

**THE EFFECT OF INVESTMENT KNOWLEDGE, LIFESTYLE, AND INCOME
ON ANTAM GOLD INVESTMENT DECISIONS USING GOLD (E-GOLD) IN THE
BSI APPLICATION (CASE STUDY ON GENERATION Z MUSLIMS OF
LUMAJANG REGENCY)**

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Abstract

Investment decisions involve an investor's actions to invest funds in various investment options, both in the form of financial assets and real assets. The formulation of the problem in this study is how does investment knowledge affect the Antam E-Gold Investment decision?, How does lifestyle affect the Antam E-Gold Investment decision? How does income affect the Antam E-Gold Investment decision? The method used is quantitative. The results of the study showed that the partial test results of the investment knowledge variable had a positive effect on the Antam E-Gold Investment Decision. The Lifestyle variable did not affect the Antam E-Gold Investment Decision and the income variable had a positive effect on the Antam E-Gold Investment Decision.

Keywords: Investment Knowledge, Lifestyle, Income, Investment Decisions

INTRODUCTION

Nowadays, the development of technology and information is increasingly rapid, which encourages people to be smarter in managing their finances. Awareness of the importance of setting aside some income to meet future needs is increasing. Increased income can be channeled into investments, both in the real sector and in the financial sector. Most people are now also starting to invest in both sectors. However, their investment choices still tend to be dominated by the real sector, such as gold. According to Nudia (2022), gold is one of the most popular investment choices because it provides convenience for its investors. Moreover, currently, there are investment options in the form of digital gold which makes it easier for people to invest (Putri & Santoso, 2024).

Zero Inflation properties. The increase in gold prices is generally in line with the inflation rate. The value of gold tends to increase and is considered more stable compared to the value of currencies in various countries (Fathihani et al., 2023). The following is data related to the development of gold prices from 2018-2023:



Figure 1
Gold Price Development Graph
Source: databoks (databoks, 2023)

Based on Figure 1, it can be seen that the price of gold continues to increase every year. With advances in technology in the financial sector, people can now invest in the form of digital gold that can be purchased in small denominations, because this gold is presented in the form of online data, not physical bars. Digital gold is known as a haven, a type of investment that can maintain its value even though the global economic conditions are unstable. Digital gold investment is also safer because it is under the direct supervision of the Financial Services Authority (OJK) and is free from the risk of theft as often happens with

gold in physical form (Puspita Sari & Azzafira, 2021). However, the increase in the price of gold is not followed by public literacy regarding investment so some people can only do it for high-income individuals. The results of the National Survey on Financial Literacy and Inclusion (SNLIK) conducted by OJK show that the financial literacy and inclusion index in urban areas is 69.71% and in rural areas, it is only 59.25%. This identifies that the understanding of the use of financial service products for rural communities is still behind that of urban communities (OJK, 2024).

This gold investment decision has several factors that can influence consumers to buy gold, including knowledge, investment, lifestyle, and Income values. First, knowledge is information obtained by someone through a learning process that is received and then organized in human memory. Meanwhile, investment can be interpreted as a commitment to allocate some funds or resources to obtain profits in the future. Definitions above, we can close how to use some of the funds to get profits (Wibowo Ari & Purwohandoko, 2019). The explanation above follows the results of research conducted by Pribowo & Fathihani (2023) and Hana et al., (2024) identifying that knowledge influences gold investment decisions. However, in contrast to the results of research conducted by Putri & Santoso, (2024) showing that financial literacy does not influence investment decisions.

