Studia Economica : Jurnal Ekonomi Islam
Issn (Online) : 2809-4964, Issn (Print) : 2303-2618
journal homepage: http://jurnal.uinsu.ac.id/index.php/studiaeconomica

Milineal Generation Intention In Investing Sharia-Based Mutual Funds Digital

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Abstract

The purpose of this study is to describe the intention of the millennial generation to invest in digital-based Islamic mutual funds. This study uses a type of descriptive-analytical research. The findings in this study are that investors in the capital market have experienced a significant increase, and this increase is dominated by the millennial generation who are under 30 years old. One of the investment instruments that is widely used by the millennial generation is sharia mutual funds. Various factors influence the intention of the millennial generation to invest in digital-based sharia mutual funds, including 1) Financial Literacy where the millennial generation is now more sensitive to financial literacy, this is due to technological developments from year to year that are so fast, 2) Personal Interest from the millennial generation who want to invest in digital-based sharia mutual funds 3) Technological developments allow everyone to obtain and access various kinds of information about investments. For this reason, current technological advances have created the desire or intention of the millennial generation to invest in Islamic mutual funds using digital platforms.

Keywords: *Digital Platforms, Millennial Generation, Sharia Mutual Funds*

Abstract

Tujuan dari penelitian ini yaitu mendeskripsikan intensi generasi milineal dalam berinvestasi reksadana sayariah berbasis digital. Penelitian ini menggunakan jenis penelitian deskriptif analitis. Peneliti memilih penelitian deskriptif analitis karena metode penelitiannya adalah dengan cara mengumpulkan data kemudian memaparkan apa adanya dan disusun serta dituangkan dalam bentuk narasi dan dianalisis. Temuan dalam penelitian ini yaitu bahwa investor pada pasar modal mengalami peningkatan yang cukup signifikan, peningkatan tersebut didominasi oleh generasi milineal yang berusia dibawah 30 tahun. Salah satu instrumen investasi yang banyak digunakan untuk kalangan generasi milineal yaitu reksa dana syariah. Ada berbagai faktor yang mempengaruhi intensi generasi milenial dalam berinvestasi pada reksadana syariah berbasis digital yaitu diantaranya: 1) Literasi keuangan (*Financial Literacy*) dimana generasi milineal sekarang lebih peka terhadap literasi keuangan hal ini dikarenakan perkembangan teknologi dari tahun ke tahun yang begitu cepat, 2) *Personal Interest* dari diri para generasi milineal yang ingin berinvestasi di reksadana syariah berbasis digital atau menggunakan plattform, 3) Perkembangan teknologi memungkinkan setiap orang untuk mendapatkan maupun mengakses berbagai macam informasi mengenai investasi. Untuk

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itu kemajuan teknologi yang ada pada saat ini membuat keinginan atau niat para generasi milineal untuk berinvestasi pada reksadana syariah menggunakan platform digital.

Kata Kunci: Generasi Millenial, Platform Digital, Reksadana Syariah.

INTRODUCTION

One of the nations having the greatest populations of Muslims is Indonesia. The Ministry of Home Affairs Directorate General of Population and Civil Registration (Dukcapil) estimates that Indonesia will have a total population of 272.23 million in June 2021, of whom 236.53 million (86.88%) are Muslims. Indonesia, which has the biggest Muslim population in the world, has enormous potential to grow its Islamic financial and economic sectors. Those who desire to invest their money without experiencing usury and injustice are expected to find a solution in the application of sharia principles in the capital market, which is a type of muamalah worship (Gotimes. co. id, 2018).

Globalization has affected the world more and more during the past century. Globalization has an impact on a variety of things, including technical advancement. Naturally, this affects global commerce activity. Technology advancements make it simpler for people to conduct online transactions for buying and selling. Many people use social media to conduct business. Additionally, in the digital age, investments are increasingly subject to online buying and selling transactions.(Fitriani & Dewi, 2021).

Almost all millennial generations nowadays have gadgets, but very few use them for productive things. Gadgets can be called a means that has the potential to make digital investments. Almost all securities companies currently provide digital-based investments. Investing in the current era has become easier because it is available on various digital platforms. In investing in stocks, potential investors can open a stock account and buy and sell shares through an application provided by a securities company. The same thing applies to investment instruments in mutual funds and gold (Yuniarni, 2019).

