perceived benefits and perceived convenience have a positive and significant influence.

Based on the above background, the research objectives of this study are as follows: (1) To analyze the effect of financial literacy and Islamic mutual funds, perceived benefits, technological advances, investment risks and returns on the decision to invest in online Islamic mutual funds, especially in the age group 20-44 years in Jabodetabek; (2) To analyze the most influential and decisive variables on the decision to invest in online Islamic mutual funds in the age group 20-44 years in Jabodetabek.

## LITERATURE REVIEW

Investment is an activity that delays consumption to obtain greater benefits or value in the future in accordance with what is expected. Investment is defined as the component of GDP that links the present and the future (Mankiw, 1987). Investment or saving is an act of refraining from consumption

income, one of the income that is not spent is called saving. According to Arifin (2007), investment can be divided into two types, namely, investment in *real assets* and *financial assets*. *Financial assets* are investments made in capital markets such as stocks, bonds, mutual funds and so on. Meanwhile, the money market, for example, is in the form of securities, money market certificates of deposit. *Real asset* investment can be done in the form of productive assets, opening mining and establishing factories (Halim 2003).

The Indonesian Ulema Council (MUI, 2001) defines Islamic mutual funds as mutual funds that operate based on Islamic sharia provisions and principles, both in the form of contracts between the owner of capital (shahib al-mal) and investment managers as representatives of shahib al-mal, or between investment managers as representatives of shahib al-mal and investment users, and strengthened by the fatwa of the National Sharia Council (DSN) MUI No. 20/DSN-MUI/IV/2001 which contains guidelines for implementing Islamic Mutual Fund investments. According to (Jepryansyah and Syarieff, 2014) what distinguishes Islamic mutual funds from conventional ones is that Islamic mutual funds have an investment policy based on halal portfolios.

Islamic mutual funds are said to be halal, if those who carry out investment instrument activities do not do anything that is contrary to sharia principles, such as the absence of usury, gharar and maysir. Therefore, both bonds, stocks and other securities when the company issues products related to sales and production such as liquor, cigarettes, products containing pork and so on that oppose sharia provisions are not included in the Islamic mutual fund portfolio (Rahmah, 2016).

*Consumer* behavior theory is based on microeconomic theory which explains that every consumer will try to obtain maximum satisfaction. In its development, the theory underlying consumer behavior is increasingly broad, including psychological theories in which individuals are influenced by environmental forces and anthropological theories that emphasize the purchasing behavior of a wider range of people such as; social, cultural and others.

Thorstein Veblen (2015) is one of the economists who discussed the concept of behavior in *The Theory of Leisure*. The theory put forward by Viblen is a form of criticism of "economic man". Economic theory believes that economic humans are rational beings who maximize their satisfaction in consumption. The relevance of *consumer behavior* theory to this

research is to explain consumer behavior towards decisions in investing in Sharia Mutual Funds based on Theory of *Planned Behavior* (TPB) and *investment behavior* theory.

### Theory of Planned Behavior (TPB)

This theory explains the relationship between individual behavior and attitudes, namely the Theory of Planned Behavior (TPB) or commonly referred to as the Theory of Planned Behavior, and this is the development of the Theory of Reasoned Action (TRA). This TRA theory was first proposed by a psychologist, Icek Ajzen in 1980. Theory of Planned Behavior is the assumption that humans are rational beings who take into account the consequences of what they do before making a decision to do a certain action or behavior, in this theory also explains that intention makes the main reason for influencing individual behavior and becomes a reinforcing indicator in individual efforts to take an action (Ajzen, 1991).

Intention is influenced by three factors, namely Behavioral Attitudes, Behavioral control, and Subjective Norms. Subjective norms are defined as a person's perception of significant choices or preferences, then behavioral control is defined according to Fishbein and Ajzen, namely the ease or difficulty accepted to behave. So that in this study using *Theory of Planned Behavior* (TPB) as a foundation that refers to three factors, namely the role of behavioral attitudes, perceptions of behavioral control, and Subjective Norms in determining the factors that influence a person's intention in making decisions to invest in Sharia Mutual Funds Online, with the variables used being Sharia financial literacy, Sharia Mutual Fund literacy, perceived benefits, technological advances, investment risk, and investment *returns*.

### Previous Studies

Nururrokhmah (2020) her research aims to determine the factors that influence student interest in investing through online mutual funds registered with the Financial Services Authority in 2019, this study uses *purposive sampling* techniques and distributes questionnaires with the population of all students in the Yogyakarta area, the results show that investment knowledge, benefits, and investment risk have a positive influence, while *return* and perceived convenience have a negative influence on student interest in investing through online mutual funds. So in this study found that the better investment knowledge, perceived benefits, perceived convenience and the

lower the investment risk, the more students' interest in investing through online mutual funds will increase.

Laily and Aeni (2020) in their research entitled "The Effect of *Return* and *Risk* Levels on Investment Decisions in Islamic Mutual Funds", the purpose of this study was to see and find out how much influence the level of *return* and *risk* has on investment decisions in Islamic mutual funds on students of the economics and business faculty of IAIN Kudus. This study uses *non-random sampling* technique type *purposive sampling* by distributing questionnaires. The results found that the *return* and *risk* variables partially had a positive influence on the decision to invest in Islamic mutual funds.

Yusuf (2019) examined the influence of technological advances and knowledge on the millennial generation's interest in investing in the Indonesian capital market. This study uses multiple regression methods through SPSS *software*. The results stated that investment knowledge and technological advances have a significant influence. Fauzi and Murniawaty (2020) to analyze the influence between religiosity and Islamic financial literacy and interest in becoming customers in Islamic banks. This type of research is quantitative with data collection through questionnaires and the research method uses descriptive statistical analysis and multiple linear regression analysis. The results of this study found that there was a partial influence by the religiosity variable of 4.49% and Islamic financial literacy of 17.977% on interest in becoming a customer in Islamic banks.

