

# Research Horizon

ISSN: 2808-0696 (p), 2807-9531 (e)

Research Horizon

Volume: 04

Issue: 06

Year: 2024

Page: 169-174

## Factors Affecting Investment Interest in Government Bonds for Millennial Employees in Semarang

Hendi Yudhanto Adinugroho<sup>1\*</sup>, Affan Naufal Syafida<sup>1</sup>, Indi Djastuti<sup>1</sup>

<sup>1</sup> Universitas Diponegoro, Semarang, Indonesia

\* Corresponding author: Hendi Yudhanto Adinugroho  
([hendiyudhanto@students.undip.ac.id](mailto:hendiyudhanto@students.undip.ac.id))

### Abstract

This research aims to analyze the factors influencing the interest in investing in government bonds among millennial employees in Semarang City. The variables used are Motivation, Financial Literacy, and Income. The population of this study is Millennial Generation Employees residing in the city of Semarang who have an interest in investing in Government Bonds in the Indonesian Capital Market. Sample selection was conducted using the purposive sampling method. The number of samples taken in this study was 100 respondents distributed across the Semarang City area. This research uses primary data collected through structured interviews with the help of questionnaires. The data analysis used is multiple regression analysis. The conclusion drawn is that the Motivation Variable has a positive but not significant effect on the Interest in Investing in Government Bonds for Millennial Employees in Semarang City. The Financial Literacy Variable has a positive but not significant effect on the Interest in Investing in Government Bonds for Millennial Employees in Semarang City, whereas the Income Variable has a positive and significant effect on the Interest in Investing in Government Bonds for Millennial Employees in Semarang City.

### Keywords

Financial Literacy, Government Bonds, Income, Motivation

## 1. Introduction

It should be acknowledged that the Era of the 4.0 Industrial Revolution, characterized by digitalization, demands every individual to transform and continuously innovate while considering future conditions (Berlian et al., 2024; Artanaya et al., 2024). The 4.0 Industrial Revolution is the era of the Millennial generation. Therefore, Millennials must create plans related to efforts that need to be made in the future, usually in the form of investments, such as building properties for passive income or even investing in the capital market. The digitalization of the 4.0 Industrial Revolution has led to rapid advancements, especially in technology, making it easier for society, particularly in terms of investment. In the past, people had to go to securities companies and bring cash to make investment transactions, but in the current era, investment transactions can be done online through digital securities companies that are more effective and efficient, such as Bibit, Stockbit, Indo Premier, RTI Business, and others. With the increasing ease of investing, many people are starting to be interested in diving into the world of the Capital Market, one of which is through Government Bonds. Bonds are the most favored product in Indonesia, which indeed has very low risk.

Government bonds, as one of the investment instruments in the Sharia Capital Market, also contribute significantly to the economy in Indonesia, where many governments strategic projects develop through funding injections from investors (Hanggiani et al., 2024). usually, the development is centered on the island of Java, it cannot be denied that Java Island is the epicenter related to Government, Business, Economy, Finance, Education, and even tourism. According to BPS, Java Island contributes 60% to the National GDP and is supported by a population that reaches 56% nationally. Therefore, it can be concluded that Java Island is the population center in Indonesia with its various important sectors.

## 2. Literature Review

The population in Indonesia, centered on the island of Java, also has a very high number of Millennials. According to data from IDX in 2021, the number of Millennial Investors in Indonesia reached 5.8 million across the country. Semarang City is one of the major cities in Indonesia, and it certainly has the potential to be one of the centers of Indonesia's Millennial Generation when referring to aspects of Governance, Economy, Business, Tourism, Education, Health, and even Lifestyle. Research by Nisa (2017) on the Motivation Variable which significantly has a positive influence towards investment interest. Meanwhile, Safryani et., (2020) on their research on Financial Literacy stated that it positively and significantly affecting investment interest. Additionally, research by Andreansyah, & Meirisa (2022) explains that the Income has significant and positive effect on investment interest. With that background, the researcher is interested in studying the factors influencing interest in investing in government bonds among millennial employees in the city of Semarang.

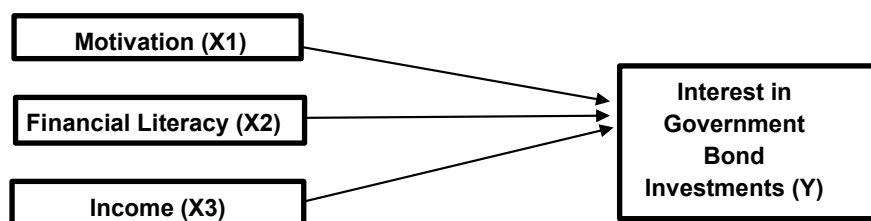


Figure 1. The Conceptual Framework

A hypothesis is a provisional response to a research problem that has already been presented in the form of a question (Ramdhan, 2021). The hypothesis in this study. The Influence of Motivation on Investment Interest Research by Nisa, (2017) on the Motivation Variable shows a positive and significant influence on investment interest. The connection between Financial Literacy and Investment Interest Research by Hati & Harefa (2019) states that financial literacy has a considerable influence on the investment interest of the Millennial generation. The connection between Income and Investment Interest Research by Malik (2017) states that income level has a considerable influence on investment interest in the Sharia Capital Market for the community.