Second, Lifestyle reflects an individual's choice in utilizing their time and money. Differences in social class, education level and position of a person can influence the lifestyle they live. Lifestyle can be interpreted as how a person spends their time through various activities and behaviors shown in everyday life. Lifestyle is an important part of an individual's life because it can not only shape social class but also represent a person's overall personality including in the style of digital gold investment (Fiah et al., 2023). The explanation above is in line with the results of a Study by Nurhayati & Harianti, (2023) showing that lifestyle influences investment decisions. However, different the results of the study by Tambunan & Soemitra, (2023) Show identified lifestyle Variable has no Effect on investment decisions

Third, income can be defined as the income earned by a person from their hard work in a certain period, such as per month or year. Income has a significant influence on investment decision-making. In general, the higher a person's income, the greater their

considerations for making investments, including gold investments (Safitri & Rachmansyah, 2021). This is in line with the research results of Lestari et al., (2022) showing that income influences gold investment decisions. This means that income level is an important factor in making gold investment decisions.

Based on the description above, the differences and similarities with previous studies in terms of the variables used, both independent variables and dependent variables. This study uses variables, namely investment knowledge, lifestyle, and income that have been used in previous studies. In addition, several studies examine gold investment decisions. The difference between this study and previous studies is the current year of research, using references to all variables from previous studies, namely investment knowledge, lifestyle, and income, the object of research is BSI Lumajang, the sample used is Generation Z Mulim Lumajang.

REVIEW OF LITERATURE

Theory of Reasoned Action

The Theory of Reasoned Action proposed by Fishbein and Ajzen in 1975, assumes that humans act consciously and base their actions on available information. Ajzen explains that an individual's intention to do a particular behavior that influenced by two factors their attitude toward behavior and the influence of social factors. Ajzen then complemented this theory with the concept of beliefs. He explained that attitudes are formed from beliefs about behavior (behavioral beliefs), while subjective norms arise from normative beliefs (Listyarti, 2019).

Investment Decisions

Investment decisions refer to the actions taken by investors to allocate funds across various investment options, whether in financial assets or real assets. This process requires careful consideration of multiple factors, both external and internal. External factors include financial statements of companies, inflation rates, prevailing interest rates, and supporting documents that verify the existence of assets. Conversely, internal factors predominantly involve psychological aspects and encompass three key domains: cognitive, affective, and psychomotor. The cognitive domain pertains to intellectual abilities and thought processes,

such as knowledge, comprehension, application, analysis, and evaluation. The affective domain, on the other hand, involves ethical behavior, emotions, attitudes, feelings, and related elements (Ahzar et al., 2023). Decision indicators according to Philip Kotler are need recognition, information, alternative evaluation, investment decisions, and post-purchase (Iriani, 2019).

Investment Knowledge

Knowledge is information obtained by someone through a learning process that is received and then organized in human memory. Meanwhile, investment can be interpreted as a commitment to allocate some funds or resources to obtain profits in the future based on these two definitions, investment knowledge can be defined as information on effectively utilizing available funds or resources to generate profits (Wibowo Ari & Purwohandoko, 2019). The indicators of investment knowledge are knowledge of capital market instruments, knowledge of investment risk, knowledge of investment return rates, knowledge of the relationship between investment risk and return rates, and general investment knowledge.

Lifestyle

Lifestyle reflects an individual's choice in utilizing their time and money. Differences in social class, education level and position of a person can influence the lifestyle they live. Lifestyle can be interpreted as how a person spends their time through various activities and behaviors shown in everyday life. Lifestyle is an important part of an individual's life because it can not only shape social class but also represent a person's overall personality including in the style of digital gold investment (Fiah et al., 2023). The lifestyle indicators in making investment decisions are activities, interests and opinions (Ginting & Bangun, 2022).

Income

Income can be defined as the income earned by a person from his hard work in a certain period, such as per month or year. Income has a significant influence on investment decision-making. In general, the higher a person's income, the greater their considerations for making investments including gold investments (Safitri & Rachmansyah, 2021). The income indicators are income received per month, work, and family burdens borne (Dwi Rizky et al., 2024).

