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# The Influence of Financial Literacy, Social Interaction, and Use of Technology on Students' Interest in Stock Investment

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**ABSTRACT:** This research aims to analyze the influence of financial literacy, social interaction, and use of technology on students' stock investment interest. The population in this study was 35 active former members of the KSPM Mercu Buana University Class of 2022-2023. The data collection method is a survey method, with a research instrument, namely a questionnaire. The sampling method used is a saturated sample where all members of the population are used as samples. The data analysis method uses Structural Equation Model-Partial Least Square. This research proves that the financial literacy variable has a positive and significant effect on students' interest in investing in shares, while the variables of social interaction and use of technology have no effect on students' interest in investing in shares.

**KEYWORDS:** Financial Literacy, Social Interaction, Use of Technology, Interest in Stock Investment.

## INTRODUCTION

BEI as the organizer of securities trading in Indonesia always tries to increase the number of local investors in Indonesia in order to maintain economic stability. Several ways that the IDX has used to increase the number of investors include: (1) simplifying the requirements for opening a share account, namely only with an ID card and filling in the RDN form at the designated bank, (2) determining the minimum initial investment capital of IDR 100,000 by letter. decision no. Kep-0071/BEI/11/2013, (3) use of technology to run online trading exchanges which facilitate investor access to the exchange, and also reduce transaction costs, (4) collaborate with securities companies and universities in opening galleries investment. To increase the number of investors, BEI opened the Indonesian Stock Exchange Investment Gallery (GIBEI) at several universities. The investment gallery at universities aims to educate and socialize the capital market to academics in theory and practice so that it is hoped that it can increase the number of investors and local experts in the capital market, this is in line with the government's goal of increasing the number of investors and transaction flows of local investors for the sake of maintain the growth and stability of the capital market from the volatility of foreign investor fund flows. As of 2018, BEI has established 410 investment galleries throughout Indonesia.

Mercu Buana University is one of the universities that has an investment gallery in Jakarta. The activities of the UMB investment gallery include providing education about the capital market and helping to open investment accounts to the academic community at UMB. Apart from that, the Mercu Buana Investment Gallery also formed a capital market study group consisting of students who received intensive training about the capital market from the investment gallery regarding the market. capital and also carry out various practices regarding the capital market, which include; stock trading, stocklab, and also research papers on capital markets. The number of students who opened investment accounts through the Mercu Buana investment gallery from 2017 - 2020 is presented in the following graph:

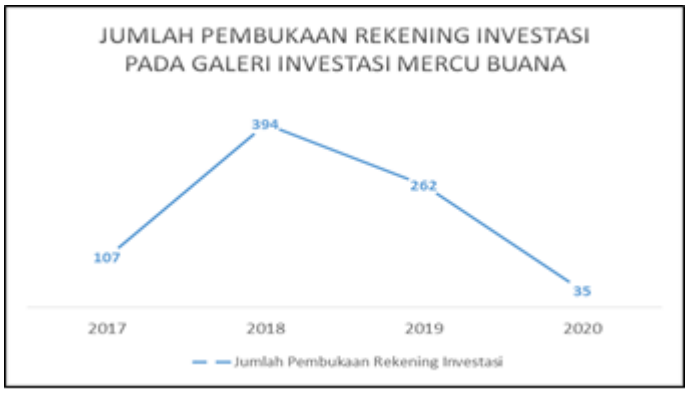


**Figure 1.1 Number of Investment Account Openings at the Mercu Buana Investment Gallery for the 2017-2020 Period**

**Source:** Mercu Buana Investment Gallery, 2020

From the data above, it can be seen that the number of investment account openings in the investment gallery of the Indonesian Stock Exchange, Mercu Buana University, Jakarta experienced a quite sharp increase in 2017–2018, but then from 2018–2020 there was a decline in the number of investment account openings from students. This is interesting to research because the Indonesian Stock Exchange Investment Gallery, Mercu Buana University, Jakarta, as a stock investment management laboratory, has facilities that can be said to be very good as a stock investment laboratory medium for students. Specifically, students from the economics and business faculties already have quite good financial literacy from the financial management and investment course group, so students should have a good enough interest in investing in shares and there will be an increase in the number of opening investment accounts among students.