According to a report from the Financial Services Authority (OJK), in recent years investors in the capital market have experienced a significant increase, this increase is dominated by the millennial generation who are under 30 years old (Sidik, 2021). Apart from the OJK, the Indonesia Stock Exchange (IDX) said that the millennial generation’s interest in investing has increased, with most investors being teenagers under 25 years of age. One of the investment instruments that is widely used by the millennial generation is mutual funds

According to the report from the Indonesian National Securities Depository (KSEI) in December 2021, there was a growth of about 3.7 million mutual fund investors or 115.41% over the previous year, which is a considerable increase in the number of consumers. According to the same source, those under 30 make up 60.02% of investors when looking at age demographics. The Net Asset Value (NAV) and the quantity of outstanding mutual fund securities have increased during the past ten years. where the total net asset value climbed to 326.56% and there were 202.5% more Islamic mutual funds in circulation.

A study by Sumiati et al. (2021) that also examines the intention of the millennial generation to invest in Islamic equity mutual funds using the Theory of Reasoned Action (TRA) with the additional variable level of religion and Islamic financial literacy is one of many studies related to mutual funds or investment instruments in the capital market that have been conducted in the past. The results of his study, which use the partial least squares structural equation model (PLS-SEM) method, show that the factors utilized have an impact on people’s inclinations to participate in Islamic equities mutual funds. The researcher is

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interested in studying "Millennial Generation's Intentions in Investing in Sharia-Based Mutual FundsDigital" in light of the background information provided above.

LITERATURE REVIEWS

1. Millennial Generation

The millennial generation or Generation Y is also known as Generation Me or Echo Boomers. There is no specific demographic in determining this generation group. According to Natali Yustisia, 5 generations were born after the second world war and are related to the present.

Table 1
The Generation Born After the World War

No.	The Generation After the World War	Description
1.	Baby Boomers (born 1946 – 1964)	Due to the numerous heroic couples who had numerous children, the generation born after World War II had a large number of siblings. Easily accepting and adaptable generation. seen as an elderly person with life experience.
2.	Generation X (born 1965-1980)	When this generation was born, personal computers, video games, cable television, and the internet were just becoming commonplace. Floppy disks are also used for data storage. These days, MTV and video games are hugely popular. According to Jane Deverson's research, some members of this generation engage in bad activities including disobeying their parents, learning about punk music, and attempting marijuana use.
3.	Generation Y (born 1981-1994)	Referred to as the millennial generation. In August 1993, the term "Y generation" started to appear in editorials of significant US newspapers. This generation employs a lot of instant communication tools, including Facebook, Twitter, SMS, email, and instant messaging. They enjoy playing online games as well.
4.	Generation Z (born 1995-2010)	Also known as the internet generation, net generation, or generation. They share a characteristic with generation Y, but they can use all devices simultaneously to perform tasks like tweeting on a phone, browsing on a computer, and listening to music through a headphone. The majority of what is done has to do with cyberspace. They have been exposed to technology and sophisticated devices since they were young, which hurts their psyche.
5.	Generation Alpha (born 2011-	The generation born after the Z generation was

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2025)	the result of the late X and Y generations. The generation that is highly educated because it starts school early and learns a lot has parents who are wealthy but have little. According to many leaders, both national and corporate, generation X continues to dominate.

Source: Rinda, (2021)

Generation Y is still growing and seeking stability in both the professional and personal spheres. Unquestionably, some people can lead a business from an early age. Generation Z, the offspring of generations X and Y, consists of young people who, on average, are still trying to figure out who they are, and some of whom already have quite a substantial income, particularly from the arts. The Millennial Generation, also known as Generation Y, is currently over 23 years old, with the oldest being close to 30 years old, according to the year of birth. It may be argued that, on average, they have finished their education and are in the early stages of their careers. In actuality, it's possible that some of them (Reyhan et al., 2020).