RESEARCH METHOD

This study method uses quantitative. Quantitative research is the testing method from a theory to identify relationships between variables Independent and Dependent. The purpose of the quantitative Method is to develop and use mathematical models, theories, and hypotheses related to phenomena under investigation. It is often defined as research that utilizes numerical data throughout the entire process, including data collection, analysis, and presentation of results (Sidik & Sunarsi, 2021). The population of this study is Generation Z Muslims in Lumajang. The number of Studies are 110 respondents was determined using the specified formula (Hair et al., 2014).

RESULTS AND DISCUSSION

Validity Test (Convergent Validity)

The validity test is used to know the loading factor value and the Average Variance Extracted (AVE) values. A loading factor value greater than > 0.70 and an AVE value greater than > 0.50 is considered acceptable (Sarwono & Narimawati, 2015). The results Convergent Validity test from 110 respondents are:

Table 1
Outer Loading

| Variables | Indicator | Outer Loading |
|----------------------|------------------|----------------------|
| Investment Knowledge | x1.1 | 0.849 |
| | x1.2 | 0.917 |
| | x1.3 | 0.936 |
| | x1.4 | 0.950 |
| | x1.5 | 0.902 |
| Lifestyle | x2.1 | 0.953 |
| | x2.2 | 0.955 |
| | x2.3 | 0.640 |
| Income | x3.1 | 0.919 |
| | x3.2 | 0.832 |
| | x3.3 | 0.916 |
| Investment Decisions | Y1.1 | 0.784 |
| | Y1.2 | 0.890 |
| | Y1.3 | 0.902 |
| | Y1.4 | 0.705 |

Table 1, Results of Outer Loading Value shows that all of the indicator constructs have a value greater than > 0.7 . Although, there are still Loading Factor values < 0.7 , according to (Sarwono & Narimawati, 2015) the Loading Factor value > 0.5 is sufficient and considered valid. Therefore, the overall loading factor value of each construct has met the criteria and is valid.

The Composite Reliability Test is used to see about consistency and reliability of instruments based on two criteria: composite reliability and Cronbach's alpha with a value of more than > 0.70 is valid. Then, the Average Variance Extracted (AVE) Hope value minimum must be 0.50. The results of the reliability measurements in this study are presented in the table below.

Table 2
Reliable Test

| Variables | Cronbach's Alpha | Composite Reliability |
|---------------------------|------------------|-----------------------|
| Investment Knowledge (X1) | 0.949 | 0.961 |
| Lifestyle (X2) | 0.830 | 0.894 |
| Income (X3) | 0.869 | 0.919 |
| Investment Decision (Y) | 0.838 | 0.893 |

Table 2 shows the results of this study's composite reliability value and Cronbach's alpha > 0.70 . we can reach a conclusion This third data is reliable.

R- Square analysis test (R^2) is carried out to measure the ability of the model to explain the influence of all variables simultaneously (together) can be known. To find out the results, it is determined into three R- Square values. (R^2) category, namely 0.75, a strong category, R- Square value (R^2) of 0.5 indicates a moderate model value, and an R- Square value (R^2) of 0.25 indicates a low category. The results are below:

Table 3
R-Square Test (R^2)

| Dependent Variable | R Square | Adjusted R Square |
|----------------------|----------|-------------------|
| Investment Decisions | 0.670 | 0.660 |

Table 3 shows the R-Square (R^2) value that Antam E-Gold's investment decision on the medium category with an influence of 67% on the decision to invest in Antam Gold Using E-Gold in the BSI Application, the remaining 33% is influenced by other variables.