Several previous studies that examined the influence of financial literacy on individual stock investment interest, there were some inconsistent results. According to Salisa (2020), Khan, Rabbani and Kadoya (2020), Wiandiri (2020), Syahroh, Tarjo, and Setiawan (2019), Hati and Harefa (2019), Fajri (2019), Hasanah, Yulinda, and Yuniasih (2019 ), Yusuf (2019), Thomas and Spataro (2018) state that financial literacy has a positive and significant effect on interest in investing in shares, according to Nandar et al (2018), Malik (2017), and Saunders (2015) state that there is no influence between financial literacy on investment interest. Furthermore, according to Wiandiri (2020), Hasanah, Yulinda, and Yuniasih (2019), Cheng (2019), Thomas and Spataro (2018), Deviyanti, Purnamawati, and Yasa (2017), Bricker and Li (2017), Liang and Guo ( 2015) states that social interaction has a positive and significant effect on interest in stock investment. Meanwhile, according to Salisa (2020), and Susanti, Hasan, Ahmad, and Marhawati (2018) stated that social interaction has no effect on interest in investing in shares. In previous research examining the influence of the use of technology, especially internet access and online trading facilities, on individual stock investment interest, according to Yusuf (2019), Pradnyani and Pramitari (2019), Lopez, Lucia, and Milagros (2018), Gumbo and Sandada (2018) states that the use of technology has a positive effect on interest in stock investment, while according to Wulandari (2017), Tandio and Widanaputra (2016), Saunders (2015) states that the use of technology has no effect on interest in stock investment.

Based on the background and research gap above, the problem formulation of this research is whether financial literacy, social interaction and use of technology partially influence the interest in investing in shares of KSPM members at Mercu Buana University Class of 2023? The aim of this research is to partially determine and analyze the influence of financial literacy, social interaction and the use of technology on the interest in investing in shares of KSPM members at Mercu Buana University Class of 2023. This research is contributed to makers of investment policies and procedures, it is hoped that this research can be taken into consideration. as a basis for policy making that can encourage increased interest in stock investment among students. For future researchers, it is hoped that this research can be developed further by considering various other factors and variables.

## LITERATURE REVIEW

Theory of Planned Behavior (TPB) is a development of the theory of reasoned action (TRA) developed by Ajzen and Fishbein (1985). This theory states that humans tend to act in accordance with intentions and perceptions of control through certain behaviors, where intentions are influenced by behavior, subjective norms and behavioral control (Deviyanti, Purnamawati, and Yasa, 2017), so that if someone has perceptions and is supported by subjective norms and good behavior control regarding something, the person will get high intention (motivation) to carry out an action.

Interest is a tendency that persists in the subject so that they feel happy and want to be involved in something (Tandio and Widanaputra, 2016). Someone who has an interest in something tends to pay attention and get pleasure from that object (Wiandiri,

2020). A person's interests are influenced by various internal and external factors that vary within each individual. Internal factors are impulses of interest that arise from within the individual, for example an emotional urge to do something, while external factors are impulses of interest that occur as a result of the individual's interaction with his environment, for example an interest in doing something to enter a certain circle of society. According to Tandelilin (2017), investment is a commitment of a certain amount of funds or other resources made at this time with the aim of obtaining a certain amount of profit in the future. Therefore, from the definition of the two words above, interest in stock investment can be interpreted as the tendency to invest capital in the stock market in order to obtain future profits in the form of capital gains or dividends.

Dimensions that can be used to measure individual investment interest include individual interest in knowledge in the capital market (Yusuf, 2019) and individual interest in trying to invest in the capital market (Yusuf 2019, Lopez et al, 2018). Indicators that can be used to assess an individual's interest in capital market knowledge include the individual's desire to find out about stock market mechanisms and also the individual's desire to learn things related to the stock market, while indicators that can be used to assess an individual's interest in trying to invest in the capital market, including individual interest in buying stock instruments and also individual ownership of stock instruments.

