The Effect of Products and Promotions on Investment Interest of Graduate Students of UIN Raden Intan Lampung in Sharia Mutual Funds

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| Info Articles	Abstract
	The choice of placing funds in Mutual Fund products by investors is increased by 3.14% from 2020 to 2021 with a total NAV of IDR 77.51 trillion. However, there are several obstacles that affect the development of investment in Sharia Mutual Fund products. The study aims to examine the effect of products and promotions on the investment interest of students in sharia mutual funds. The method of research used is quantitative and data analysis used multiple regression tests. Collecting data using a questionnaire with respondents coming from Postgraduate Students of UIN Raden Intan Lampung. The results of this study indicate that the results of the determination test of the magnitude of the product's influence on investment interest are 76.4%. The remaining 23.6% is influenced by other variables and the effect of promotion on investment interest is 22.1%, the remaining 77.9% is influenced by other variables not discussed in this study.

INTRODUCTION

Investment is now growing, with the presence of many options ranging from conventional to sharia. The development of investing in financial instruments is a way for capital owners to develop their funds. Financial investment has advantages over physical or real investments and has the convenience of investing. One of the investments currently being developed is Mutual Funds.

Mutual funds are a place to collect funds from public which will then be placed in a portfolio. In its development, this is the first reciprocal application of sharia principles in carrying out business strategies and is the choice of capital owners to invest. Reporting from statistical data from the Financial Services Authority (OJK), Sharia Mutual Funds experienced very rapid development from 2016 to 2021, it can be seen from the NAV of Sharia Mutual Funds and the Number of Sharia Mutual Funds in Indonesia.(Financial Services Authority, 2021) can be seen from the graph as follows:

Chart 1:
Development of Sharia Mutual Funds 2016-2021
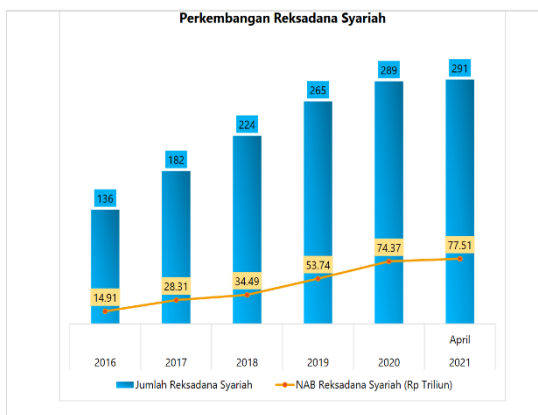
Citing statistics on sharia mutual funds from the Financial Services Authority (OJK), the developments mutual funds sharia has indeed grown quite rapidly in the last five years. In 2016, there were 136 new sharia mutual fund products with managed funds of Rp. 14.91 trillion. Then at the end of April 2021, the number of products has increased by about 2 times to 291 products, and the funds under management have increased more than 5 times to Rp. 77.51 trillion.

Generally, the investment orientation of Indonesian citizen is short-term investment and they categorized as saving society. Meanwhile, people of developed countries have already categorized as investment society. Its also experienced by various kinds of obstacles. Based on the results of a study conducted by the Financial Services Authority, it shows that some of the obstacles experienced in the development of sharia mutual funds include the level of public literacy towards sharia mutual funds which is still low, investors' interest in sharia securities, regulations for issuing sharia securities and supervision patterns from related institutions and finally the preparation process for the issuance of sharia securities (Nuraini Kandarisa, 2013).

From the obstacles that have been mentioned, it is necessary to implement several strategies as an effort to develop the Islamic capital market in Indonesia. These strategies include product quality and marketing activities for sharia investment products which consist of socialization, education and promotion marketing) conducted by the Indonesia Stock Exchange (IDX).

According to Kotler, marketing is translated by Benjamin Molan (2007: 6), it is a social process which individuals and groups obtain their need by creating, offering and freely exchanging products of value to others. Meanwhile, Kotler and Armstrong (2000) define marketing as anything that can be offered to the market for attention, purchase, use, or consumption and able to satisfy the needs.

In the current era of globalization, the presence of new technologies must be useful and easy to use. One of them is for students who are quick to adapt, and dare to take risks who are familiar with technology and are more of an initiator and focus on today's needs and assume that future needs can be considered later. Students are one of the targets in the National Strategy for Indonesian Financial Literacy (SNLKI). Chen and Volpe explained that students who have low knowledge will make wrong decisions in their finances (Haiyang Chen & Ronald P. Volpe, 1998).