Path Coefficient Test is a partial test to find out the results of the independent test on the dependent whether the results have an effect or not. The results of the Path Coefficient test study This study is:

Table 4
Path Coefficient Test

| Variables | P Values |
|--|----------|
| Investment Knowledge -> Investment Decisions | 0.016 |
| Lifestyle -> Investment Decisions | 0.318 |
| Income -> Investment Decisions | 0,000 |

Table 4 shows results from the path coefficient test investment knowledge variable affects positively significantly on investment decisions with a P-value of $0.016 < 0,05$. However, the lifestyle variable does not affect investment decisions with a P-value of $0.318 > 0.05$. This identifies that with a high level of Lifestyle, it is not necessarily the interest in investing in gold that is produced is also high. In line with the results of research conducted by Listiyani et al., (2021) identified that the higher the lifestyle, the higher the consumer's lifestyle spending. The income variable has a positive influence on investment decisions with a P Value of $0.000 < 0.05$.

The Influence of Knowledge on Antam E-Gold Investment Decisions

Knowledge is information obtained by someone through a learning process that is received and then organized in human memory. Investment, on the other hand, can be defined as a commitment to allocate funds or resources with the goal of generating future profits. From these definitions, it can be concluded that investment knowledge refers to information on how to effectively utilize available funds or resources to achieve financial gains. (Wibowo Ari & Purwohandoko, 2019) .

This investment knowledge is the main key to investing in gold by exploring various sources about investment to obtain valid information. This is in line with research conducted by Ira et al., (2023) which identified that knowledge influences investment decisions. In other words, the higher or better a person's understanding of financial literacy, the greater their interest in investing.

The Influence of Lifestyle on Antam E-Gold Investment Decisions

Lifestyle reflects an individual's choice in utilizing their time and money. Differences in social class, education level and position of a person can influence the lifestyle they live. Lifestyle can be interpreted as how a person spends their time through various activities and behaviors shown in everyday life. Lifestyle is an important part of an individual's life because it can not only shape social class but also represent a person's overall personality including in the style of digital gold investment (Fiah et al., 2023). However, in this study, based on the results of the hypothesis test, it shows that lifestyle has no influence on gold investment decisions with a P-Value of $0.318 > 0.05$.

Based on the results of the Hypothesis test, the lifestyle variable does not affect investment decisions and this is supported by the results of a research test conducted by Listiyani et al., (2021) which identified that the higher the lifestyle, the higher the consumer's lifestyle expenditure. This identifies that the higher the individual's lifestyle, the higher the daily expenditure.

The Influence of Income on Antam E-Gold Investment Decisions

Income can be defined as the income earned by a person from his hard work in a certain period, such as per month or year. Income has a significant influence on investment decision-making. In general, the higher a person's income, the greater their considerations for making investments including gold investments (Safitri & Rachmansyah, 2021). The income indicators are income received per month, work, and family burdens borne (Dwi Rizky et al., 2024).

The results of the Hypothesis test that income variables affect investment decisions by looking at P Values of $0.000 < 0.05$. furthermore, the Hypothesis is accepted. These results are in line with the results of research conducted by Lestari et al., (2022) showing that income has a positive effect on investment decisions.

CONCLUSION

This study examines the factors influencing gold investment decisions, particularly in digital gold, among Generation Z Muslims in Lumajang. The findings indicate that investment knowledge and income significantly impact investment decisions, while lifestyle

does not have a substantial effect. The results demonstrate that a higher level of investment knowledge enhances individuals' ability to make informed investment choices. Similarly, income level plays a crucial role in investment decisions, as individuals with higher earnings are more likely to allocate funds toward gold investment.

The research model, assessed through validity, reliability, and R-Square tests, confirms the robustness of the findings. The R-Square value of 0.670 indicates that investment knowledge, lifestyle, and income collectively explain 67% of the variance in investment decisions, with the remaining 33% influenced by other factors. Path coefficient analysis further supports the significance of investment knowledge and income, while lifestyle does not exhibit a notable impact on gold investment decisions.

These findings contribute to the existing literature on investment behavior, particularly in the context of digital gold investment. They highlight the need for increased financial literacy to enhance investment participation among individuals with lower income levels. Future research could explore additional variables, such as risk perception and technological adoption, to provide a more comprehensive understanding of digital gold investment decisions.

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