Impact Of Returns, Risk On Interest In Investing During The Covid-19 Pandemic

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***Abstract**.*
This study aims to determine the effect of return, risk on interest in investing during the covid 19 pandemic. The population in this study were all customers of the Indonesia Stock Exchange (IDX) Pangkalpinang City with a total sample of 377 respondents. The sampling technique was carried out using a non-probability sampling method, namely the accidental sampling technique. This type of research is quantitative research with primary data types obtained directly through the distribution of online questionnaires using google form. This research uses multiple regression analysis technique.The results of this study indicate that (1) the return variable has a significant effect on interest in investing during the covid 19 pandemic. (2) the risk variable has a significant effect on interest in investing during the covid 19 pandemic. (3) the attitude variable has a significant effect on interest in investing during the pandemic. covid 19. The conclusion of this study shows that IDX customers have a good understanding of returns and risks, and have a positive attitude towards investing during the covid 19 pandemic, encouragement from those closest to them as well as the confidence from within customers to invest, greatly affects customer investment interest during the covid 19 pandemic.

***Keywords:** Return, Risk, Investment Interest, Covid 19 Pandemic.*

I.   INTRODUCTION

Investment is one way of managing assets or assets that aims to provide results in the future. Individuals who carry out investment activities are usually referred to as investors and are also often referred to as investors in a company. At this time, investing activities are very common among the people. There are two paradigms that apply to public investment, namely investment is considered a desire and investment is considered a necessity. First, investment is considered as a desire to occur when someone has more money and then the money is saved as savings rather than being used to invest. A person will only use his money to invest when he already has a desire or interest. Meanwhile, secondly, investment is considered a necessity when someone has excess money, the money is directly used for investment purposes rather than for savings (Tandio and Widanaputra, 2016).The first thing that is needed before deciding to invest is interest. If someone already has an interest in investing, then surely that person will be serious about starting investing and carrying out activities that support their desire to invest, for example attending investment seminars and training. "Theory

of Reasoned Action (TRA), explains that a person's interest in doing (or not doing) behavior is a direct determinant of behavior, and depends on two aspects, namely attitudes and subjective norms. To measure an investment interest which is the main focus in this research, the theory of planned behavior (TPB) introduced by (Ajzen, 1991) is used. In the theory of planned behavior (TPB) before someone conducts behavior in this case is investing, there are variables that precede, namely interest and an interest is influenced by attitudes, subjective norms, and perceived behavior control" (Rahmawati and Maslichah, 2018).

The JCI experienced a significant decline from January to March 2020, a decline of 22% from the highest JCI in January 2020. This made investors who were previously rational into panic selling due to uncontrollable emotions. increased or even decreased. Making rational investors tend to be hybrid investors, but there are still irrational investors who still maintain their shares despite experiencing losses, and do not want to realize these losses.Almost all stocks that are included in the IDX-30 (an index consisting of 30 stocks that have stock performance with high liquidity and large market capitalization) are undervalued and even have great sales (massive discounts). The rational behavior of investors turns to hybrid behavior by paying attention to undervalued stocks or even great sales by using their personality and social environment to make stock investment decisions, on the other hand, irrational investor behavior switches to hybrid behavior to seek the required information such as accounting information, stock performance. stocks with large discounts so that you are sure to decide on stock investments that have the best quality at a super undervalued price (Sitinjak, 2020).The growth of domestic investors is inseparable from the intensive capital market education with members of the stock exchange and IDX representative offices in various regions. The Pangkalpinang City Indonesia Stock Exchange (IDX) through the Yuk Learn to Save Stock program invites millennials and the general public in Pangkalpinang City to invest in the capital market, by providing knowledge to the public, IDX wants to increase awareness of the importance of investing in stocks, to increase local investors and also help the Indonesian economy. The number of investors in the Province of the Bangka Belitung Islands has increased, listed on the Indonesia Stock Exchange in Pangkalpinang City on September 30, 2020, the number of investors reached 6,678 investors.