H1: Motivation has a significantly affects investment interest.

H2: Financial Literacy has a significant effect on investment interest.

H3: Income has a significantly affects investment interest.

### **3. Methods**

This research utilizes quantitative and descriptive method. The population of this study is Millennial Generation employees in the city of Semarang. Sample selected based on purposive sampling method. The criteria are Millennial Generation Employees in the city of Semarang who have invested in Government Bonds. The sample size taken in this study is 100 Investors spread across the city of Semarang. This study utilizes primary data collected through structured interviews using questionnaires. The independent variables in this study are Motivation (X1), Financial Literacy (X2), Income (X3), and the dependent variable is the Interest in Government Bond Investment (Y) in the Capital Market in Semarang City. The analysis of data utilized is multiple regression analysis, which consists of the coefficient of determination, simultaneous test (F test), and hypothesis test (T test) as well as content analysis.

### **4. Results**

The capital market is one of the most important instruments in the economic development of Indonesia and for investors through the investments made. Government Bonds as one of the products of the Capital Market. Every person needs to have a high level of awareness specifically in investing, because investment is very important for the future. a generation faced with the importance of investment is the Millennial generation. Millennials are a generation living in the millennium era where they will encounter very complex dynamics in various sectors of life, thus requiring rapid transformation and innovation to keep up with the current era of the Fourth Industrial Revolution. The city of Semarang, as a region with a very large population, therefore it is necessary to realize that the advantages of investment in the Capital Market are very significant if they can be maximized.

In this study, we have a sample of 100 Millennial Generation employees working in the city of Semarang. In this study, we have a sample that includes respondents from 15 sub-districts in the city of Semarang. The results of the validity test show that the calculated r-value is greater than the table r-value and the r-value is positive, thus the items in this study can be considered valid. Reliability test proves that Cronbach Alpha is greater than 0.6, so the question items in this study can be considered reliable. Normality test result showed that all asymptotic Sig values are above 5%, so it concluded that the data in this study have a normal distribution. The Heteroskedasticity Test shows that the significance values for the heteroskedasticity test results on all variables are greater than 0.05, thus concluding that all research variables are free from heteroskedasticity issues. The results of the multicollinearity test show that the VIF values for the research variables in the multicollinearity test

are less than 10, so it can be concluded that there is no multicollinearity among all the research variables.

**Table 1.** Results of Double Linear Regression

Analysis Independent Variable	Coefficient	t-ratio	Sig.	P-value
Motivation (X1)	0.162		1.646	0.115
Financial Literacy (X2)	0.212		1.780	0.073
Income (X3)	0.486		4.138	0.000
Constant = 2.532				

Based on Table 1, the multiple linear regression equation can be constructed as follows:  $Y = 2.532 + 0,162 (X1) + 0,212 (X2) + 0,486 (X3)$

The results of the multiple linear regression analysis above show that the regression coefficient for the Motivation variable (X1) is 0.162. For every 1 unit increase in risk, the interest level in investing in Government Bonds among Millennial Employees in Semarang City increases by 0.162. The Financial Literacy coefficient (X2) is 0.212, for every 1-unit increase, the interest level in investing in Government Bonds among Millennial Employees in Semarang City increases by 0.212. The Income coefficient (X3) is 0.486, for every 1-unit increase, the interest level in investing in Government Bonds among Millennial Employees in Semarang City increases by 0.486.

R<sup>2</sup> is 0.481. The variation in the level of interest in investing in Government Bonds is explained by the Motivation variable at 48.1%, the other 51.9% of the variation is accounted for by factors not included in the model under investigation. The F-test results show a value of 21.461 with a significance of 0.000. This research model is accurate (fit) and variable. Motivation, Financial Literacy, and Income simultaneously and significantly influencing the interest in investing in Government Bonds among Millennial Employees in Semarang City.