Ramadhani and Cahyono (2020) tested the variable of Islamic financial literacy on investment plans among Islamic economics students in Surabaya, namely Sunan Ampel State Islamic University, Airlangga University and Surabaya State University. This type of research is associative quantitative. The results of this study found that Islamic financial literacy has a significant influence on investment plans, and based on the results of the t test, the Islamic financial literacy variable has an effect on investment plans. Selviana, Syaifuddin and Budi (2020) analyzed the influence of investor determinant factors on investment decisions. The type of research used is quantitative with multiple linear regression analysis methods. The results of this study indicate that financial understanding, risk tolerance and income level have a positive and significant effect on investment decisions.

Edi, Nolita and Depiana (2018) analyzed the perception of financial literacy, financial attitudes and social demographics on employee financial behavior in



making investment decisions. The research method used is multiple regression analysis, data collection techniques with nonprobability sampling purposive sampling approach. The results of this study indicate that financial literacy, financial attitudes, and social demographics have a significant effect on employee financial behavior in making investment decisions, said to be influential because it refers to a significant value of less than 0.05.

Based on the explanation of the theoretical basis above, therefore the framework for this research on the Determinants of Online Sharia Mutual Fund Investing Decisions with approach variables, namely, Sharia Financial Literacy, Sharia Mutual Fund Literacy, Perception of benefits, Technological Progress, Investment Risk and Investment Return on Online Sharia Mutual Fund Investing Decision Making.

### **The Effect of Sharia Financial Literacy on the Decision to Invest in Sharia Mutual Funds Online**

Financial knowledge is strongly tied to financial behavior (Xiao, 2008). Financial literacy is a component that is the basis of human capital used in a financial activity to increase utility, namely to improve economic welfare. In research conducted by Ramadhani and Cahyono (2020) on the Effect of Islamic Financial Literacy on Investment Plans in the Islamic Capital Market on Islamic Economics Students in Surabaya, the results show that Islamic financial literacy has a significant influence on investment plans, and based on the results of the t test, the Islamic financial literacy variable has an effect on investment plans.

H1 : Islamic financial literacy has a positive effect on the decision to invest in Islamic mutual funds online

### **Effect of Islamic Mutual Fund Literacy**

Literacy in this study focuses on understanding and knowledge of Islamic Mutual Fund investment. In research conducted by Rooij, et al. (2011) entitled "*financial literacy and stock market participation*" found that someone who has an understanding and knowledge of finance makes it possible to have an investment in stocks. Knowledge carried out on Sharia securities in the capital market will encourage investors to be interested in investing in Sharia securities (Khotimah, et al, 2014). In the theory of planned behavior (TPB) by Ajzen, it is stated that someone in acting something is done based on sufficient interest and confidence. Research conducted by Yusuf (2019) in the results of

the study stated that the investment knowledge variable has a positive influence.

H2 : Islamic Mutual Fund literacy has a positive effect on the decision to invest in Islamic Mutual Funds online.

### **Effect of Perceived Benefits**

According to the TAM theory developed by Davis et al (1989) explains that perceived benefits are a person's belief in a technology that will have a positive impact on improving performance if it is useful for users of the technology. This theory is in line with research conducted by Dyan (2019) on Analysis of Factors Affecting Student Interest in Investing Through Online Mutual Funds Registered with the Financial Services Authority in 2019, the results of which show that the better investment knowledge, perceived benefits, perceived convenience and the lower the risk of investment, the more student interest in investing through online mutual funds will increase.

H3 : Perceived Benefits have a positive effect on the decision to invest in Islamic mutual funds online

### **Influence of Technological Advancement**

Technological developments have a considerable influence on the economic progress of a country and encourage the business sector to be more effective and efficient in carrying out business operations with maximum results Timothius and Widanaputra (2016). Research conducted by Yusuf (2019) on the Effect of Technological Progress and Knowledge on Millennial Generation Interest in Investing in the Capital Market, the results show that technological progress has a significant influence.

H4 : Technological advances have a positive effect on the decision to invest in Islamic mutual funds online.

### **Effect of Investment Risk**

When starting to invest, investors always think and try to minimize the risks or things that might happen. Arrow (1971) according to him a person often ignores the risks that occur if a thing that is expected or bet has a small value, but if it has a large value, someone will certainly maximize to reduce the risk that will occur. Risk and *return* have a positive relationship, the greater the risk that occurs, the greater the *return* that can be Jogianto (2014). In research conducted by Nurul Laily and Nurul Aeni on the effect of *return* and risk levels on investment decisions in Islamic mutual funds with results showing that *risk* and *return* partially have a positive influence on investment decisions in Islamic mutual funds.

H5 : Investment risk has a positive effect on the decision to invest in Sharia Mutual Funds online

### Effect of Investment *Return*

*Return* is the return or profit expected in the future on a number of funds that have been invested. In the theory of planned behavior by Ajzen in Jogiyanto (2007), according to him, one's attitude towards behavior is influenced by the investment *return* that can be obtained for the benefits of investing. In research conducted by Timothius and Widanaputra (2016) with the title of the effect of capital market training, *return*, risk perception, gender and technological progress on student interest, with results showing that the *return* variable has a significant effect on the interest variable.

H6 : Investment *Return* has a positive effect on the decision to invest in online Sharia Mutual Funds.

## RESEARCH METHOD

This research was conducted in the Jabodetabek area on a sample of residents who invested in Sharia Mutual Funds online. This research was conducted over a period of 4 months, May-August 2022. The type of research used is quantitative data. Quantitative research is a process to see something that wants to be known by using data in the form of numbers as a tool for analyzing information (Kasiram, 2008). The type of data used in this research is primary data obtained directly from the source. In collecting this primary data through the questionnaire method, the questionnaire is distributed personally either directly or through social media.

The data collection technique in this study was the primary method, namely distributing questionnaires. The questionnaire used revolves around written questions in the form of indicators on each variable that have been formulated by researchers who will be distributed and answered by respondents. In preparing this questionnaire using a Likert scale. The answer to each question using a Likert scale has a value from very negative to very positive. In the questionnaire, each question consists of four answers with gradations of assessment from scores 1-4.

### Operational Variables

Based on its function, the variables in this study are categorized into two types, namely the dependent variable (Endogenous (Y)) and the independent variable (Exogeneous (X)).