Financial Literacy is the possession of knowledge, behavior and attitudes in understanding the value of money and how to maximize the use of that money (Kadoya and Khan, 2019). Financial literacy can be obtained from various sources, including formal education such as lessons at universities, informal such as at seminars, and non-formal through individual social interactions with their environment, both in work, family and social interactions with people around them. . Financial literacy is also influenced by various demographic, psychological, and sociological factors such as an individual's age, age, income, education, and personality. From various previous literature, it is known that as individuals' financial literacy increases, their financial characteristics and knowledge will also improve, including improved consumption habits (Kadoya and Khan, 2019) and also increased awareness of saving and investing (Thomas and Spataro, 2018 ). Dimensions that can be used to assess an individual's financial literacy are their knowledge of financial products (Skagerlund, Lind, Stromback, Tinghog, Vastfjall, 2018) and skills in managing finances (Salisa, 2020). Indicators that can be used to assess individual knowledge regarding financial products include knowledge of interest rates, inflation and other financial products, while indicators that can be used to assess individual skills in managing finances include individual actions to diversify and plan finances.

Social interaction is the process of conveying information from one person to another with the aim of providing knowledge and additional knowledge or insight (Wiandiri, 2020). This information can be conveyed by word of mouth or through observational learning of the surrounding environment (Zetterdahl and Hellstrom, 2015). There are several factors that influence an individual's social interactions, namely intrinsic factors that originate from within the individual such as talents, physical characteristics and personality. These factors influence the good and bad of interactions and become the driving force for individuals in carrying out interactions and extrinsic factors that come from outside the individual, such as norms and culture. These factors become guidelines and obstacles for individuals to interact based on applicable norms. Dimensions that can be used to assess a person's social interactions are the frequency and communication channels used which can be indicated through the individual's frequency of communicating with other people and the choice of communication channels used (Liang and Guo, 2015), apart from that, a person's social interactions are also can be measured from an individual's participation in a community, which can be indicated by the initiative to join a community and also come to events held by the community.

Financial technology (fintech) is a combination of financial services and technological innovation which ultimately changes business models from conventional to modern and digital. Financial technology (fintech) as a technological advancement facilitates the need for changes in people's lifestyles which are dominated by the use of information technology (internet & gadgets) and the demands of fast-paced life (Risman et al., 2021). According to the KBBI, the use of technology is the entire means of providing goods necessary for the continuity and comfort of human life. The use and development of technology has brought major changes in various aspects of human life. Technology promises change, progress, convenience and productivity, which ultimately creates a new sub-system and changes people's life patterns (Yusuf, 2019). In this millennial era, the world's transition to the digital era cannot be stopped (Saunders, 2015). The most significant technological development today is automation and use of the internet. With the use of the internet, various breakthroughs have become possible, including in the financial sector. The use of the internet in the stock market has made it possible to disseminate information quickly, cheaply, easily and efficiently. Apart from that, the use of the internet has also made it possible to create online trading applications on the stock exchange and also mobile trading applications for sharing securities which increase transaction efficiency and increase convenience in transactions. shares for investors. Dimensions that can be used to measure technology use are technological progress (Yusuf, 2019) and frequency of technology use (Lopez et al, 2018, Saunders, 2015). The technological progress in question is the respondent's perception of the availability of a facility that will influence their interests. Indicators that can be used to measure technological progress include

users' perceptions of the ease and comfort of using the technology, while indicators that can be used to measure the frequency of technology use are the tendency of individuals to use existing technology, such as the frequency of individuals using the internet for various things such as search for information, or make purchases online.