The T-test results for the Motivation variable show a T value of 1.646 with a sig value of 0.115. The Motivation variable has a positive but not significant effect at the 5% alpha level on the interest in investing in Government Bonds among Millennial Employees in Semarang City. The T-test results for Financial Literacy show a T value of 1.780 with a sig value of 0.073. This indicates that the Financial Literacy variable has a positive outcome but not significant effect at the 5% alpha level on the interest in investing in Government Bonds among Millennial Employees in Semarang City. The T-test results for Income show a T value of 4.138 with a sig value of 0.000. This means that the Income variable has a significant positive effect at the 5% alpha level on the interest in investing in Government Bonds among Millennial Employees in Semarang City.

The Motivation variable positively but insignificant effect on the interest in investing in Government Bonds among Millennial Employees in Semarang City, which is due to the still low awareness of the importance of investment for the future. The Financial Literacy variable also has a positive but not significant effect on the interest in investing in Government Bonds among Millennial Employees in Semarang City. This is because the level of understanding of the respondents does not fully comprehend and know about the risks. Meanwhile, the Income Variable has a positive and significant effect on the interest in investing in Government Bonds among Millennial Employees in Semarang City due to the respondents' level of understanding, which sufficiently comprehends and knows about the allocation of investment income. According to (Hariyani, 2014), interest is a combination of desire and willingness that can develop if there is motivation. According to (Alfazani, 2021), interest is basically the acceptance of the relationship between yourself and

commodity outside yourself. The above opinion indicates that there are several factors supporting investment interest, whether of high or low significance

## 5. Conclusion

This study came in to conclusion that Motivation and Financial Literacy have a positive but insignificant influence, while the variable of Income has a positive and significant influence on interest in investing in Government Bonds among Millennial Employees in Semarang City. Motivation and Financial Literacy have different conditions for everyone, so they potentially have different proportions in terms of encouragement or perception, while the Income Variable has a significant and positive impact. This makes perfect sense in the context of the fourth industrial revolution, it is becoming increasingly easy to find information related to learning mechanisms in allocating income sources in the Capital Market, especially Government Bonds, which are very low-risk, such as techniques for studying Yield, Discount Price, Coupons, and others, even reaching the level of macroeconomic learning such as interest rates, currency exchange rates, and other financial data. The research's theoretical implication is to carry out more research related to investment interest in Government Bond products in the Capital Market and to initiate new research where Millennial Employees in Semarang City are used as samples in studies related to investment interest in Government Bond Products in the Capital Market.

## References

- Adinugroho, H. Y. (2022). *Analisis Perbandingan Sebelum Dan Sesudah Initial Public Offering (IPO) Terhadap Kinerja Keuangan Perusahaan Pt. Aneka Gas Industri Tbk* (Doctoral dissertation, Universitas Muhammadiyah Surakarta).
- Adinugroho, H. Y. (2023). Dampak Varian Omicron terhadap Percepatan Pertumbuhan Ekonomi Digital Skala Nasional melalui Indeks LQ45. *Prosiding Caption*, 1, 66-75
- Alfazani, M. R. (2021). Faktor pengembangan potensi diri: Minat/kegemaran, lingkungan dan self disclosure (Suatu kajian studi literatur manajemen pendidikan dan ilmu sosial). *Jurnal Manajemen Pendidikan Dan Ilmu Sosial*, 2(2), 586-597.
- Andreansyah, R., & Meirisa, F. (2022). Analisis literasi keuangan, pendapatan, dan perilaku keuangan, terhadap keputusan investasi. *Publikasi Riset Mahasiswa Manajemen*, 4(1), 17-22.
- Anggraeni, A. I. (2020). Executive role in the use of information technology in public organisations. *Arthatama*, 4(1), 17-32.
- Artanaya, I. K., Mulyani, D., Djastuti, I., & Perdhana, M. S. (2024). The Role of Merchandisers in Enhancing Business Performance in the Pharmaceutical Industry. *Research Horizon*, 4(4), 267-274.
- Asif, M. (2021). Evaluation of factors affecting carbon accounting information disclosure: A case of ASEAN countries. *Arthatama*, 5(2), 39-50.
- Bakhri, S., Abdul Aziz, A. Z., & Sarinah, R. (2020). Pengetahuan dan Motivasi untuk Menumbuhkan Minat Berinvestasi pada Mahasiswa. *Value: Jurnal Manajemen dan Akuntansi*, 15(2), 60-73.
- Berlian, U. H., Nurpratiwi, E. R., Mu'ammam, N., Dirgantara, I. M. B., & Soesanto, H. (2024). Systematic Literature Review: Green Marketing. *Research Horizon*, 4(4), 251-260.
- Hamdah, D. F. L., et al. (2019). "Pengaruh Return on Equity dan Earning Per Share terhadap Harga Saham (Studi Kasus pada Perusahaan Indeks LQ45 yang Terdaftar di Bursa Efek Indonesia Tahun 2012- 2017)." *Jurnal Wacana Ekonomi* 18(3): 171-183.
- Hanggiani, A., Lashyadi, A., Perdhana, M. S., & Kusumawardhani, A. (2024). Implementation of a Business Model in a Broiler Chicken Partnership Company: A Case Study of PT Mustika Jaya Lestari. *Research Horizon*, 4(4), 261-266.