#### 1. Endogenous Variable (Y)

The dependent variable (Y) is the dependent and influenced variable. According to (Mustafa, 2009) the dependent variable is a variable whose value variation is influenced by variations in the value of other variables. The dependent variable in the SEM-PLS method is called the Endogenous variable (Y), in this study the Endogenous variable (Y) is the decision to invest in Islamic mutual funds online.

#### 2. Exogeneous Variable(X)

Independent variables are independent variables or variables that will affect other variables. Independent variables in the SEM-PLS method are called Exogeneous variables (X), in this study these Exogeneous variables are grouped into 5 variables as follows:

**Table 1. Exogeneous Variable (X)**

No.	Variables	Indicator	Reference
1.	Sharia Financial Literacy (X1)	Knowledge of financial management according to Islamic Sharia.	Rahim (2016)
		Profitable and halal welfare.	Marlya (2019)
2.	Islamic Mutual Fund Literacy (X2)	Basic knowledge of Islamic Mutual Fund investment	Halim (2005)
3.	Perceived Benefits (X3)	Helps performance	Davis (1989)
		Accessible anywhere	Sitorus et al., (2019)
		Faster	
		Helpful	
4.	Technological Progress (X4)	Effective and Efficient	Yusuf (2018)
		Convenience anytime anywhere	Tandio et al., (2016)
5.	Investment Risk (X5)	The likelihood of the desired and actual returns occurring	Dyan (2020)
6.	Investment <i>Return</i> (X6)	Return on invested capital	Halim (2005)
		Expected return	
		Returns that occur	

## Population and Sample

Population is a generalization area consisting of subjects or objects that have certain qualities and characteristics that have been determined by researchers to study and draw conclusions [Adhitama \(2016\)](#) in [Sugiyono \(2010\)](#). In this study, the population used is in the Jabodetabek area. The sampling technique in this study is to use a sampling method based on certain criteria, the technique used is *purposive sampling* technique. According to [Sugiyono \(2010\)](#) *purposive sampling* is a sampling technique with certain considerations. The criteria used in this study are as follows: (1) All respondents who use investments in online Islamic mutual funds both in the seed application, bareksa, and so on with an online basis aged 20-44 years; (2) Domiciled in Jabodetabek (Jakarta, Bogor, Depok, Tangerang, Bekasi), Indonesia.

The reason for choosing this sample is because many Jabodetabek people have used online Islamic mutual fund investments so that researchers want to know the factors that influence and determine Jabodetabek people in making decisions to invest in online Islamic mutual funds.

The Jabodetabek Central Statistics Agency (BPS) explained that the total population of Jabodetabek was 6,734,603. Based on calculations that refer to the Slovin formula with a significant level of 0.1% (10%), the researcher will take a sample of 100 according to the Slovin formula calculation. Determination of the minimum number of samples used in this study refers to the statement of [Roscoe \(1975\)](#) stating that the number or number of respondent samples is at least 10 times the variable under study.

## Data Analysis Technique

The data analysis technique in this study used SEM with a PLS approach (*SEM-PLS Structural Equation Modeling-Partial least Square*) with *SmartPLS software*. The SEM (*Structural Equation Modeling*) method is one of the *multivariate statistical* models that can be used to test causal relationships ([Indra, 2021](#)). SEM was developed with the aim of overcoming the limitations of models such as; regression analysis, *path* analysis, and *confirmatory factor analysis* ([Hox and Bechger, 1998](#)). The SEM model is a *hybrid* technique that combines aspects of analysis, *path analysis*, regression, and *confirmatory factor analysis*. The advantages of SEM have the ability to build models that contain variables that are not measured or latent variables (*unobservable*) directly, such as

"performance", "loyalty", "commitment" and others. ([Chin, 1998](#)).

SEM analysis can analyze and predict better than other analyses, because SEM can analyze variables or models more deeply. The SEM method is more comprehensive in describing research phenomena. While other path analysis or multiple regression can only reach the level of latent variables, it sometimes has difficulty in describing phenomena on latent variable indicators. In SEM analysis, there are generally two types of SEM modeling that can be used to analyze the relationship between latent variables, namely; 1) *Covariance-Based SEM* (CB-SEM) which was first developed by [Joreskog \(1969\)](#), then 2) *partial Least Squares SEM* (PLS-SEM) developed by [Wold \(1974\)](#). The CB-SEM model is often called "*hard modeling*" because it requires several strict assumptions, such as large samples and normality. While the PLS-SEM model is often called "*soft modeling*" because it uses softer assumptions, and can use small samples.

In the SEM-PLS method, researchers need to follow a multi-stage process including internal and external model specification, data collection and verification, actual model estimation, and evaluation of results. There are three main steps, namely; model specification, *outer model evaluation* and *inner model evaluation*.

### 1. Designing Structural Models (*Inner Model*) and Measurement (*Outer Model*)

*Inner models* or inner models or inner *relations*, structural models and substantive theories describe the relationship between latent variables based on theory. The endogenous latent variable in this study is the underlying investment decision in online Islamic mutual fund investment, while the exogenous latent variables are Islamic financial literacy, Islamic mutual fund literacy, perceived benefits, technological advances, investment risk, and investment *return*.

After determining the relationship between latent variables in the *inner model*, the next step is to design the *outer model*. The outer model is often referred to as the measurement model, which is a model that shows how each indicator block is related to its latent variable. In this study, the outer model was built based on the indicators previously mentioned in the operational variables section.

### 2. Evaluation of Measurement Model (*Outer Model*)

Evaluation is carried out to ensure that the measurements used are suitable for measurement (valid

and obtained). Thus, this evaluation will analyze reliability, and see the level of prediction of each indicator on latent variables by analyzing 2 main things, namely validity and reliability tests. The validity test is defined as a testing process that is assessed based on the correlation between the item score / component score and the PLS construction score. the first stage in the convergent validity test is to look at the factor loading value, which is the value produced by each indicator to measure the variable. The value of the loading factor according to Sarstedt, Ringl, Smith, Reams & Hair (2014) must be higher than 0.5 and ideally 0.7 or higher. In this study using a standardization value of  $> 0.7$ . Then after the loading factor, see the Average Variance Extracted (AVE) value, which is the value each variable has where it has a value of  $> 0.5$ .

