

# *Interest and Investment Motivation of Undiksha College Students (Case Study on Car 3i Network)*

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**Abstract**—This study aims to examine the interests and motivations of students in investing (Car 3i Network case study). This study uses a quantitative approach with a population of all students of the Faculty of Economics, Ganesha University of Education (Undiksha) participating in Car 3i, totaling 100 people. The data analysis used is the t test with SPSS version 16.0 for Windows. The results of this study indicate that interest and motivation have a significant coefficient value for interest of 0.316 and a significance level of 0.002 while motivation has a coefficient value of 0.717 and a significance level of 0.000. Between interest and motivation has a significance level smaller than  $\alpha=0.05$  so this hypothesis is accepted. Based on the research results of the hypothesis for students' interest and motivation in investing, it can be concluded that the acceptance of the interest and motivation hypothesis proves that students who invest have good interest and motivation, this is due to the benefits of either directly investing or inviting friends to invest in car 3i network. Income obtained either monthly or the end result of investment for 5 years.

**Keywords**—*Motivation, interest, investment, CAR, 3i network, case study*

## I. INTRODUCTION

Indonesia is already in the Revolution Industrial 4.0 era. Lifestyle, is the thing that feels the most change in this era. Millennials may have a different outlook on life than the previous generation. Ease of accessing information is very easy to do, communication that has been constrained by distance is also easy to reach. The new lifestyle also affects the outlook on human life. Millennial generation is very fond of 'online' lifestyle.

In young adult life, emotional development is inseparable from their interactions with the social environment. If the social environment around them is a "virtual" social environment and not in reality, then the emotional development of them also tends not to be strong. At present,

many millennial circles assume that life is to be enjoyed which tends to lead to a hedonism lifestyle. Consumptive lifestyles can not be separated from the hedonism lifestyle adopted. On the one hand, consumptive lifestyles and patterns provide enjoyment and satisfaction both physically and psychologically.<sup>1</sup> But consciously or not, consumptive lifestyles actually have an unfavorable impact on "financial health". Consumptive lifestyle can be said as a waste. While waste itself can be interpreted as an excessive behavior beyond what is needed. The country's economy is influenced by the nature of this hedonist. The rupiah was the second worst currency in Asia, this was due to the fall of the rupiah in July 2018.

Financial market observers stated that there were eight factors that caused the rupiah to continue to weaken, one of which was the attitude of Indonesian society's hedonism. The above facts explained that the danger of hedonism among millennials would later damage the country's economic life. Millennials seem to have to look for alternative entrepreneurs and allocate funds for old age investment.

College students as agents of change-in many lines of community life-they have a strategic position as a pioneer in the advancement of science, including in socializing and informing about investment. In the context of Indonesia's economic development, students have a very important role. College students are expected to become one of the ideal young investor candidates and contribute actively to advance and increase investment in the form of savings, insurance, capital markets and so on.

Insurance and investment program called Car 3i Network are popular nowadays. The Car 3i Networks Program is a program offered by PT AJ Central Asia Raya (CAR Life Insurance) owned by the Salim Group. This business offered a life insurance marketing system through the agency network. Many people are interested and join this business, including

the college students of Ganesha Education University (Undiksha). It is interesting to study, what makes a lot of people interested in this product, especially for that college student.

Based on the research's background, the formulation of the problem to be solved in this study is "What is the interest of Undiksha college students in investing on Car 3i Network?" and "What are their motivations in investing on Car 3i Network?". Hopefully this research will provide additional references needed related to future investments, an empirical reference to investment studies and information related to factors that influence investment decisions made by college students.

## II. LITERATURE REVIEW

### A. Definition of Motivation

According to Weiner (1990) cited Elliot et al. (2000), motivation is defined as an internal condition that arouses us to act, drives us to achieve certain goals, and keeps us interested in certain activities. There are many things that motivate someone to do something in his life. However, according to Sardiman (2005) states that in general there are two types of motivation, intrinsic motivation and extrinsic motivation. Motivation as a belief and driving a person to do something is a psychological impulse that is in a person also influenced by several factors, namely internal factors and external factors (Winardi, 2002).

### B. Definition of Interests

There are several definitions of interest from several experts, one of them according to Sumadi, 1988 which states that interest is the tendency in an individual to be interested in an object or like something object. Other experts say that interest as a result of experience that grows on and is considered valuable by individuals is the force that drives someone to do something (Winarno Surachmad, 1980: 90).

According to Crow and Crow in Johny Kills (1988), states that there are three factors in determining one's interest, including, factors that arise from within the individual, social motive factors and emotional factors. This opinion is in line with that expressed by Sudarsono.

### C. Definition of Investment

According to Haming and Basalamah (2010) investment is the understanding of current expenditures for the purchase of real assets (property, cars, etc.) or also financial assets with the aim of obtaining greater returns in the future. According to Sadono Sukirno (2012), there are two forms of investment; 1) Investment in Real Assets, and 2) Investment in financial assets. There are several types of investments that are common in the business world, including; Deposits, Bonds, Mutual funds, Stock investment, and Gold.

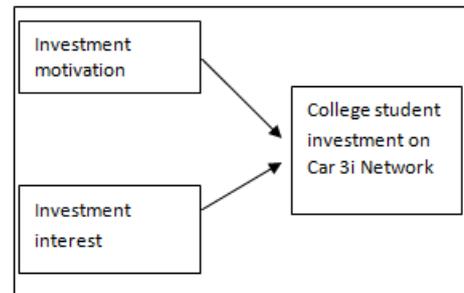
### D. Definition of Car 3i Network

Car 3i Network offers the advantage that in addition to joining life insurance, customers also have the opportunity to invest while earning passive income by becoming an

insurance agent. At a life insurance company, an agent can recruit other agents to become team members.