2. Financial Inclusion

Inclusive finance is a type of financial deepening geared toward all socioeconomic groups, particularly the lower classes, to make it easier and more affordable for them to access formal financial services and products including saving money, keeping money secure (keeping), transfers, loans, and insurance. The three primary components of the index used to gauge financial inclusion are access, use, and quality. Financial inclusion is a state in which all persons of working age have effective access to credit, savings, payment systems, and insurance from all financial service providers, according to the Consultative Group to Aid the Poor (CGAP-GPFI). The provision of comfortable and responsible services at costs that are reasonable for society and sustainable for service providers is another aspect of effective access. We anticipate that in the (Muzdalifa et al., 2018).

A national development approach called inclusive finance aims to stimulate economic growth by reducing poverty, distributing income equally, and maintaining the soundness of the financial system (Indonesia, n.d.). Target populations for inclusive financial goals are those who have barriers to obtaining financial services. The inclusive financial strategy specifically focuses on three population categories (low-income poor, working poor, and near-poor) and three cross-categories, including migrant workers, women, and inhabitants of underdeveloped regions, who have the greatest or unmet needs for financial services. According to Bank Indonesia, the goal of financial inclusion is to provide a financial system that all societal segments may use to promote economic growth, combat poverty, and other goals.

3. Sharia mutual funds

Linguistically, mutual funds are made up of two concepts: the notion of funds, which means (set) of money, and the concept of mutual funds, which means to preserve or maintain. Mutual funds are a sustained collection of money in linguistic terms. To put it simply, mutual funds are a mechanism used to raise funds from the investor community to be later invested in securities portfolios by managers, as stated in Law No. 8 of 1995

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Article 1, Paragraph (27) about the capital market (Undang-Undang No.8 Tahun 1995, n.d.).

Sharia mutual funds are mutual funds that operate by Islamic sharia provisions and principles, both in the form of contracts between investors as property owners (Sahib al-mal/rabb al-mal) and investment managers as representatives of sahib al-mal, as well as between investment managers as representatives and investment users, according to Fatwa of the National Sharia Council (DSN) Number 20/DSNMUI/IX/2000. Sharia mutual funds won't put money into bonds from companies whose management or goods are against Islamic law, such as breweries, pig farms, financial services that use usury in their business practices, and immoral enterprises.

Two important things must be considered in measuring the performance of Islamic mutual funds, namely (Firmansyah, 2020): 1) The rate of return obtained is equal to or greater than the level of return of a particular portfolio with the same risk or less than the level of market risk. 2) Diversify to minimize unsystematic risk as measured by calculating the correlation between the return on Islamic mutual funds and the return on capital market portfolios. The performance of sharia mutual funds does not always guarantee good performance, but sharia mutual funds guarantee performance following sharia and halal principles. The performance of Islamic mutual funds depends on the investment manager's role in operating the performance system and maintaining creditability. The good and bad performance of these mutual funds can affect the growth of net asset value (NAV). While the investment performance is bad, the net asset value will decrease thereby reducing the investment value owned by investors. In terms of investment instruments, Islamic mutual funds are not much different from conventional mutual funds.

4. Digitalization and Fintech

The trend of digitization has been studied since the 1980s when consumer home computers were released. This increased access to the most recent information and made information more accessible to consumers (Kurniawan & Wardhani, 2021). Information can now be obtained without any barriers thanks to digitalization, which also gives people more flexibility to communicate with others in any situation, regardless of place or time. The use of digital technology to create new business models and opportunities that provide value is known as digitization. This is a case of digital commerce and the use of technology in daily life. Companies and organizations have the chance to enhance their business operations through digitization. Many office jobs can be generated more effectively and more quickly in the age of digitization and automation. (Mardiyani et al., 2020).

With the invention of the telegraph in the 1800s, the global expansion of fintech began, and it has continued to grow ever since, especially in the contemporary digital era. Automatic Teller Machines (ATM), Clearing House, Internet Banking, and Paypal all started to emerge in the 1900s. Then, in the 2000s, it expanded with the introduction of Apple Pay, Samsung Pay, and Smile to Pay (Alibaba). Fintech payments are being developed quickly in Indonesia, both by established financial institutions like UnikQu, Tbank, and Ecash as well as by fintech startups like Go-Pay and OVO (Yudhira, 2021).