Meanwhile, the reliability test is carried out to see whether the value obtained is declared reliable or not, by looking at the Composite Reliability value, the value must be  $> 0.7$ , and can be declared reliable (Ghozali, 2011).

### 3. Evaluation of the Structural Model (inner model)

Conducted to analyze the results and ensure that the model built is strong and accurate. In this evaluation, see the R-Square value ( $R^2$ ) to see how much the percentage of variable Y is influenced or explained by variable X, then the path Coefficients (path coefficients) which show the direction of the variable relationship whether the hypothesized relationship in this study has a negative or positive relationship. to see this relationship, if the value you have is in the range 0 to 1, it means it is positive or has a positive relationship and if the resulting value is in the range 0 to -1, it is negative.

Furthermore, this evaluation tests the T-Statistic (Bootstrapping) to test the hypothesis results by looking at the significance of the variables, according to experts a variable has a significant relationship if the T-Statistic value is  $> 1.96$ . After that, see the Predictive Relevance value, to show how good the observation value produced in the study is. Standard value Predictive Relevance is said to be good if  $> 0$  and seen through the Blindfooding model. The last stage is the Fit Model Test, to see how well the model in the study, this fit model is seen from the NFI value.

## RESULTS AND DISCUSSION

In this study, the data collected based on the results of a survey through distributing online

questionnaires with google form, the population in this study were Jabodetabek people who owned and used online Islamic Mutual Fund investments. The total number of respondents obtained was 102. Of the 102 respondents, the authors only took data on respondents who had 100 online Islamic Mutual Fund investments. The results of the questionnaire data were collected using Ms Excel in csv format. Data processing in this study using SmartPLS software.

### Description of Respondent Profile

In the research results on the distribution of questionnaires shown in appendix 2, it shows that the dominating gender group is female as many as 52 people (52%) and male 48 people (48%). Then based on the age of the respondents, it is dominated by the age group 20-24 years as many as 63 people (63%), then in the age group 25-29 years as many as 13 people (13%), the age group 25-29 years as many as 13 people (13%), then 10 people each (10%) in the age group 30-34 years and 35-39 years, and in the age group 40-44 years as many as 4 people (1%).

The results showed that the domicile of respondents with Jabodetabek coverage was dominated by respondents who lived in Bogor, namely 40 people (40%), second place was 23 people (23%) who lived in Jakarta, then as many as 14 people (14%) who lived in Bekasi, as many as 12 people (12%) who lived in Depok, and finally as many as 11 people (11%) who lived in Tangerang. Most respondents have a profession dominated by students with a percentage of 50% (50 people), then as many as 18 people (18%) have the profession of private employees, then as many as 15 people (15%) work as housewives, and respondents who work as entrepreneurs (8 people), entrepreneurs (4 people) and civil servants (5 people).

Based on the income group, it can be seen that as many as 66 people (66%) of the respondents have an income of less than IDR 5,000,000, 20 people (20%) have an income of IDR 5,000,000 - 10,000,000, 7 people (7%) have an income of IDR 10,000,000 - IDR 15,000,000, the last as many as 7 people (7) have an income above IDR 15,000,000. For groups that make investments, it shows that as many as 100 respondents (98%) they invest in Islamic Mutual Funds and as many as 2 people (2%) do not invest, with the same number of 100 people (98%) they invest in Islamic mutual funds online, and the remaining 2 people (2%) invest offline.

Furthermore, the results of the study based on respondents who have online Islamic mutual fund investments Most and dominated by 61 people (61%)



use online Islamic mutual fund application *instruments* on the Bibit application, as many as 18 people (18%) use Bareksa Instruments, as many as 11 people (11%) use *instruments* on Manulife Mutual Funds, then on Islamic mutual fund investment instruments on Tokopedia, gopay as many as 4 people each, then finally 1 person each uses Islamic mutual fund instruments through Danareksa and Ovo.

Furthermore, based on the main factors determining Islamic mutual fund investment decisions, the main factors that encourage respondents to choose to invest in Islamic mutual funds are mostly and dominated by 40 people at the encouragement of friends, 26 people at the encouragement of information from public figures, 20 people at the encouragement because they have known Islamic mutual fund products for a long time, 9 people at the encouragement of family invitations and finally 5 people at the encouragement of teachers or lecturers.

### SEM-PLS Model Requirements Test Results

In the SEM-PLS model analysis, the first step is to evaluate the model, consisting of *Evaluation of Measurement Model (Outer Model)* and *Evaluation of Structural Model (Inner Model)*. In the outer model evaluation, it aims to ensure that the measurements used in this study are suitable for measurement (valid). So that in this evaluation predicts the value of each indicator on latent variables. In general, the outer model evaluation includes two, namely, the first Validity Test; convergent validity and discriminate validity and the second Reliability Test.

### Validity Test

The convergent validity test in this study used SmartPLS *software*. This test is a reflective measure used as an indicator that refers to the correlation between the item value and the construct *score* to be measured. In this convergent validity test, it is seen from the loading factor value and *Average Variance Extracted* (AVE).

*Loading* factor is the value produced by each indicator to measure the variable. The value of the loading factor according to Sarstedt, Ringl, Smith, Reams & Hair (2014) must be higher than 0.5 and ideally 0.7 or higher. In this study using a standardization value of  $> 0.7$ . The results show that the *loading* factor value in the initial model has several construct values on certain indicators that have a value  $< 0.7$ , which means it shows that the value is invalid or cannot measure the variable, to overcome this there are two ways to do it, first by leaving it alone or second by discarding or blocking the construct value on each

indicator that has a value  $< 0.7$ . In this study, the authors discarded the value of indicators that were  $< 0.7$  until they produced a loading factor value on each indicator  $> 0.7$ . And it can be seen in the modified model table that the final result of the *loading* factor value shows  $> 0.7$ , which means it has been fulfilled and it can be concluded that the construct value on each indicator is feasible or valid to measure each variable.