II.   METHODS

The method used in this study is a quantitative method, with the object being the customers of the Indonesia Stock Exchange (IDX) in Pangkalpinang City, Bangka Belitung Islands Province.The research will be conducted by distributing an online questionnaire in the form of a google form using social media researchers to the customers of the Indonesia Stock Exchange (IDX) Pangkalpinang City. The research will be conducted for 30 days, starting from March 8, 2021 to April 6, 2021.Non Probability sampling is a technique in taking samples from the population where each

member of the population is not given the same opportunity to be selected as a sample (Sugiyono, 2017). Accidental sampling is part of the non-probability sampling technique, which is a procedure for selecting samples on the basis of chance, that is, anyone who happens to be met and then deemed suitable to be used as a research sample (Seni and Ratnadi, 2017).

The sample criteria that are considered suitable in this study are customers on the Indonesia Stock Exchange (IDX) in Pangkalpinang City aged over 20 years and are customers who have joined the IDX for less than 5 years. considered to have been rational in making decisions and for customers who have joined for less than 5 years, they are considered potential because they are new investors who are then immediately faced with the current pandemic so that the reason for investing can be greatly influenced by several factors.The method used to determine the number of samples in this study is the slovin method. The Slovin method itself is an ideal sample selection method, namely the selection of samples is not too few and not too many. The slovin formula used (Armando, 2019) is as follows:

$$n = \frac{N}{1 + (N \times e^2)}$$

Information :

n : sample size

N : total population

e : percentage of allowance for inaccuracy due to errors in sampling (error rate 5% = 0.05)

Then the calculation of the slovin formula with a total population of 6,678 customers of the Indonesia Stock Exchange (IDX) in Pangkalpinang City is as follows:

$$n = \frac{6.678}{1 + (6.678 \times 0{,}05^2)}$$

$$n = \frac{6.678}{1 + (16{,}695)}$$

$$n = \frac{6.678}{17{,}695} = 377{,}39$$

Based on these calculations with an error rate of 5%, the number of samples was 377.39 which was rounded up to 377, so the sample used in this study was 377 customer respondents from the Indonesia Stock Exchange (IDX) in Pangkalpinang City.Hypothesis testing in this study uses a Structural Equation Model (SEM) approach based on Partial Least Square (PLS). PLS is one of the SEM statistical methods designed to solve multiple regression when data-specific problems occur. The purpose of SEM testing using PLS is to test the predictive relationship between constructs by seeing whether there is a relationship or influence between these constructs (Diana, 2018). The reason for using the data analysis technique using PLS in this study is that

PLS can be used when the data distribution is skewed or not spread across the average value and the use of PLS has simpler assumptions (Seni and Ratnadi, 2017).

III.   RESULT AND DISCUSSION

The results of all respondents' answers from a number of returned and usable questionnaires will then be tabulated for data analysis purposes. The tabulation of the data that has been created is then processed using the SmartPLS 3 application, and is presented in the form of a table as follows:

Tabel 3.1. Description of Return Variable

	N	Minimum	Maximum	Mean	Std. Deviation
Re1	347	1	5	4,095	0,865
Re2	347	1	5	3,937	0,967
Re3	347	1	5	4,072	0,830
Re4	347	1	5	3.931	0,859
Valid N	347				

Source: data processed with SmartPLS 3, 2021.

Based on the data in table IV.5, from statements number 1 to 4, the response values are close to 4 and above 4. So it can be concluded that respondents agree with all statement items related to returns.

Tabel 3.2. Description of Risk Variables

	N	Minimum	Maximum	Mean	Std. Deviation
Ri1	347	1	5	2,954	1,023
Ri2	347	1	5	2,948	1,034
Ri3	347	1	5	4,009	0,880
Ri4	347	1	5	3,086	0,904
Valid N	347				

Source: data processed with SmartPLS 3, 2021.

Based on the data in table IV.6, from statements numbered 1 to 4, the response values are close to 3 and above 3. So it can be concluded that respondents are still unsure about statements related to risk.

Tabel 3.3. Description of Attitude Variables

	N	Minimum	Maximum	Mean	Std. Deviation
Ai1	347	1	5	3,522	1,050
Ai2	347	1	5	3,599	1,040
Valid N	347				

Source: data processed with SmartPLS 3, 2021.

Based on the data in table IV.7, from statements number 1 to 2, the response value is close to 4. So it can be concluded that respondents agree with statements related to attitudes.