**HYPOTHESIS DEVELOPMENT**

The influence of financial literacy on interest in stock investment. Financial literacy has an important role in interest in stock investment because a low level of financial literacy makes individuals think that financial instruments traded in the capital market are complicated financial instruments so that their lack of knowledge about how these instruments work makes them reluctant to invest in the capital market. Good financial literacy provides individuals with knowledge about the risks and returns of financial products in the capital market, helps them streamline transaction costs, and also mitigates information asymmetries that exist in the capital market (Khan, Rabbani, and Kadoya 2020). Apart from that, with good financial literacy investors can use a rational approach in transactions and mitigate behavioral biases to get positive returns from their investments (Ullah 2019). Based on the explanation above, the hypothesis in this research is H1: financial literacy has a positive effect on students' stock investment interest.

The influence of social interaction on stock investment interest. In general, the effects of social interaction on a person's financial decisions, including interest in investing in shares, can be classified into two categories, namely (Liang and Guo, 2015): (1) informational effects: information exchange mechanisms either by word of mouth or through observation, (2) multiplier effect: an effect where individuals are passively influenced by the surrounding environment. Therefore it can be stated that the level of exposure of an individual to the stock market depends on the frequency and with whom the individual interacts. Many previous studies state that individuals who live in an environment where parents, partners, or communities actively invest in the stock market have a tendency to be motivated and invest in the stock market (Hasanah, Yulinda, and Yuniasih, 2019, Zetterdahl and Hellstrom, 2015, Liang and Guo, 2015). This is due to their level of trust in information from those closest to them (Liang and Guo, 2015) and also their desire to follow social norms and maintain the same level of consumption as their social group (Zetterdahl and Hellstrom, 2015). Based on the explanation above, the hypothesis in this research is H2: social interaction has a positive effect on students' stock investment interest.

The influence of technology use on interest in stock investment. The use of technology has brought major changes in the banking and business sectors, including the stock market. The use of technology in the stock market has helped in mitigating problems in the capital market, namely: reducing information costs, transaction costs, and making access easier for users. With the use of the internet and mobile trading systems, data regarding a company and shares can be searched easily, apart from that investors can also take advantage of various convenience facilities such as financial reports, stock trends, financial lessons, and so on wherever the user is located (Tandio and Widanaputra, 2016). With the various conveniences offered by the use of technology, it is hoped that it will generate individual interest in investing, especially young people who are technology savvy people who can take advantage of these various facilities (Pradnyani and Pramitari, 2019). Based on the explanation above, the hypothesis in this research is: H3: the use of technology has a positive effect on students' stock investment interest.

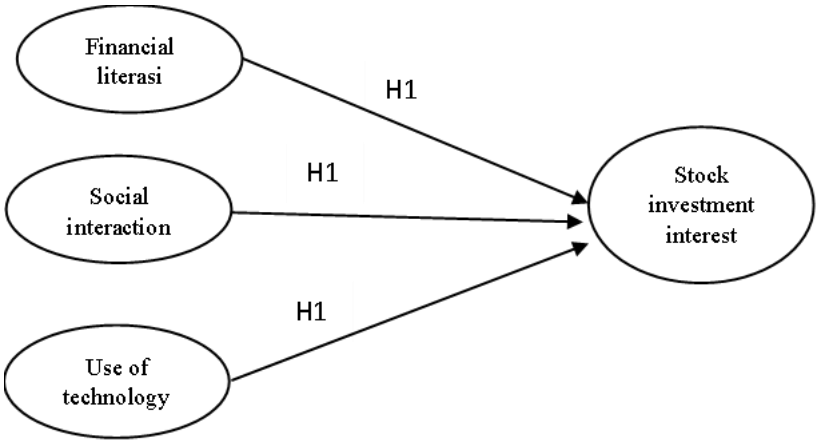


**Figure 2.3 Conceptual Framework**

**RESEARCH METHODS**

This research uses a causality research method which aims to examine the influence of financial literacy, social interaction, and the use of technology on students' stock investment interest.