According to Bank Indonesia, the very rapid development of fintech in Indonesia can bring many benefits to borrowers, investors, and banks in Indonesia (Indonesia, n.d.): 1) For borrowers, benefits can be felt such as encouraging financial inclusion, providing

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alternative loans for debtors who are not yet creditworthy, the process is easy and fast, and the resulting competition drives down loan interest rates. 2) For fintech investors, the benefits can be felt as an investment alternative with a higher return with default risk spread across many investors with a relatively low nominal value and investors can choose borrowers who are funded according to their preferences. 3) For banks, cooperation with fintech can reduce costs such as using non-traditional credit scoring for the initial filtering of credit applications, increasing Third Party Funds (DPK), and adding credit channeling which is an investment alternative for banks.

According to the OJK, some of the benefits of fintech in Indonesia include the following: first, encouraging the distribution of national financing, which is still uneven across 17,000 islands; second, encouraging the export capacity of MSMEs, which is currently low; third, increasing inclusion in national finance; and fourth, encouraging the equal distribution of the population's level of welfare (Yudha et al., 2020).

5. Review of Previous Research Results

There are several studies on the results of previous research that are used as basic concepts in the preparation of this research, including the following:

Initially, Johny Budiman and Yulfiswandi's research entitled "Assessment of Generation Z Financial Behavior in Investing in Sharia Mutual Funds". The findings of this survey suggest that interest in investing in Islamic mutual funds is rising right now. Using Sharia Mutual Funds has a lot of benefits, but there are some downsides as well. The findings of the researchers' interviews with generation Z investors provide insight into how generation Z investors behave, why they choose to invest in Islamic Mutual Funds, and what factors affect their decision-making (Budiman et al., 2022).

Second, according to research by Yolanda Liviana and Munwaroh titled "Factors Influencing Millennial Generation's Interest in Choosing to Invest in Digital Platforms," financial literacy does not affect the interest of the millennial generation or the following generation in investing. However, it is hoped that in the future, they will learn how to read, interpret, analyze, and manage personal finances so they can make better investment decisions (Munawaroh SE., Ak., MM., CA., CSRS. & Liviana, 2022).

METHODS

This research uses a type of descriptive-analytical research. The researcher chose analytical descriptive research because the research method is by collecting data and then explaining what it is and compiling and pouring it into narrative form and analyzing it (Wahyuni, 2019). The source of data in this study is to use secondary data, namely, data that is already in the finished form either in the form of reports (reports), data in the form of documents, data in the form of news, scientific publications, and other reading sources in the form of books, brochures, booklets, documentation and literature related to digital education in the Islamic finance sector in Indonesia (Martono et al., 2014).

RESULTS AND DISCUSSION

1. Development of Sharia Mutual Funds in Indonesia

In England, mutual funds are referred to as unit trusts, which are short for units (shares) of trust. In Japan, they are referred to as investment funds, which means managing funds for investments based on trust. In America, they are known as mutual funds, which means mutual funds. Linguistically speaking, mutual funds in KBBI are

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made up of two concepts: the notion of funds, which refers to a group of funds, and the concept of mutual funds, which means to guard, guard or preserve (Annamalai et al., 2019).

Shari'ah mutual funds are mutual funds that operate following shari'ah principles, both in the form of contracts between investment managers and investors acting as investment users and as property owners (sahib al-mal/rab al-mal) as well as between investment managers and investors acting as sahib al-mal representatives. Sharia-compliant mutual funds are those whose investment and management practices are guided by sharia. Mutual funds will not invest in funds and bonds from companies whose management or goods violate Islamic law, such as the pig farming sector, financial services that use usury in their business practices, and immoral enterprises. Islamic mutual funds are also middlemen organizations that assist surplus units in placing investment monies. (Andriani, 2020).

Mutual funds are an investment alternative for investors who want a minimum investment risk. In essence, mutual funds are designed to raise funds from people who have limited time, knowledge, and capital to increase the role of local investors. If investors' funds are invested in a bank, the funds will be managed by the bank and investors will receive interest without knowing how the funds were invested. If, on the other hand, investors invest their funds in mutual funds, then these funds will be managed by investment managers and investors will receive results that are realized in Net Asset Value (NAV) per unit of participation which will explain how these funds are allocated (Rapini et al., 2021).