Furthermore, after the factor loading value is met, the second stage in this convergent validity test is to see the Average Variance Extracted (AVE) value. This AVE value is the value that each variable has where it has a value of  $> 0.5$ . The AVE results show that all variables have an AVE value  $> 0.5$ . So, it can be concluded that the AVE value above meets the criteria.

### Discriminant Validity Test

After completing and meeting the criteria for convergent validity, the next stage is the discriminant validity test which is seen from the Fornell Larcker Criterion or HTMT and Cross Loading values, between the two we can choose just one. In discriminant validity, the author chose to look at the Fornell Larcker Criterion or HTMT value. Fornell Larcker Criterion or HTMT is the correlation value between variables with the variable itself and variables with other variables, according to experts to see the criterion, namely seen from the correlation value with the variable itself must be higher than the correlation value of the variable with other variables. The results of the Fornell Larcker Criterion or HTMT are presented in the appendix. The results show that the correlation value of the variables in this study with the variable itself is greater than the correlation value of the variable with other variables, which means that it can be concluded that the manifest variable has a strong relationship with the Latin variable it measures rather than with other Latin variables.

After carrying out all stages of the convergent and discriminant validity tests so that they meet the specified criteria. It can be concluded that in the validity test stage it means that the measure owned in this study can already measure the variable, as in this study, that the indicators owned in the Islamic financial literacy variable ( $X_1$ ) can already measure the Islamic financial literacy variable itself, and similarly the indicators owned by the variables ( $X_2$ ) Islamic Mutual Fund Investment Literacy, ( $X_3$ ) Perceived Benefits, ( $X_4$ ) Technological Progress, ( $X_5$ ) Investment Risk and ( $X_6$ ) *Investment Return* can already measure the variable itself. Then, the next step we will test whether the statement

is *reliable* or in accordance with the field and is called the Reliability test.

### Reliability Test

The reliability test is carried out by looking at the *Composite Reliability* and *Cronbach's Alpha* values, where both values must be  $> 0.7$ , and can be declared *reliable* (Ghozali, 2011). The results of *Composite Reliability* and *Cronbach's Alpha* are presented in the appendix. Based on the results of *Cronbach's Alpha* and *Composite Reliability*, all indicators are above 0.7 so it is concluded that in the overall reliability test, the variables used in this study have a fairly high reliability and have met the criteria. After all stages of the Evaluation of *Measurement Model (Outer Model)* have been completed, it is concluded that the indicators in this study have been able to measure the variables that should be measured, and are powerful. Then enter the second stage, namely *Evaluation of Structural Model (Inner Model)*

### Evaluation of Structural Model (Inner Model)

The *structural model* evaluation aims to analyze the results of existing values. There are 2 tests, namely R-square and Path coefficient. The R-Square test is the value owned by variable Y, and aims to see how much the percentage of variable Y is influenced or explained by variable X. The results of the R-Square test are presented in the attachment. The R-Square test result is 0.390. So, it can be concluded that the value of variable

Y in this study, namely the Investment Decision on Online Sharia Mutual Funds, is influenced by 39% by variable X in this study, namely; Islamic financial literacy, Islamic mutual fund investment literacy, perceived benefits, technological advances, investment risk and investment *return*. And the remaining 61% value is influenced by other factors that are not in this study.

Second is the path coefficient, which is a value that shows the direction of the variable relationship whether the hypothesized relationship in this study has a negative or positive relationship. To see the relationship, if the value possessed is in the range of 0 to 1, it is positive or has a positive relationship and if the resulting value is in the range of 0 to -1, it is negative. test results *path Coefficients* presented in the attachment. The path coefficient in this study shows that there are three variables that have a positive value, namely Sharia Financial Literacy ( $X_1$ ), Sharia Mutual Fund Investment Literacy ( $X_2$ ), KMT Technology Progress ( $X_4$ ) and RUN Investment Return ( $X_6$ ). Then two variables show a negative relationship, namely Perceived Benefits of PIM ( $X_3$ ), and Investment Risk ROI ( $X_5$ ).

#### • T-Statistic (Bootstrapping)

*T-Statistic* Aims to see significance in the variable, according to experts a variable has a significant relationship if the T-Statistic value is  $> 1.96$ . T-statistic is seen through Bootstrapping.

Table 2. T- Statistic (Bootstrapping)

	Original Sample (O)	Sample Mean (M)	Std.Deviation (STDEV)	T Statistics ( O/STDEV )	P Values
KMT ( $X_4$ ) -> KBI (Y)	0.268	0.274	0.156	1.715	<b>0.087</b>
LIR ( $X_2$ ) -> KBI (Y)	0.362	0.335	0.177	2.050	<b>0.041</b>
LKS ( $X_1$ ) -> KBI (Y)	0.222	0.216	0.105	2.114	<b>0.035</b>
PIM ( $X_3$ ) -> KBI (Y)	-0.145	-0.115	0.137	1.057	<b>0.291</b>
ROI ( $X_5$ ) -> KBI (Y)	-0.014	-0.025	0.109	0.124	<b>0.902</b>
RUN ( $X_6$ ) -> KBI (Y)	0.047	0.037	0.065	0.717	<b>0.474</b>

Source: data processed

Table 2 above shows that the T-statistic value in this study that has a significant relationship or has a value  $> 1.96$  is  $X_1$  Sharia Financial Literacy,  $X_2$  Sharia Mutual Fund Investment Literacy and Technological Progress ( $X_4$ ). Then there are three (3) variables that do not have a significant effect, namely Perception of Benefits ( $X_3$ ), Investment Risk ( $X_5$ ) and Investment Return ( $X_6$ ).

#### • Predictive Relevance

Aims to show how good the value of observations generated in research. The standard value of *Predictive Relevance* is said to be good if  $> 0$  and seen through the Blindfolding model. The *Predictive Relevance* test is presented in table 3.

Table 3. Predictive Relevance

	SSO	SSE	Q <sup>2</sup> (=1-SSE/SSO)
KBI (Y)	100.000	77.168	0.228
KMT (X4)	400.000	400.000	
LIR (X2)	400.000	400.000	
LKS (X1)	300.000	300.000	
PIM (X3)	400.000	400.000	
ROI (X5)	100.000	100.000	
RUN (X6)	100.000	100.000	

Source: data processed

The table above shows that the *predictive relevance* value or observation value in this study is 0.228, which means it is  $> 0$  so that it means that the resulting observation value is good.