**The Influence of Financial Literacy, Social Interaction, and Use of Technology on Students' Interest in Stock Investment**

a) Definition and Operation of Variables

1) The dependent variable in this research, the dependent variable used is interest in stock investment. Investment interest is a person's tendency to invest capital in order to gain profits in the future (Tandelilin, 2017).
2) There are 3 independent variables in this research, namely financial literacy, social interaction and use of technology. Financial Literacy can be defined as the possession of knowledge, behavior and attitudes in understanding the value of money, and how to maximize the use of that money (Kadoya and Khan, 2019). Financial literacy can be obtained from various sources, including formal, informal and non-formal education. Social interaction is the process of conveying information from one person to another with the aim of providing knowledge and additional knowledge or insight (Wiandiri, 2020). This information can be conveyed by word of mouth or through observation of the surrounding environment (Zetterdahl and Hellstrom, 2015). The use of technology is a whole means of providing goods necessary for the continuity and comfort of human life. Technology promises change, progress, convenience and productivity which ultimately creates a new sub-system and changes people's life patterns (Yusuf, 2019). One example of the use of technology is the use of the internet and also automation in various sectors of human life.

The following are the operational variables in this research:

**Table 4.1 Operational Variables**

| variable | Dimensions | Indicator | Source | Scale |
|---|---|---|---|---|
| Y<br>Interest in stock investment | Individual interest in capital market knowledge | 1) The individual's desire to find out about the stock market mechanism<br>2) The individual's desire to learn things related to the stock market | Yusuf, 2019 dan Lopez et al, 2018 | ordinal |
| | Individual interest in trying to invest in the capital market | 1) Individual interest in buying stock instruments<br>2) Individual ownership of stock instruments | | ordinal |
| X1<br>Financial literacy | Financial product knowledge | 1) Knowledge of interest rates<br>2) Knowledge about inflation<br>3) Knowledge of advanced financial products (stocks/bonds)<br>4) Knowledge of the relationship between economic indicators such as interest rates and inflation on consumption patterns | Skagerlund et al, 2018 | ordinal |
| | Skills in managing finances | 1) Diversify<br>2) Carry out financial planning | Salisa, 2020 | ordinal |
| X2<br>Social interaction | Frequency and communication path | 1) Interact with other people<br>2) Use of communication media | Liang dan Guo, 2015 | ordinal |
| | Participation in the community | 1) Came to an association in the last semester<br>2) Participated in certain communities in the last semester (sports, politics, or social) | Lopez et al, 2018 | ordinal |
| X3<br>Use of Technology | Ease and comfort of using technology | 1) Technology is easy to understand<br>2) Technology is easy to use | Yusuf, 2019 | ordinal |
| | Frequency of Technology Use | Use of the internet to search for information, or purchase online | Lopez et al, 2018 dan Saunders, 2015 | ordinal |

b) Population and Research Sample

The population in this study were 35 active members of the KSPM Mercu Buana University Class of 2022-2023. The selection of this population is based on the fact that those registered with KSPM represent students who have a high interest in being involved in the capital markets. The sampling method is the saturated sample method, this means that the number of samples in

this study is the same as the population, namely 35 members of the KSPM Mercu Buana University who are active in the Class of 2022-2023.

c) Data Collection Techniques

The data collection method used in this research is a survey method using a questionnaire. The questionnaire that was distributed consisted of several sections containing the participant's identity, instructions for filling it out, and also a number of structured questions regarding research constructs including financial literacy, social environment, use of technology, and students' interest in investing in shares. The questionnaire in this research was distributed online to KSPM members of Mercu Buana University via the Mercu Buana investment gallery WhatsApp group media.

d) Data Analysis Method

1) Descriptive Analysis

According to Sugiyono (2019), descriptive analysis is used to analyze data by describing or illustrating the data that has been collected as it is without intending to make generally accepted conclusions or generalizations. Presentation of data in descriptive analysis can be done through tables, graphs, diagrams, calculations of mode, median, mean, and so on.