- Hariyani, T. (2014). "Pengaruh penggunaan teknologi informasi dan minat pemanfaatan teknologi informasi terhadap kinerja pegawai di BKKBN kabupaten Madiun." *Assets: Jurnal Akuntansi Dan Pendidikan* 3(2): 144-152.
- Hati, S. W. and W. S. Harefa (2019). "Analisis faktor-faktor yang mempengaruhi minat berinvestasi di pasar modal bagi generasi milenial." *Journal of Applied Business Administration* 3(2): 281-295.
- Hermina, T., & Fauziah, H. (2022). How does Implementation Drive Actual Buying Behavior of Organic Coffee?. *Research Horizon*, 2(4), 465-475.
- Khotimah, H., Warsini, S., & Nuraeni, Y. (2016). Pengaruh sosialisasi dan pengetahuan terhadap minat investor pada efek syariah di pasar modal (survei pada nasabah PT Danareksa Sekuritas Cabang FE-UI Depok). *SabarWaarsiniJuni2016.pdf*.
- Luthfiyah, A., et al. (2021). "Pengaruh Platform Media Sosial Terhadap Minat Generas." *Jurnal Pendidikan Tambusai* 5(3): 10869-10875.
- Malik, A. D. (2017). "Analisa faktor-faktor yang mempengaruhi minat masyarakat berinvestasi di pasar modal syariah melalui Bursa Galeri Investasi UISI." *Jurnal Ekonomi dan Bisnis Islam* 3(1): 61- 84.
- Mariam, I., Budhiana, J., Permana, I., Dewi, R., Rahmanishati, W., Noviyanti, L., ... & Unmehopa, Y. F. (2021). Knowledge, attitudes, disaster training and self efficacy on disaster preparedness. *Research Horizon*, 1(5), 179-188.
- Martawan, R., Achdiat, A., Ruyani, N. R., Ediyanto, E., & Jamaludin, M. (2023). Analysis of Food Security in Regional Context: West Java Provincial Government as a Case Study. *Research Horizon*, 3(1), 1-8.
- Munir, M. (2018). Membingkai kepribadian ulul albab generasi milenial. *Ta'limuna: Jurnal Pendidikan Islam*, 7(1), 45-59.
- Mussy, E., Tumbuan, W. J., & Tielung, M. V. (2023). The Influences Of Financial Literacy And Financial Technology On Manado Millennial Investment Intention In Capital Market. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 11(1), 1338-1347.
- Nisa, A. (2017). Pengaruh pemahaman investasi, modal minimal investasi dan motivasi terhadap minat mahasiswa berinvestasi di pasar modal (Studi pada Mahasiswa Sekolah Tinggi Kesuma Negara). *Jurnal Penelitian Teori & Terapan Akuntansi (PETA)*, 2(2), 22-35.
- Ramdhan, M. (2021). *Metode penelitian*. Surabaya: Cipta Media Nusantara.
- Safryani, U., Aziz, A., & Triwahyuningtyas, N. (2020). Analisis literasi keuangan, perilaku keuangan, dan pendapatan terhadap keputusan investasi. *Jurnal Ilmiah Akuntansi Kesatuan*, 8(3), 319-332.
- Sari, S. (2019). Literasi media pada generasi milenial di era digital. *Professional: Jurnal komunikasi dan administrasi publik*, 6(2), 30-42.
- Shah, M. H. (2022). Impact of green marketing strategy on business performance-mediating role of corporate image in construction industry of Kenya. *Arthatama*, 6(1), 1-11.
- Sopotan, G. E., et al. (2014). "Manajemen Risiko Kesehatan Dan Keselamatan Kerja (K3)(Study Kasus Pada Pembangunan Gedung Sma Eben Haezar)." *Jurnal Ilmiah Media Engineering* 4(4).
- Syarief, E. and J. Junaidi (2021). "Perlindungan Hukum Pemegang Saham Minoritas Terhadap Implikasi Praktik Insider Trading dalam Perdagangan Saham di Pasar Modal." *Journal of Law and Policy Transformation* 6(1): 72-89.
- Yuliati, L. (2011). "Faktor-faktor yang mempengaruhi minat masyarakat berinvestasi sukuk." *Walisongo: Jurnal Penelitian Sosial Keagamaan* 19(1): 103-126.



Copyright: © 2024 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution-ShareAlike 4.0 International License (<https://creativecommons.org/licenses/by-sa/4.0/>).