Internationally, the development of sharia mutual funds began with the birth of the first Sharia Equity Fund in the form of the Amanah funds issued by Nort American Islamic Trust in 1986, then the FTSE International was formed, followed by the Finance Corporation Index, formed by IFC-World Bank together with ANZ bank, which then it became a benchmark for Islamic leasing funds, then the Dow Jones Islamic market index (DJIMI) was formed, then Malaysia issued a Malaysia Global Suumkok (MGS) of US 100 million which was issued on the Bahrain Stock Exchange. All of this encouraged the development of Islamic mutual funds globally. Islamic mutual funds were first introduced in 1995 by the National Bank of Saudi Arabia under the name Global Trade Equity with a capital capitalization of 150 million. Then, With the birth of Law No. 8 of 1995 concerning the capital market, mutual funds began to be known in Indonesia since the issuance of company mutual funds by PT-BDNI mutual funds in 1995 then on June 12 1997 BAPEPAM issued regulations regarding mutual funds in the form of Collective Investment Contracts (KIK). contracted in deed no 24 dated 12 June 1997 which was drawn up before notary Djedjem Wijaya SH in Jakarta between PT Danareksa Funds Management as an investment manager and Citibank NA Jakarta as a custodian bank. PT Danareksa Funds Management as an investment manager was established on July 1, 1992, and was later legitimized by the Minister of Justice of the Republic of Indonesia with Decree No. C2/7283.HT.92 (Kandarisa, 2014).

The growth of sharia mutual funds has increased quite rapidly. According to statistical data, up to 2003, there were only four sharia mutual funds and only one sharia mutual fund was declared effective, while in 2004 there were seven new sharia mutual funds that were declared effective. At the end of 2004 cumulatively there were eleven sharia mutual funds and until April 2014 there were 62 sharia mutual funds. Compared to conventional mutual fund products, the growth rate of sharia mutual fund products is somewhat more

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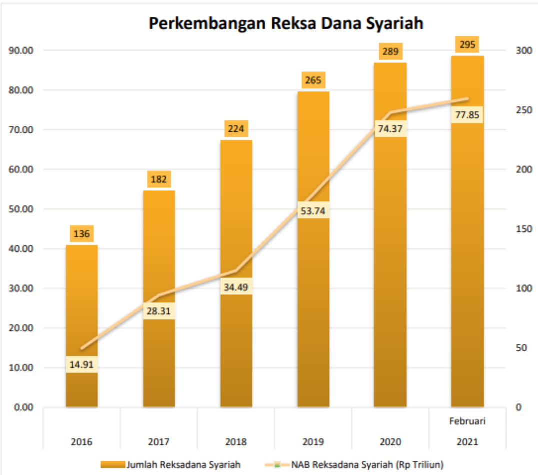
brilliant, both in terms of the number of products and the funds under management, the potential for the development of these mutual funds is quite large. Apart from being triggered by economic growth and the emergence of public awareness to invest, This is also driven by the condition of the Indonesian people, most of whom are adherents of the Islamic religion. Mixed-based sharia mutual funds recorded managed funds of IDR 4.10 trillion or 2.03%, protected-based sharia mutual funds of IDR 1.12 trillion or 0.56%, and share-based sharia mutual funds IDR 2.83 trillion or 1.40%. Meanwhile, index-based sharia mutual funds amounted to 158.29 billion rupiahs or 0.08%, fixed income-based sharia mutual funds amounted to 480.61 billion rupiahs or 0.24%, and money market sharia mutual funds around 0.12% or 231.36 billion rupiahs. 83 trillion rupiah or 1.40%. Meanwhile, index-based sharia mutual funds amounted to 158.29 billion rupiahs or 0.08%, fixed income-based sharia mutual funds amounted to 480.61 billion rupiahs or 0.24%, and money market sharia mutual funds around 0.12% or 231.36 billion rupiahs. 83 trillion rupiah or 1.40%. Meanwhile, index-based sharia mutual funds amounted to 158.29 billion rupiahs or 0.08%, fixed income-based sharia mutual funds amounted to 480.61 billion rupiahs or 0.24%, and money market sharia mutual funds around 0.12% or 231.36 billion rupiahs (Firmansyah, 2020).