#### • Model Fit

To see how good the model in the study is, the model fit is seen from the NFI value. The model fit is shown in table 4.

Table 4. Model Fit

	Saturated Model	Estimated Model
SRMR	0.076	0.076
d_ULS	0.994	0.994
d_G	0.548	0.548
Chi-Square	299.530	299.530
NFI	0.759	0.759

Source: data processed

In table 4, it can be seen that the NFI value in this study is 0.759 or 75.9%, which means that the model in this study is 75.9% fit.

## Discussion of Hypothesis Testing Results

The results of hypothesis testing are based on the value generated from the *t-statistic (bootstrapping)* in table 2. The results of hypothesis testing in this study are presented in table 5. The results of Hypothesis testing in this study show and prove that there are three variables that have a positive and significant influence on the decision to invest in Islamic mutual funds Online *Theory of Planned Behavior* (TPB) approach, namely Sharia Financial Literacy ( $H_1$ ), Sharia Mutual Fund Investment Literacy ( $H_2$ ) and Technological Progress ( $H_4$ ). These results are in accordance with research conducted by Fauzi and Murniawaty (2020). The results show that the variables of Sharia financial literacy and religiosity have an influence. And research conducted by Nururrokhmah (2020), the results show that the investment knowledge variable has an influence on interest in investing in Sharia Mutual Funds and research conducted by Yusuf (2019) which shows that technological progress has an influence on investment interest.

Then in this study the variable that most determines the decision to invest in Islamic mutual funds online in Jabodetabek is Islamic mutual fund investment literacy with the highest P-values of 0.041 or 4.1%. In this study, there are 3 variables that do not influence the decision to invest in Islamic mutual funds online using the *Theory of Planned Behavior* (TPB) approach, namely perceived benefits ( $H_3$ ), investment risk ( $H_5$ ), and investment *return* ( $H_6$ ).

### Islamic Financial Literacy ( $H_1$ )

The first hypothesis ( $H_1$ ) states that Islamic financial literacy has a positive effect on the decision to invest in online Islamic mutual funds. The test results processed using *SmartPLS* show that the path coefficient or path coefficient on Sharia financial literacy on the decision to invest in online Islamic mutual funds is 0.222, the T-statistic value is 2.114 (greater than  $> 1.96$ ) and the P-value is 0.035 (smaller than 0.1 at alpha of 10%). So, it means that Islamic financial literacy has a positive and significant effect on the decision to invest in Islamic mutual funds online, therefore  $H_1$  is accepted. These results indicate that the higher the literacy or knowledge of Islamic finance possessed by the Jabodetabek community, the decision to invest in online Islamic mutual funds will increase.

This supports research conducted by Fauzi (2020), and is in accordance with the theory of consistency in the theory of *financial behavior* and *financial literacy* which states that a person's level of financial literacy will be

good when he has good financial intelligence as well, so that it has an impact on the individual's financial behavior. The higher a person's financial literacy, the wiser they are in making investment decisions.

**Table 5. Hypothesis Test Results**

Hypothesis	Relationship	Description	<i>Original Sample (O)</i>	<i>T Statistics ( O/STDEV )</i>	P Values	Results
H1	LKS→KBI	Sharia Financial Literacy has a positive and significant effect on the decision to invest in Islamic Mutual Funds online	0.222	2.114	0.035	Accepted
H2	LIR→KBI	Islamic Mutual Fund Investment Literacy has a positive and significant effect on the decision to invest in Islamic Mutual Funds online.	0.362	2.05	0.041	Accepted
H3	PIM→KBI	Perceived benefits have a negative and insignificant effect on the decision to invest in Islamic mutual funds online.	-0.145	1.057	0.291	Rejected
H4	KMT→KBI	Technological progress has a positive and significant effect on the decision to invest in Islamic mutual funds.	0.268	1.715	0.087	Accepted
H5	ROI→KBI	Investment risk has a negative and insignificant effect on the decision to invest in online Islamic mutual funds.	-0.014	0.124	0.902	Rejected
H6	RUN→KBI	Investment <i>return</i> has a positive and insignificant effect on the decision to invest in online Islamic mutual funds.	0.047	0.717	0.474	Rejected

## Islamic Mutual Fund Investment Literacy (H)<sub>2</sub>

The second hypothesis (H<sub>2</sub>) states that Islamic mutual fund investment literacy has a positive effect on the decision to invest in Islamic mutual funds online. The test results processed using *SmartPLS* show that the path coefficient on Islamic mutual fund investment literacy on the decision to invest in Islamic mutual

funds online is 0.362, the T-statistic value is 2.05 (greater than > 1.96) and the P-value is 0.041 (smaller than 0.1 at alpha of 10%). So it means that Islamic mutual fund investment literacy has a positive and significant effect on the decision to invest in Islamic mutual funds online, therefore H<sub>1</sub> is accepted. This indicates that the higher the literacy or knowledge about Islamic mutual fund investment owned by the Jabodetabek community on the decision to invest in



Islamic mutual funds will increase. This supports research conducted by Dyan (2020), and is in accordance with the theory of consistency in the theory of planned behavior (TPB) which can be concluded that a person in doing something based on sufficient confidence and interest.

### Perceived Benefits (H)<sub>3</sub>

The third hypothesis (H<sub>3</sub>) states that perceived benefits have a positive effect on the decision to invest in online Islamic mutual funds. The test results processed using *SmartPLS* show that the path coefficient or path coefficient on perceived benefits to the decision to invest in online Islamic mutual funds is -0.145, the T-statistic value is 1.057 (smaller than <1.96) and the P-value is 0.291 (greater than 0.1 at an alpha of 10%). So it means that perceived benefits have a negative and insignificant effect on the decision to invest in Islamic mutual funds online, therefore H<sub>3</sub> is rejected. If it is explained that when perceived benefits decrease, the decision to invest in Islamic mutual funds increases, this result is not expected in this study, and hopes that the perceived benefit variable has a positive and significant effect on the decision to invest in Islamic mutual funds online. It is possible that the perceived benefit variable is not a factor influencing online Islamic mutual fund investment decisions but other factors that are not in this study, and it can be indicated that errors occur in this variable and there are also errors in respondents who answer incorrectly or are not careful about the questions asked in this variable, therefore for further research it is hoped that more attention and more detailed questions will be asked of respondents, so that it is easier to read and answer questions by respondents.