### E. Research Thinking Framework

The research framework can be seen as shown below;



## III. RESEARCH METHODS

The method used in this study is Sugiyono's research method concerning causal research. Which examines the causal relationship. The subject of this study was the Students of Ganesha Education University. The object of his research is Undiksha's motivation and role in promoting investment activities among students. The data used in this study were collected through several methods, namely: Literature Study, Observation, Interview. In testing the research instrument was tested for validity using the technique of product moment correlation analysis using SPSS version 16.0 for windows. Reliability test was calculated with Cronbach's alpha coefficient using SPSS (Statistical Social Science Program) version 16.0 for windows. The calculation criteria using alpha cronbach are as follows:

- a) If  $\alpha > 0.90$  then reliability is perfect
- b) If  $\alpha$  is between 0.70 - 0.90 then reliability is high
- c) If  $\alpha$  is between 0.50 - 0.70 then moderate reliability
- d) If  $\alpha < 0.50$  then reliability is low

In this study also conducted a classic assumption test. The multiple linear regression model can be called a good model if the model meets the classical statistical assumption test which consists of tests of normality, multicollinearity, autocorrelation and heteroscedasticity. Because the data is not time series data, no autocorrelation test is needed. The data that has been collected is then processed using the SPSS version 16.0 program. The data analysis technique used in this study is multiple linear regression analysis. T-test is also applied to test the effect of variable X on Y, whether the variables X1 (Interest) and X2 (motivation) really affect the Y variable (investment) separately or partially (Ghozali, 2011). Tests carried out using significance level 0.05 ( $\alpha = 5\%$ ). Acceptance or rejection of the hypothesis is carried out with the following criteria:

- 1) If the significance value  $> 0.05$  then  $H_0$  is rejected (regression coefficient is not significant). This means that

partially the independent variable has no significant effect on the dependent variable.

2) If significant  $<0.05$  then  $H_0$  is accepted (significant regression coefficient). This means that partially the independent variable has a significant effect on the dependent variable.

#### IV. RESULTS AND DISCUSSION

##### A. Test results for validity and reliability

The research instrument indicates adequate reliability if Cronbach's alpha coefficient is greater or equal to 0.70. While the test results show the Cronbach alpha coefficient is greater than 0.7, it can be concluded that this variable is reliable.

##### B. Normality Test

The KOLMOGOROV-SMIRNOV test results show that the Asymp.Sig value is 0.057. This value is greater than 0.05 so it can be concluded that residuals are normally distributed. Thus it can be concluded that based on test results it is known that the model is not affected by normality problems.

##### C. Multicollinearity Test

The results of the calculation of the tolerance value also shows that there are no independent variables that have a tolerance value of less than 0.10, which means there is no correlation between variables whose value is more than 95%. So this correlation is still below 95% and it can be said that there is no serious multicollinearity. VIF value also shows no value greater than 10. Thus it can be concluded that there is no multicollinearity between independent variables in the regression model.

##### 1) Regression (Autocorrelation Test with LM Test)

The approach to find out the existence of heteroscedasticity is to use the LM test statistical approach. LM Test results can be seen in the results of the regression analysis of the effect of the lagres variable on Unstandardized Residual. Based on the results of regression analysis the significance value of the lagres variable is greater than the alpha value of 0.05, it can be concluded that the lagres variable is not statistically significant affecting the Unstandardized Residual variable. So it can be concluded that the regression model does not contain autocorrelation.

##### 2) Regression (Heterokedasticity Test with Glejser Test)

To get certainty, it is necessary to test the hypothesis by using the Glejser test. The Glejser Test proposes to regress a residual absolute value (UbsUt) as a dependent variable with the following equation:

##### D. Goodness of Fit Test

##### 1) Coefficient of Determination

The table gives an R value of 0.832 in the research model and a coefficient of determination of 0.693. It appears that the ability of the independent variable in explaining the variance of the dependent variable is 69.3%. So this model is quite good. There are still 30.7% variance of the dependent variable that has not been able to be explained by the independent variables in this research model.

##### 2) Test F

It appears that the calculated F value in the research model is 109,376 with a significance level of 0,000. The significance value is under 0.05 which indicates that the independent variables simultaneously have a significant effect on INVESTMENT at a significance of 5%

#### E. Hypothesis Testing

##### 1) Hypothesis Testing 1

Based on the analysis of the data above, it appears that the calculated t value for the variable of interest is significant. Thus the  $H_1$  hypothesis in this study which reads: There is a significant influence between INTEREST on INVESTMENT received.

##### 2) Hypothesis Testing 2

Based on the analysis of the data above, it appears that the calculated t value for the MOTIVATION variable is significant. Thus the  $H_2$  hypothesis in this study which reads: There is a significant influence between MOTIVATION towards INVESTMENT received.

The purpose of this study was to obtain evidence of the influence of interest and motivation on investment in Ganesha university education students. The results of this study indicate that interest and motivation have a significant coefficient value for interest of 0.316 and a significance level of 0.002 while motivation has a coefficient value of 0.717 and a significance level of 0.000. Between interest and motivation has a significance level smaller than  $\alpha = 0.05$  so this hypothesis is accepted.

#### F. Conclusion

Based on the research results of the hypothesis for students' interest and motivation in investing, it can be concluded that the acceptance of the interest and motivation hypothesis proves that students who invest have good interest and motivation, this is due to the benefits of either directly investing or inviting friends to invest in. car 3i network. Income obtained either monthly or the end result of investment for 5 years. This research only focuses on students' interest and motivation in investing so that in the future it needs to be developed both in terms of investment development, capital, types of investment that are developing in Indonesia such as stocks and forex.

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