In recent years, young people's interest in the investment world has continued to increase. One of the proofs can be seen from the increase in the number of investors in the capital market, which is dominated by the millennial generation, of course students, where the increase in the number of investors is recorded to be dominated by millennials or students under the age of 30, which accounts for approximately 58.5% of the total investors.(www.ojk.go.id, 2021).

Financial education in higher education, especially in the Post-UIN Raden Intan Lampung environment, has been widely applied, but only in theory, while for practice it is still not a top

priority. Even though the campus environment already has facilities such as Islamic capital market institutions that should be used by students to learn to invest. Because there is an assumption from students that investment is expensive, besides that it is considered difficult because it must have a lot of capital. Therefore, it can be concluded that the educational or promotional factors carried out by the IDX are needed by students as capital to convince them to invest.

Investment interest is a desire from someone who has an interest in investment which is characterized by an action to find out about investment activities (Theresia Pradiani, 2018).

Several previous studies conducted by (Erdinda Santoso & Rachma Indra Rini, 2020) conclude research results that in marketing mix explained four variables consisting of product, price, place, and promotions that affect interest are product variables and price variables. Product variables affect interest. Study (Marlina et al, 2013) conclude research results that three independent variables, namely product, place and promotion, have a significant effect on customer interest in using the product, two other variables, namely price and reference group, have no significant effect.

Study (Kumowal, 2014) conclude research results that The marketing mix consisting of product, price, location, and promotion together has a significant influence on purchasing decisions. Study (Puspitaningtyas, 2014) the results of his research concluded that investors tend to behave rationally. Investors need to consider information clearly on an economic event if they will make investment decisions. These considerations are carried out to be able to estimate the relationship of the information to changes in stock prices.

The research that will be carried out has similar variables, but the object of research that the researcher will do now is different from previous research. This study seeks to explore and analyze the extent of the influence of products and promotions on the investment interest of postgraduate students at UIN Raden Intan Lampung in sharia mutual funds, which are basically active students and have adequate knowledge of Islamic economics and finance. Based on this description, the authors are interested in discussing more deeply about the effect of products and promotions on investment interest of postgraduate students at UIN Raden Intan Lampung in sharia mutual funds in the capital market.

Based on the explanation above, the formulation of this article is as follows: First, how is the effect of products on interest in sharia mutual fund investment? Second, how is the effect of promotion on interest in sharia mutual fund investment?

THEORETICAL FRAMEWORK

Planned Behavior Theory (TPB)

The theory was explained by Icek Ajzen, which based on assumption that humans are rational beings who systematically always use available information. It's influenced by a person's conscious intention towards a behavior. This theory is based on cognitive processes and the level of behavior change so it's able to predict behaviors that are not entirely under individual control. The theory states an attitudes, subjective norms, and perceptions of behavioral control simultaneity form the individual's behavioral intentions. The concept of key variables is based on (Ajzen, 1991):

a. Attitudes towards behavior, namely positive or negative individual evaluations of the performance of certain behaviors. The concept is how the performance of the behavior is positively or negatively appreciated by others.
b. Subjective norms, the social references is originated by individual perceptions of social normative pressures of friends, analysts and stakeholder policies that support or encourage their decision behavior.
c. Perceived behavioral control, its called as individual beliefs about consequences of certain behaviors. This concept is based on subjective probability that a behavior will produce a positive outcome. The existence of individual's control is caused by internal factors, namely willingness, skills, experience and external factors, namely the environment.

Sharia Investment

The term of investment is from Latin, namely *investire* (to use), while in English it is called investment. Experts have different views on investing. Fitzgeral in Salim defines investment as: "activities related to efforts to withdraw resources (funds used to procure capital goods at the present time, and with capital goods a stream of new products will be generated in the future." In this definition, investment is constructed. As an activity for withdrawing the source of funds used for the purchase of capital goods and it will prodece a new product.

Another definition put forward by Kamaruddin Ahmad in Salim, he defines investment as: "putting money or funds in the hope of obtaining additional or certain benefits on the

money or funds." So, the investment is focused on placing funds to make a profit. This is closely related to investment of capital market sector (Salim HS., 2008).

Then, if we talk about Islamic investment, there are other things that play a role in investment. Sharia investment does not only talk about worldly issues as stated by secular economists. There is another element that will determine the success or failure of an investment in the future, namely the provisions and will of Allah SWT(Muhamad Nafik, 2009) .