\Up to this point, mutual funds have reportedly developed quite quickly. This is demonstrated in the development chart below, where it is obvious that investments in mutual fund products have experienced significant growth each year.

Figure 1
Development of Sharia Mutual Funds in Indonesia



Source: Otoritas Jasa Keuangan (OJK), 2021

2. Millennial Generation Investment in the Current Era

Nowadays, almost all members of the millennial age own gadgets, but very few use them for work-related tasks. Devices have the potential to be used to make digital investments. Today, almost all securities firms provide investments based on digital platforms. Because there are many digital platforms available now, investing has grown simpler. The millennial generation has made a variety of investments as a result of the current era's rapid technological advancements.

Based on interviews with the millennial generation with this research topic, namely the millennial generation who invest in Islamic mutual funds. The informants in this study consisted of 3 (three) people whose names we will disguise by writing only their initials.

1) MH (2002 year of birth, 20 years old)

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MH is a woman born in 2002 who has invested in sharia mutual funds, specifically in the Seeds application, for 3 years. MH knows Islamic mutual funds from advertisements, YouTube, and also word of mouth. The reason why MH chose to invest in sharia mutual funds was due to sharia principles which do not contain "No Halal" and the existence of investment managers who routinely carry out the cleansing process periodically so that the mutual funds do not conflict with sharia law. MH chooses an investment instrument in the form of a money market and invests it as an emergency fund or long-term investment. While investing in Islamic mutual funds, MH experienced several declines and once doubted the rationality of making investment decisions in Islamic mutual funds.

2) JZ (the birth year 1997, 25 years old)
JZ is a man born in 1997 who has invested in Islamic mutual funds, specifically the Magic application, for 3 months. JZ knows Islamic mutual funds from his friends. JZ's reason for choosing to invest in sharia mutual funds is due to more adequate and tighter security because they have been supervised by the Sharia Supervisory Board. JZ chooses an investment instrument in the form of fixed income and invests it as an investment requirement for idle funds. Until now, JZ has never regretted selling or buying investments in Islamic mutual funds and has never doubted the rationality of making investment decisions in Islamic mutual funds.

3) LM (the birth year 1998, 24 years old)
LM is a man born in 1998 who has invested in sharia mutual funds, specifically the Seeds application, for about 6 months. LM knew Islamic mutual funds from looking for information about investments on the internet. The reason LM chose to invest in Islamic mutual funds was that the annual returns were quite good, stable, and guaranteed security. LM chose an investment instrument in the form of shares and invested them as savings for the future. Until now LM has never regretted selling or buying investments in sharia mutual funds and has never doubted the rationality of making investment decisions in sharia mutual funds.

The results of interviewing 3 informants show that the average reason for selecting Sharia Mutual Funds is sharia principles in the form of Halal results and a guaranteed level of security. From the results of these interviews, it can also be concluded that most of the interviewees invested in Sharia Mutual Funds from the Seeds platform as future savings or as emergency funds. Most users of Islamic Mutual Funds know about this Islamic Mutual Fund from WOM (Word Of Mouth) and then seek further information about the product through other information media. Apart from mentioning the advantages of investing in Islamic Mutual Funds, the shortcomings of Islamic Mutual Funds were felt by the resource person. The drawback is in the form of a profit percentage that is not so high.

3. Factors Affecting the Millennial Generation Investing Digitally

At this time investment is greatly facilitated by advances in technology, namely the existence of Financial Technology (Fintech) is defined as an industry consisting of companies that use technology to make the financial system and delivery of financial services more efficient (Candraningrat et al., 2021). Global investment in Fintech companies reached US$24.7 billion in transactions in 2016. According to Garrick and Rauchs, it shows that the total capitalization of the cryptocurrency market has increased more than 3 times since early 2016, reaching nearly US$25 billion in March 2017. In Indonesia alone data from the 2019 or 2020 Indonesian Fintech Association (AFTECH)

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survey results show that as many as 28% of financial technology companies receive investment from private equity. The next source of investment is 23% from self-funding, 19% from angel investors, and 13% from venture capital (Andrianita, 2020). Fintech will create value for the business, this Fintech application can be divided into four categories, namely payments, consulting services, financing, and compliance (Leong, 2018). This can attract the enthusiasm of the millennial generation to decide to invest.