2) Inferential Analysis

In this research, the analysis used was Partial Least Square which was processed using the Smart PLS 3.0 program. The testing steps carried out in this research are as follows:

1) Analysis of the measurement model (outer model). The measurement model analysis shows how the indicator variables are able to represent the latent variables. The evaluation of this outer model includes the following tests:

a) Convergent Validity which explains the correlation between a set of indicators and one latent variable. According to Ghozali and Latan (2020) an indicator is declared valid if it has a loading factor value ≥ 0.70, and sufficient if the loading factor value is between 0.5-0.6 (Chin, 1998) and the AVE (average variance extracted) value ≥ 0 .50. Based on this criterion, if there is a loading factor with a value <0.50, it will be discarded or dropped from the model.

b) Discriminant Validity ensures that each measure or indicator of different latent variables is not correlated with each other. According to Ghozali and Latan (2020), an indicator is declared valid if it has a cross loading ≥ 0.70 or the square root of AVE (average variance extracted) for each construct is greater than the correlation between constructs in the model.

c) Composite Reliability aims to prove the accuracy, consistency and precision of instruments in a study. Measuring construct reliability in a study can be used using the Composite Reliability (Dillon Goldstein's) or Cronbach's Alpha tests. An instrument is declared to have good reliability if it has a Composite Reliability or Cronbach's Alpha value ≥ 0.70.

2) Structural model analysis (inner model) to show the strength of estimates of latent variables. The evaluation of this inner model includes the following tests:

a) The R-Square value explains how the exogenous latent variable influences the endogenous latent variable. The criteria that can be used to determine this influence are as follows: 0.67 (strong), 0.33 (moderate), and 0.19 (weak) (Chin, 1998).

b) Goodness of FIT The model aims to assess the overall suitability of the model. Testing the Goodness of Fit of the structural model in the inner model uses the predictive-relevance value (Q2). The Q-Square value > 0 indicates that the observed values have been reconstructed well, thus the model has predictive relevance, while if the Q-Square < 0 indicating no predictive relevance. Indications of relevance with Q2 predictive relevance values are as follows: 0.02 (weak), 0.15 (moderate), and 0.35 (strong) (Ghozali and Latan, 2020).

c) Hypothesis Testing (t-test) is used to test the influence of the independent variable on the dependent variable. This significance value can be obtained by running bootstrapping where the significance value is acceptable if it is greater than 1.96.

**RESEARCH RESULT**

Descriptive Respondents Based on Gender

**Table 4.1. Respondent's Gender**

| | | Frequency | Percent |
|---|---|---|---|
| Valid | male | 11 | 31% |
| | female | 24 | 69% |
| | Total | 35 | 100 % |

**Source:** SPSS Processing Data Output 20.2023

Based on the results of data processing in table 4.1, it shows that of the 35 respondents, 69% of respondents were male, the remaining 31% of respondents were female. So it can be concluded that the majority of respondents in this study were female.

Evaluation of Measurement Model Test (Outer Model)

Outer model analysis is carried out to ensure that the measurements used are suitable for measurement (valid and reliable). Outer Model is a measurement model consisting of indicators and paths connecting them to their respective factors. Outer model testing can be done through the following stages:

Convergent Validity

Convergent validity explains the correlation between a set of indicators and one latent variable. According to Ghozali and Latan (2020) an indicator is declared valid if it has a loading factor value ≥ 0.50, and an AVE (average variance extracted) value ≥ 0.50. Indicators with an outer loading of less than 0.50 are removed from the model if the deletion leads to an increase in composite reliability.