Sharia Mutual Funds

Mutual funds are a form of service provision that was established to assist investors who wish to participate in capital market without direct involvement in the procedures, administration, and analysis of a capital market. This is because Mutual Funds, including those known in Indonesia in the form of Collective Investment Contracts (KIK) and Mutual Funds in the form of a company, are managed by Investment Managers who represent investors who participate in Mutual Funds. (Gunawan Widjaja and Almira Prajna Ramaniya, 2006). according to (Andri Soemitro, 2009) Sharia mutual funds operate according to Islamic provisions, both in the form of contracts between investors as property owners (shahib al-mal/ rabb al-mal) and investment managers, as well as management of investment funds as representatives of shahib al-mal, as well as between managers investment with investment users.

The types of mutual funds in terms of their investment portfolio, there are 4 (four) types of mutual funds: (Muhammad Firdaus, nd):
a. Money market is invested in debt securities with maturities of less than one year.
b. Fixed income is mutual funds that invest at least 80% of the portfolio they manage into debt securities. Debt securities generally provide income in the form of interest, such as time deposits, Islamic bonds, SWBI, and other instruments.
c. Equity is mutual funds that invest at least 80% of assets in the form of equity securities. Because the investment is in stocks, the risk is higher than the previous two types of mutual funds, but yields a high rate of return.
d. Mixed is investments in equity securities and debt securities with a more flexible allocation portion.

Based on the explanation above, it can be seen that there are four types of mutual funds, namely: money market mutual funds, fixed income mutual funds, stock mutual funds, and mixed mutual funds. The selection of the right type of portfolio in accordance with the desired level of risk will certainly provide more comfort for investors themselves and for investment managers.

Product

A product is anything that can be offered to a market goals to get attention to have, use, consumed that can satisfy needs (Hurriyati, 2010) According to Philip Kotler, a product is anything that can be offered to a market for viewing, obtaining, use or consumption that might satisfy a want or need. So it can be concluded that the product is an object in marketing. Without a product, marketing will not work because the product is a total amount of satisfaction and spirituality obtained from its purchase or use. For that company must be able to know consumer needs by researching the market in order to adapt in creating products according to consumer needs.

Product planners must think about products and services at three levels (Kotler and Armstrong, 2003), namely the first core product (core product). The second product planner (Actual product): The actual product must have at least five properties: level of quality, features, design, brand, and packaging. Third, product planners must realize additional products around the core product and actual product by offering additional services and benefits to consumers. In addition, there are product elements that are considered important by consumers and serve as the basis for making decisions, namely product attributes including brand, packaging, guarantee (*warranty*), service, and so on (Tjiptono, 1997: 106).

Promotion

Promotion is define as communication between producers and consumers to introduce colors, shapes, types of goods, prices and quality. According to Alma, promotion is a form of marketing communication which is a marketing activity that seeks to disseminate information, influence, and remind the target market of company and its products willing to accept, buy, and be loyal to the products offered by the company concerned (Fathima, nd).

The method used in influencing these consumers is through information and communication between sellers and potential consumers regarding the products offered. By influencing consumers continuously, either directly or indirectly, promotional activities aim to make potential consumers to know first the products offered, then be interested and then be able to make a decision to make a purchase. The main

purpose of promotion is to inform, influence and persuade and remind target customers about the company and its marketing mix (Hurriyati, 2010).

Research Hypothesis and Research Model

The framework for this research is as follows:

Figure 1:
Research Framework
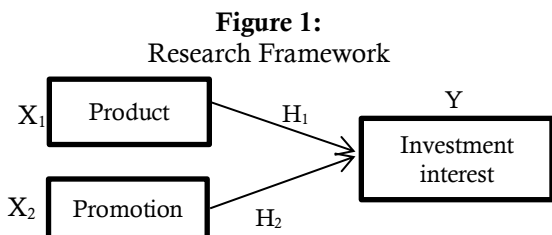
X   : Independent variable
Y   : Dependent Variable
———————————— = Partial
- - - - - - - - - - - - - - = Simultaneous

The hypotheses in this study are:

H_0 : There is no influence of the product on the interest in investing in sharia mutual funds

H_1 : There is an effect of the product on the interest in investing in sharia mutual funds

H_0 : No effect promotion on interest in investing in sharia mutual funds

H_2 : There is an effect promotion on interest in investing in sharia mutual funds

H_0 : There is no effect of the product and promotion on interest in investing in sharia mutual funds

H_3 : There is an effect of the product and promotion on interest in investing in sharia mutual funds

METHODS

Type of research is a field research with quantitative methods because the research data is the form of numbers and analysis using statistics. Quantitative data is a research method based on the philosophy of positivism, used by researchers on populations and samples, data collection using research instruments, statistical data analysis with the aim of testing hypotheses (Sugiyono, 2016). Sources of research data obtained from primary and secondary data.