Tabel 3.4. Description of the Variable Interest in Investing During the Covid-19 Pandemic

	N	Minimum	Maximum	Mean	Std. Deviation
ID1	347	1	5	3,798	0,821
ID2	347	1	5	2,478	0,667
ID3	347	1	5	3,539	0,692
Valid N	347				

Source: data processed with SmartPLS 3, 2021.

Convergent validity is a test based on the correlation between indicators and latent variables (Ummah, 2020). Convergent validity test using PLS can be known by looking at the value of the loading factor for each construct indicator. The indicator will be considered valid if the correlation value is above 0.7, but the range of loading factor values from 0.5 to 0.7 is still acceptable (Ghozali, 2016). The following is an overview of the loading factor value and the measurement model as well as a comprehensive evaluation of the construct validity of each indicator:

Tabel 3.4. Variable Loading Factor Value

No	Variabel dan Indikator	*Loading Factor*	Keterangan
1	*Return* (Re)		
	Re1	0,830	Memenuhi *convergent validity*
	Re2	0,823	Memenuhi *convergent validity*
	Re3	0,818	Memenuhi *convergent validity*
	Re4	0,796	Memenuhi *convergent validity*
2	Risik (Ri)		
	Ri1	0,858	Memenuhi *convergent validity*
	Ri2	0,912	Memenuhi *convergent validity*
	Ri3	0,804	Memenuhi *convergent validity*
	Ri4	0,773	Memenuhi *convergent validity*
3	Attitude (Ai)		
	Ai1	0,966	Memenuhi *convergent validity*
	Ai2	0,966	Memenuhi *convergent validity*
4	Interest in Investing During the Covid-19 Pandemic (ID)		
	ID1	0,733	Memenuhi *convergent validity*
	ID2	0,717	Memenuhi *convergent validity*
	ID3	0,789	Memenuhi *convergent validity*

Source: data processed with SmartPLS 3, 2021.

Based on table III.4 it can be seen that there are 4 (four) indicators in the return (Re) variable that meet convergent validity, the risk variable (Ri) has 4 (four) indicators that meet convergent validity, the attitude variable (Ai) has 2 (two)) indicators that meet convergent validity.Convergent validity is the initial testing stage

to ensure that the outer model does not experience problems. If the results of the convergent validity test have been carried out, then construct testing can be continued to the next stage.Discriminant validity is a test used to determine the extent to which a construct is really different from other constructs with empirical standards. Discriminant validity can be tested by looking at the Average Variance Extracted (AVE) value or looking at the cross loading correlation value. Discriminant validity testing is based on the Average Variance Extracted (AVE) value, namely the AVE value must be greater than 0.5 so that it can be said to have good discriminant validity.The following is the Average Variance Extracted (AVE) value in the outer model of this research which is presented in tabular form:

Tabel 3.5. Value Average Variance Extraced (AVE)

Variabel	Value Average Variance Extraced (AVE)
Return	0,667
Risk	0,703
Attitude	0,933
Interest in Investing During the Covid-19 Pandemic	0,558

Source: data processed with SmartPLS 3, 2021.

Based on the data in table III.5 above, it can be seen that each variable has an Average Variance Extracted (AVE) value above 0.5The reliability test was conducted to measure and prove the accuracy, consistency and accuracy of the instrument in measuring the construct. Reliability testing can be done in two ways, namely by looking at the value of Cronbach's alpha and by looking at the value of composite reliability.A construct can be said to be reliable if the composite reliability value is greater than 0.7. The following is the composite reliability value in this study which is presented in the table:

Tabel 3.6. Value Composite Reliability

Variabel	Composite Reliability	Nilai Cut-Off	Keterangan
Return	0,889	0,7	Reliabel
Risk	0,904	0,7	Reliabel
Attitude	0,966	0,7	Reliabel
Interest in Investing During the Covid-19 Pandemic	0,791	0,7	Reliabel

Source: data processed with SmartPLS 3, 2021.