### Technological Advancement (H)<sub>4</sub>

The fourth hypothesis (H<sub>4</sub>) states that Technological Progress has a positive effect on the decision to invest in Sharia Mutual Funds Online. The test results processed using *SmartPLS* show that the path coefficient or path coefficient on Technological Progress on the decision to invest in online Islamic mutual funds is 0.268, the T-statistic value is 1.715 (smaller than <1.96) but the P-value is 0.087 (smaller than 0.1 at an alpha of 10%). So it means that Technological Progress has a positive and significant effect on the decision to invest in Sharia Mutual Funds Online, thus H<sub>4</sub> is accepted. This indicates that the higher or more developed technological progress considers that technological advances make it easier for people to invest online, so the decision to invest in

online Islamic mutual funds will increase. This supports research conducted by Yusuf (2019), and is in accordance with the consistency theory, namely the *Technology Acceptance Model* (TAM) which states that computer users will improve work performance.

### Investment Risk (H)<sub>5</sub>

The Fifth Hypothesis (H<sub>5</sub>) states that Investment Risk has a positive effect on the decision to invest in Islamic Mutual Funds Online. The test results processed using *SmartPLS* show that the path coefficient on Investment Risk on the decision to invest in online Islamic mutual funds is -0.014, the T-statistic value is 0.124 (smaller than <1.96) and the P-value is 0.902 (greater than 0.1 at an alpha of 10%). So it means that Investment Risk has a negative and insignificant effect on the decision to invest in Islamic mutual funds online, which means that if investment risk is low, the decision to invest in Islamic mutual funds will increase and vice versa. Thus, H<sub>4</sub> is rejected. These results indicate that Investment Risk does not affect the decision to invest in online Islamic mutual funds, this can be influenced by several factors, including it can be shown in appendix 2 that most of the respondents were dominated by students (50%) and the age group 20-24 years (63%), which means that they are categorized as beginners in using online Islamic mutual fund investments. so they don't pay too much attention to the risks of investing in online Islamic mutual funds, and in Figure 2 it is also shown that the main determining factor in investing in online Islamic mutual funds is due to the invitation of friends and *public figures*, thus the invitation of friends and *public figures / influencers* makes them decide to invest in online Islamic mutual funds and not prioritize risk in making investment decisions.

### Investment Return (H)<sub>6</sub>

The Sixth Hypothesis (H<sub>6</sub>) states that investment *return* has a positive effect on the decision to invest in Islamic mutual funds online. The test results processed using *SmartPLS* show that the path coefficient or path coefficient on investment *returns* on online Islamic mutual fund investment decisions is 0.047, the T-statistic value is 0.717 (smaller than <1.96) and the P-value is 0.474 (greater than 0.1 at an alpha of 10%). So it means that investment returns have a positive and insignificant effect on the decision to invest in Islamic mutual funds online, this shows that if investment *returns increase*, the decision to invest in Islamic mutual funds also increases and is not significant, thus H<sub>6</sub> is rejected. These results indicate

that investment *returns* do not affect the decision to invest in Islamic Mutual Funds Online. This can be influenced by the factor shown in appendix 2 that the respondents are dominated by students and with income Most of them are in the range of <Rp5,000,000 (66%) which allows them to still depend on their parents, therefore they invest in online Islamic mutual funds to gain experience and knowledge.

## CONCLUSION

Based on the test results in this study, it can be concluded that there are two variables that have a positive and significant influence on the decision to invest in Islamic mutual funds online, namely Islamic financial literacy ( $X_1$ ), Islamic mutual fund investment literacy ( $X_2$ ) and Technological Progress ( $X_3$ ). Then there are three insignificant variables including the perceived benefit variable ( $X_4$ ) has a negative and insignificant effect, investment risk ( $X_5$ ) has a negative and insignificant and investment *return* ( $X_6$ ) has a positive and insignificant effect on the decision to invest in Islamic mutual funds online for the age group 20-44 years in Jabodetabek. Furthermore, the variable that most determines the decision to invest in Islamic mutual funds online is the *Theory of Planned Behavior* (TPB) approach, namely Islamic mutual fund investment literacy with the highest P-values of 0.041 or 4.1%.

From the results of this study, several recommendations can be submitted, as follows. First, for the government, it is expected to further intensify the socialization of Islamic financial literacy, to every community in Jabodetabek Indonesia, especially Islamic mutual fund investment literacy. Given the significant variables of Islamic financial literacy and Islamic mutual fund investment literacy, this shows the potential for the development of Islamic mutual funds will be even greater with increasing Islamic financial literacy. Socialization that can be done such as creating a special institution to conduct intensive coaching on Islamic finance or with seminars, workshops on Islamic financial literacy, especially also on understanding Islamic mutual funds.

Furthermore, for practitioners or investment service providers, especially Islamic mutual funds, to increase online Islamic mutual fund instruments that are easy and practical, as well as develop good online products and schemes, so as to increase the number of domestic investors in Indonesia, thereby helping the development of Islamic economics and improving the country's economy. As for future researchers, they can

add other factors that can influence the decision to invest in online Islamic mutual funds. It is recommended to add other variables besides those used in this study such as promotional variables, minimum investment capital and other variables that support. As well as increasing the number of larger samples so that the research results match what is expected.

There are several limitations to this research. There are difficulties in finding respondents of online Islamic mutual fund investment users in Jabodetabek, thus the sample taken in this study from the large number of Jabodetabek residents amounted to 100 people who have and use online Islamic mutual fund investments, so the results of this study cannot cover more than the Jabodetabek population of online Islamic mutual fund users. In this study, the variables used are quite limited, namely six independent variables, namely Islamic financial literacy, Islamic mutual fund investment literacy, perceived benefits, technological advances, investment risk and investment *return*, while there are many variables that can influence the decision to invest in online Islamic mutual funds. The data analyzed and collected in this study only used questionnaires distributed via *google form* online, so it is possible that the respondents filled out the questionnaire incorrectly.