Sampling of study, according to (Arikunto, 2018) if the subject is less than 100 people should be taken all, if the subject is large or more than 100 people can be taken 10-15% or 20-25% or more. so that the sample used in this study amounted to 60 or all students. The research was conducted by distributing questionnaires via Google Form to the postgraduate students of UIN Raden Intan Lampung. This research questionnaire uses a Likert scale with a score of 1-5 (strongly agree-strongly disagree). As for the data analysis technique used is multiple linear regression. correlation coefficient test, determination coefficient test and hypothesis test (Novalia, & Syazali, 2016). The tools used in analyzing the statistical data of this study used SPSS 22.

RESULT AND DISCUSSION

Data analysis is intended to examine the effect of product (X1) and promotion (X2) on investment interest in Sharia Mutual Funds by using multiple linear regression equation test which is done simultaneously (together) and partially (separately). The test results are as follows:

Multiple Linear Regression Equation Test Results

Equation test using multiple linear regression aims to determine the regression equation that is generated in estimating the value of the dependent variable (bound), so it is necessary to prove the truth of the formulated hypothesis. Data analysis in this study is to determine the effect of products and promotions on investment interest in Islamic mutual funds. The results of these calculations can be seen in the following table:

Table 1
Multiple Linear Regression Equation Test
Coeffecient[a]

	Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	9,604	7,043		1.364	,178
	Product	,779	,068	,845	13,441	,000
	promotion	,318	,098	,112	3,776	,033
a. Dependent Variable: investment interest						
Source: 2021 Data Processing Results						

Multiple linear regression equation obtained the value:

$Y = 9.60 + 0.779 X_1 + 0.318 X_2 + Et.$

a. The value of the intercept constant (a) is 9.60, indicating a positive constant value, meaning that if the product is fixed, and the promotion remains, the investment interest will remain (constant) of 9.60.

b. The value of the regression coefficient (b) X_1 is 0.779, meaning that if the product is increased by 1 unit, it will increase the value of investment interest by 0.779 units.

c. The value of the regression coefficient (b) X_2 is 0.318, meaning that if the promotion is increased by 1 unit, it will increase the value of investment interest by 0.318 units.

The results above show that the most dominant regression coefficient value is the product regression coefficient value, meaning that the largest contribution in influencing investment interest depends on the product.

Correlation coefficient

a. Simultaneous Correlation Coefficient

Based on the results of data processing using SPSS version 22, the results of the correlation value test (r correlation) are obtained as in the summary table below:

Table 2
Simultaneous Correlation Coefficient

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,881a	,776	,768	7,178
Source: 2021 Data Processing Result				

The results of the table above, it is known that the magnitude of the relationship value shown in the product and promotion together with investment interest is indicated by the R value (correlation) of 0.881 or 81.1%. This value is included in the category of very high relationship because it is at a correlation value of 0.700-0.899. This means that the product variables (X1), and promotion (X2) are jointly related to investment interest (Y) are included in the positive category and very closely, if the product (X1) is increased and promotion (X2) is optimized then investment interest Sharia mutual funds will also increase.

b. Partial Correlation Coefficient

The partial correlation analysis is intended to determine the relationship between the two variables studied. The correlation value (r) has two directions, a positive value indicates a unidirectional relationship (X goes up then Y goes up) and a negative value indicates an inverse relationship (X goes up then Y goes down). Namely as follows:

Table 3
Partial Correlation Coefficient

		Product	Promotion	Investment interest
Product	Pearson Correlation	1	,264*	,874**
	Sig. (2-tailed)		0.035	,000
	N	64	64	64
Promotion	Pearson Correlation	,264*	1	,470**
	Sig. (2-tailed)	0.035		,007
	N	64	64	64
Investment interest	Pearson Correlation	,874**	,470**	1
	Sig. (2-tailed)	,000	,007	
	N	64	64	64

Source: 2021 Data Processing Results

Based on the results of these calculations, it can be explained that:

a. The correlation coefficient shows that the product with investment interest has a value of 0.874, the relationship between the two variables is in the "very high" category because it is in the interval (0.80-1.00) and the direction of the correlation (+) means that an increase in the product will increase investment interest. Conversely, if the product decreases well it will reduce investment interest.

b. The correlation coefficient of promotion with investment interest has a value of 0.470, the relationship between the two variables is included in the "medium" category because it is in the interval (0.40-0.599) and the direction of the correlation (+) means that if the promotion is well developed it will increase investment interest by better. Conversely, if the promotion is not developed properly it will reduce investment interest.