The millennial generation has high enthusiasm, of course, with various influencing factors. Digital access is very easy in providing choices for making investments. In addition, there are several other factors (Lestari & Tiarawati, 2020):

1) *Financial Literacy*

Financial literacy is the ability to effectively evaluate and manage one's finances to make more effective decisions in achieving life goals and achieving prosperity (American Institute of Public Accountants, 2003). Financial literacy is considered important because it has the right reasons, namely consumers have an understanding of financial literacy such as having several savings, insurance, and investment diversification. Financial literacy is also associated with positive financial behavior including paying bills on time, repaying loans, saving before they run out, and using credit cards wisely. Financial Literacy is the best plan for retirees. Higher net returns earned from savings. In addition, debt with low interest. This is a global phenomenon that shows a strong relationship between retirement planning, savings, and financial literacy around the world (Michaud, 2017). Financial literacy aims to provide understanding to the public regarding the use of financial products and services according to their needs so that they have good long-term planning. By gaining an understanding of financial literacy, you will be able to avoid unclear and detrimental investment risks (Christina & Wijaya, 2021).

2) *Personal Interests*

*Personal Interest*s a person's interest in investing comes from an interest within oneself, this interest can be influenced by the level of possible returns or refunds when purchasing financial products and the amount of money earned when making sales. In addition, the influencing factor is the level of emotional attachment to financial products, this is because financial products give more confidence in the security offered by these products. For some people will depend on the advice provided by intermediaries, especially legal financial institutions. Information submitted by financial institutions must have guarantees to provide confidence to investors before investing. This personal interest is related to consumer preference for a product that is related to their personality. If a consumer likes outdoor activities, then the product he buys is also outdoor, then the product he buys will be in line with his interest in outdoor activities (Shen et al., 2019).

Regarding making a purchase decision someone will associate his interest in an activity, hobby, investing, and everything related to his personality, with the product he will buy. Personal interest is part of the process of an individual or group. Ownership of investment knowledge will have a positive effect on online investment interest (Kabib et al., 2021) then the product he buys is outdoor, then the product he buys will be in line with his interest in outdoor activities. Regarding making a purchase decision someone will associate his interest in an activity, hobby, investment, and everything related to his personality, with the product he will buy. Personal interest is part of the process of an individual or group. Ownership of investment

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knowledge will have a positive effect on online investment interest (Kabib et al., 2021) then the product he buys is outdoor, then the product he buys will be in line with his interest in outdoor activities. Regarding making a purchase decision someone will associate his interest in an activity, hobby, investing, and everything related to his personality, with the product he will buy. Personal interest is part of the process of an individual or group. Ownership of investment knowledge will have a positive effect on online investment interest (Kabib et al., 2021) Personal interest is part of the process of an individual or group. Ownership of investment knowledge will have a positive effect on online investment interest (Kabib et al., 2021) Personal interest is part of the process of an individual or group. Ownership of investment knowledge will have a positive effect on online investment interest (Kabib et al., 2021).