Based on the data in table III.6, it can be seen that the composite reliability value for each variable exceeds the minimum value of 0.7. The results of this test prove that each variable has adequate consistency and accuracy. The composite reliability test is the last stage to ensure that there are no problems in measuring the outer model. The construct can be continued to the next test because each variable has met the composite reliability criteria.Coefficient of determination (R2 Value) is used to explain the influence of certain independent variables on the dependent variable whether it has a substantive effect. The value of the coefficient of determination is used to predict how

big the contribution of the influence of the independent variable to the dependent variable is. The following is the value of the Coefficient of Determination (R2 Value) in this study which is presented in tabular form:

Tabel 3.7. Value R^2 Value

Variabel	R^2 Value	R^2 Adjusted	Kategori
Interest in Investing During the Covid-19 Pandemic	0,665	0,660	*Moderate*

Source: data processed with SmartPLS 3, 2021.

Based on the data in table III.7, it can be seen that the dependent variable of interest in investing during the covid-19 pandemic can be explained by the independent variables of return, risk, attitude, subjective norm and perceived behavior control of 66.5%. This figure shows the influence of the independent variable on the dependent variable of interest in investing during the COVID-19 pandemic, including the Moderate category. This condition also shows that there are still 33.5% of other variables outside this research model that are able to explain their influence with the dependent variable of investment interest during the covid-19 pandemic.

The Effect of Return on Investment Interest During the Covid-19 Pandemic.

Based on the evaluation of the inner model and hypothesis testing, it was found that return had a significant effect on investment interest during the covid-19 pandemic, so it was concluded that H0 was rejected and H1 was accepted. These results indicate that the better a person's knowledge and perception of returns will have an influence and will increase a person's interest in investing even during the covid-19 pandemic. A high rate of return or return will attract a person's interest to carry out investment activities, before making an investment someone will look for information related to the shares to be purchased, the better the information obtained by individuals regarding the rate of return, it is certain that someone's interest will increase to do so. investing activities.

The Effect of Risk on Investment Interest During the Covid-19 Pandemic

Based on the evaluation of the inner model and hypothesis testing, it was found that risk had a significant effect on interest in investing during the covid-19 pandemic, so it was concluded that H0 was rejected and H1 was accepted. These results indicate that the better a person's understanding of risk and the higher the risk, the interest in investing will increase even during the covid-19 pandemic. When the higher the risk faced, the greater the opportunity to get greater profits, coupled with an understanding of how to overcome these risks, it will make individuals confident to carry out investment activities because no matter how big the risk they face with their understanding they already know what steps to take. that must be taken to address these risks.

The Influence of Attitude on Interest in Investing During the Covid-19 Pandemic

Based on the evaluation of the inner model and hypothesis testing, it was found that attitude had a significant effect on investment interest during the covid-19 pandemic, so it was concluded that H0 was rejected and H1 was accepted. These results indicate that if a person has a positive attitude, has confidence and is also interested in investing, this will increase a person's interest in investing despite the covid-19 pandemic. When someone is positive about the current state of the pandemic, and thinks that investing will provide opportunities for profit in the future, then the attitude shown by the individual indicates that the individual is willing to invest in activities during the current covid-19 pandemic.

IV.   CONCLUSION

The results showed that the return variable had a significant effect on investment interest during the covid-19 pandemic. The return variable has a p-value of 0.000 on the basis of decision making p-value <0.05, so there is an influence between the return variable and the interest variable. This means that if IDX customers have a good understanding of returns, then these customers will have an interest in investing even though during the current covid-19 pandemic, this condition is also used as an opportunity for customers to buy new shares to get a high rate of return or return in the future. come.The results showed that the risk variable had a significant effect on investment interest during the covid-19 pandemic. The risk variable has a p-value of 0.000 on the basis of decision making p-value <0.05, so there is an influence between the risk variable and the interest variable.

This means that if IDX customers are aware of the risks they have to bear when deciding to invest during the COVID-19 pandemic and their understanding of how big the risk is and how they can handle it, the greater the level of knowledge and understanding of risk, the higher the customer's interest in investing. during the covid-19 pandemic.The results showed that the attitude variable had a significant effect on interest in investing during the covid-19 pandemic. The attitude variable has a p-value of 0.000 on the basis of decision-making p-value <0.05, so there is an influence between the attitude variable and the interest variable. This means that when IDX customers have a positive attitude towards investing activities, the higher the level of pleasure or interest in investing activities, the higher the customer's interest in investing during the COVID-19 pandemic.

V.   ACKNOWLEDGMENTS

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