Coefficient of Determination

a. Partial Coefficient of Determination

Partial analysis of determination is used to determine the effect between variables X and Y, so that it can be seen how big the percentage of variable X affects variable Y. Based on the table above, the coefficient of determination X1 with Y can be calculated with the following calculations:

KP = r 2 x 100%

Determinant Coefficient Value (KP) = r2 = 0.874^2= 0.764x100% = 76.4%. So it can be concluded that the magnitude of the effect of the product on investment interest is 76.4%.

The remaining 23.6% is influenced by other variables not discussed in this study. The coefficient of determination of X2 with Y is 0.470^2=0.221x100% =22.1%. This means that the magnitude of the effect of promotion on investment interest is 22.1%, the remaining 77.9% is influenced by other variables not discussed in this study.

b. Coefficient of Determination Simultaneously

The analysis of the coefficient of determination carried out simultaneously is used to determine the influence between two or more X variables, so that it can be seen how much percentage of the X variable affects the Y variable. The results of the coefficient of determination test are obtained from the value of determination (R square). The magnitude of the value of the influence of products and promotions together on investment interest is indicated by the value of R2 (R Square) which is 0.881 or 88.1%. The influence is positive, meaning that investment interest is jointly influenced by products and promotions with a value of 88.1%. Meanwhile the remaining 11.9% is not influenced by products and promotions, but can be influenced by various other variables not discussed in the study.

Hypothesis test

a. Simultaneous Hypothesis Testing (F Test)

Simultaneous hypothesis testing is carried out to see the effect of products and promotions on investment interest carried out by the F test and the test is used to compare the value of F count with F table provided

that if F count > F table then there is an effect, if F count < F table then there is no effect, and is done by comparing significance value with alpha value, if the value is sig <0.05 then Ha is accepted and if sig>0.05 then Ha is rejected.

Table 4
Simultaneous Test (F Test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10876,516	2	5438,258	105.548	,000b
	Residual	3142,968	61	51.524		
	Total	14019,484	63			

Source: 2021 Data Processing Results

From the table above, it is known that hypothesis testing was carried out simultaneously to determine the joint effect of products and promotions on investment interest in Islamic mutual funds. The results show that Fcount is 105.54 and Ftable is at dF1 = 2, dF2=60 and a significant level of 5%. (α = 0.05) is 3.07.

Thus, the comparison of F count with F table at a significant level of 5%, is 105.5>3.07. Based on this comparison, it is known that F count is greater than F table at a significant level of 5% (α = 0.05) and the significance test yields a value of sig. = 0.000 <0.05. Thus, Ha is accepted, meaning that the product and promotion together have a

significant effect on investment interest in Sharia Mutual Funds.

b. Partial Hypothesis Testing (t Test)

The partial hypothesis to determine the effect of X1 on Y and X2 on Y, which was carried out separately using the t test, which compared the value of t count with t table at a significant level of 95% (α=0.05). The stipulation is that if t count > t table then there is an effect, otherwise if t count < t table then there is no effect. The results of partial hypothesis testing can be seen as follows:

Table 5
Products for Investment Interest

Coefficients[a]

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	9,604	7,043		1.364	,178
product	,779	,068	,845	13,441	,000
promotion	,318	,098	,112	3,776	,033
a. Dependent Variable: investment interest					

Source: 2021 Data Processing Results

From the table above, the value of tcount at X1 = 13.44, and ttable at a significant level of 95% (α = 0.05) is 1.664 . Based on this comparison, the value of tcount on the product variable is greater than the value of ttable, and with a significant level, namely the value of sig. X1=0.000<0.05.

From the table above, the value of tcount at X2 = 3.776, and ttable at a significant level of 95% (α = 0.05) is 1.664. Based on this comparison, the value of tcount on the promotion variable is greater than the value of ttable, and with a significant level, namely the value of sig. X2=0.001<0.05. In accordance with the test results above, the research hypothesis can be accepted. This means that the results of the partial product test (X1) and promotion (X2) have a significant effect on investment interest in Islamic mutual funds.

CONCLUSION

Based on the results of research and discussion, it can be concluded as follows: First, Respondents dominantly considered that the product in sharia mutual funds had been running quite well and the product had a positive effect on investment interest in sharia mutual funds. Second, Respondents dominantly assessed that the promotion that developed in sharia mutual funds had been going well and the promotion had a positive effect on investment interest in sharia mutual funds. Third, Investment interest in Islamic mutual funds has been going quite well. Products and promotions together have a positive effect on investment interest in sharia mutual funds.

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