3) Investment Risk

Risk in investing is very difficult to predict. This is because risk in the capital market is principally related solely to the possibility of price volatility that cannot be predicted whether stock prices will increase or decrease. Risk is the possibility of loss or negative return from an investment. The higher the stock risk, the better the investment made because it can generate returns or profits. Conversely, the lower the risk, the worse the return on investment is made. According to Hartono and Harjito (2002) that the risks that may be faced by investors include: Purchasing power risk, business risk, interest rate risk, market risk, and liability risk. According to Husnan (1996) in Isnaini's research, Nor and Ghoniyah, Nunung (2013) state that all forms of investment are associated with uncertainty in results. Risk is the possibility of an outcome that deviates from expectations. The amount of profit expected from each security is not the same, depending on the amount of risk borne by investors. However, the way that can be done by investors is to minimize risk by taking into account the magnitude of the influence of each of these factors. In portfolio theory, the risk is the degree of deviation from the expected return. Risk in investment arises because of the uncertainty of the time and the amount of return that will be received by investors. The amount of profit expected from each security is not the same, depending on the amount of risk borne by investors. However, the way that can be done by investors is to minimize risk by taking into account the magnitude of the influence of each of these factors. In portfolio theory, the risk is the degree of deviation from the expected return. Risk in investment arises because of the uncertainty of the time and the amount of return that will be received by investors. The amount of profit expected from each security is not the same, depending on the amount of risk borne by investors. However, the way that can be done by investors is to minimize risk by taking into account the magnitude of the influence of each of these factors. In portfolio theory, the risk is the degree of deviation from the expected return. Risk in investment arises because of the uncertainty of the time and the amount of return that will be received by investors (Siemińska & Krajewska, 2017).

4) Technology advances

Technological developments enable everyone to obtain and access various kinds of information regarding investments. For this reason, existing technological advances, currently stock buying and selling activities can be carried out through a free application on a smartphone (Gegg & Wells, 2019). Many existing securities companies also provide convenience for someone interested in investing, such as providing online trading system services. Online trading is a new step in buying and

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Issn (Online) : 2809-4964, Issn (Print) : 2303-2618
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selling stocks through an internet connection on gedged. Investing online through this application has been implemented starting in 2006 so that it can increase investor interest in transactions in the capital market (Tarigan et al., 2019). The availability of facilities and infrastructure that make it easy for students to invest affects investment interest. It is hoped that the easier the process of opening a stock account and access to capital market information will be to generate interest from investors or potential investors to invest (Yusuf, 2019). Moreover, being supported by the fintech sector is an important strategy to expand financial inclusion and improve people’s welfare. Fintech is one of the innovations in financial services that are gaining popularity in today’s digital era and technology with the concept of digitizing payments has become one of the most developed sectors of the fintech industry in Indonesia (Marginingsih, 2021) Moreover, being supported by the fintech sector is an important strategy to expand financial inclusion and improve people’s welfare. Fintech is one of the innovations in financial services that are gaining popularity in today’s digital era and technology with the concept of digitizing payments has become one of the most developed sectors of the fintech industry in Indonesia (Marginingsih, 2021) Moreover, being supported by the fintech sector is an important strategy to expand financial inclusion and improve people’s welfare. Fintech is one of the innovations in financial services that are gaining popularity in today’s digital era and technology with the concept of digitizing payments has become one of the most developed sectors of the fintech industry in Indonesia (Marginingsih, 2021)

CONCLUSION

Based on the results of the research, the researchers noted that the expansion of Islamic mutual funds has expanded rather significantly. Up until 2003, just one Islamic mutual fund per the statistical data on the development of Islamic mutual funds was deemed effective; nevertheless, in 2004, up to seven new Islamic mutual funds were officially recognized as being operational. There were eleven sharia mutual funds overall at the end of 2004, and there were 62 sharia mutual funds as of April 2014. Mutual fund development is understood to have been extremely rapid up until this point.

According to research from the Financial Services Authority (OJK), the millennial generation, which includes those under 30 years old, has experienced a major surge in recent years in terms of investors in the capital market. Together with the OJK, the Indonesia Stock Exchange (IDX) also reported that the millennial generation is becoming more interested in investing, with teenagers and young adults under 25 making up the majority of investors. Mutual funds are one of the investment tools that the millennial generation uses frequently.

The following variables affect the millennial generation's decision to invest in sharia mutual funds with a digital component: 1) Financial literacy (Financial Literacy): Due to the rapid pace of technological advancements from year to year, the millennial generation is now more aware of financial literacy. 2) Individual interest among millennials looking to use platforms or invest in Islamic mutual funds with a digital component. 3) Technology advancements make it possible for anybody to access and acquire different forms of investment-related information. Because of this, the millennial age is increasingly wishing to or planning to invest in Islamic mutual funds through online platforms.

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Issn (Online) : 2809-4964, Issn (Print) : 2303-2618
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