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## APPENDIX

### Appendix. Respondent Data

Characteristics	Frequency	Percentage
<b>Gender</b>		
Female	52	52%
Male	48	48%
<b>Age</b>		
20-24 years old	63	63%
25-29 years old	13	13%
30-34 years old	10	10%
35-39 years old	10	10%
40-44 years old	4	1%
<b>Domicile</b>		
Jakarta	23	23%
Bogor	40	40%
Depok	12	12%
Tangerang	11	11%
Bekasi	14	14%
<b>Profession</b>		
Student	50	50%
Private employee	18	18%
Self-employed	8	
Entrepreneur	4	
Civil Servant	5	
Housewife	15	15%
<b>Income</b>		
Less than IDR 5,000,000	66	66%
IDR 5,000,000 - 10,000,000	20	20%
IDR 10,000,000 - 15,000,000	7	7%
Above IDR 15,000,000	7	7%
<b>Making an Investment</b>		
Yes	100	98%
No	2	2%
<b>RDS Investment Media</b>		
Online	100	98%
Offline	2	2%
<b>Islamic Mutual Fund Instruments</b>		
Seedlings	61	61%
Bareksa	18	18%
Manulife Mutual Fund	11	11%
Tokopedia	4	
Gopay	4	
Danareksa	1	
Ovo	1	
<b>Main factors that encourage choosing to invest in Sharia Mutual Funds</b>		
Have known Sharia Mutual Fund Products for a Long Time	20	25%
Friend's invitation	40	32%

Family Invitation	9	
Teacher or Lecturer Invitation	5	
Public Figure Information	26	30%

**Table. Fornell Larcker Criterion or HTMT**

	KBI (Y)	KMT (X4)	LIR (X2)	LKS (X1)	PIM (X3)	ROI (X5)	RUN (X6)
KBI (Y)	1.000						
KMT (X4)	0.522	0.834					
LIR (X2)	0.582	0.771	0.855				
LKS (X1)	0.449	0.351	0.557	0.853			
PIM (X3)	0.427	0.701	0.723	0.541	0.830		
ROI (X5)	0.335	0.550	0.534	0.320	0.485	1.000	
RUN (X6)	0.138	0.129	0.053	0.302	0.191	0.153	1.000

**Table. Composite Reliability & Cronbach's Alpha**

	<i>Cronbach's Alpha</i>	<i>Composite Reliability</i>
Investment Decision (KBI (Y))	1.000	1.000
KMT Technology Advancement (X4)	0.857	0.901
Islamic Mutual Fund Investment Literacy LIR (X2)	0.877	0.916
LKS Sharia Financial Literacy (X1)	0.812	0.888
Perceived Benefits of PIM (X3)	0.850	0.898
ROI Investment Risk (X5)	1.000	1.000
RUN Investment Return (X6)	1.000	1.000

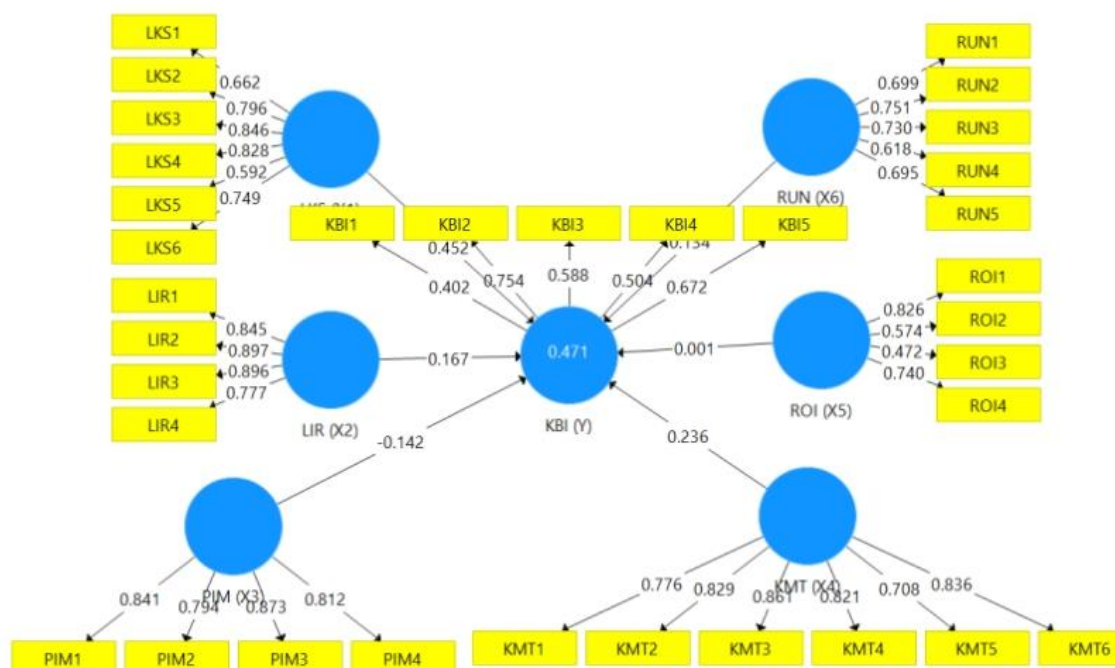
**Table. R-Square**

	R Square	R Square Adjusted
KBI (Y)	0.390	0.351

**Table. Path Coefficients**

	KBI (Y)
KBI Sharia Mutual Fund Investment Decision (Y)	
KMT Technology Advancement (X4)	0.268
Islamic Mutual Fund Investment Literacy LIR (X2)	0.362
LKS Sharia Financial Literacy (X1)	0.222
Perceived Benefits of PIM (X3)	-0.145
ROI Investment Risk (X5)	-0.014
RUN Investment Return (X6)	0.047

## Path Model



## Modified and final path model