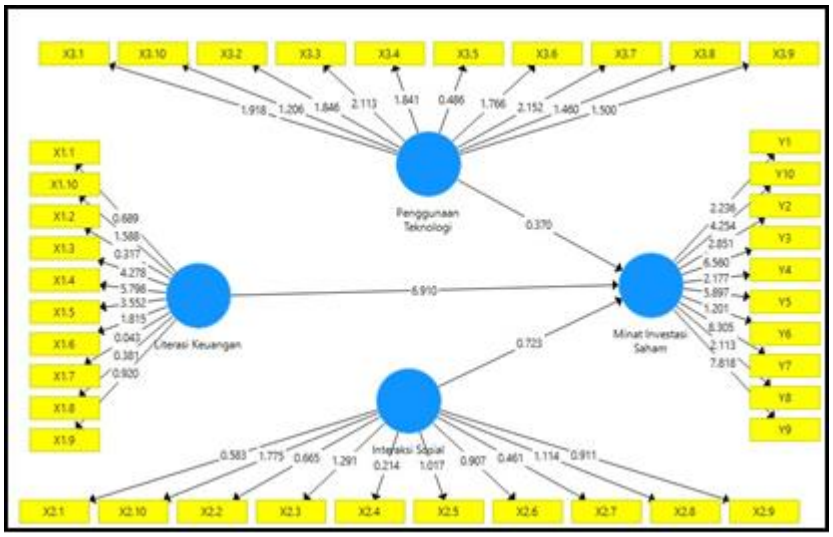


**Figure 4.1. PLS Algorithm Results**

**Source:** Data output processed by PLS, 2023

Based on Figure 4.1 above, indicators that have a loading factor value of less than 0.50 are declared invalid and subsequently removed from the model. The following are the results of removing indicators and recalculating:

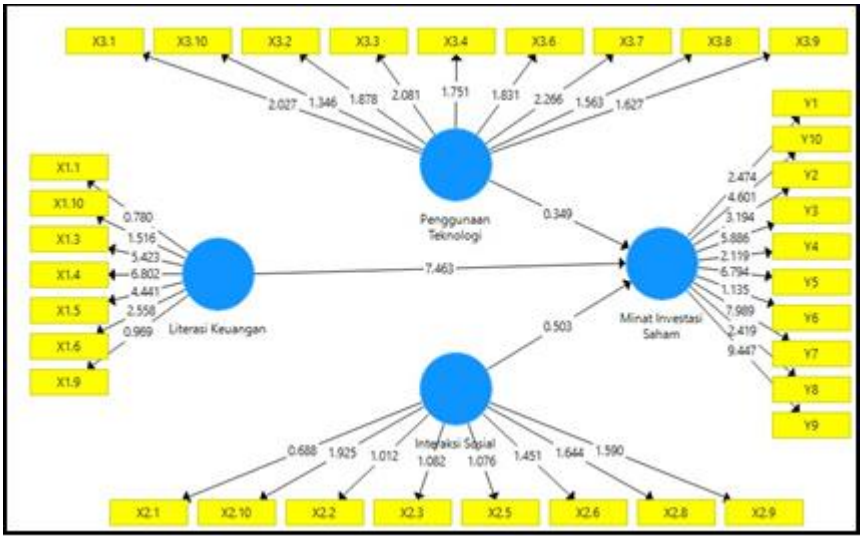


**Figure 4.2. PLS Algorithm Results via bootstrapping**

**Source:** Data output processed by PLS, 2023

Validity test

Test the validity of the data by comparing the Average Variance Extracted (AVE) value to the correlation value between latent variables. A construct is said to be valid by comparing the root value of AVE with the correlation value between latent variables. The root value of AVE must be greater than the correlation between latent variables.

**Table 4.2. Average Variance Extracted (AVE)**

| | Average Variance Extracted (AVE) |
|---|---|
| Social interaction | 0,284 |
| Financial Literacy | 0,299 |
| Interest in Stock Investment | 0,360 |
| Use of Technology | 0,546 |

**Source:** Data output processed by PLS, 2023

**Tabel 4.3. Average Variance Extracted (AVE)**

| | Social interaction | Financial Literacy | Interest in Stock Investment | Use of Technology |
|---|---|---|---|---|
| Social interaction | 1,000 | -0,299 | -0,348 | 0,167 |
| Financial Literacy | -0,299 | 1,000 | 0,799 | 0,387 |
| Interest in Stock Investment | -0,348 | 0,799 | 1,000 | 0,228 |
| Use of Technology | 0,167 | 0,387 | 0,228 | 1,000 |

**Source:** Data output processed by PLS, 2023

Based on tables 4.2 and 4.3, it can be seen that the AVE value is greater than the correlation between latent variables, so the construct in this research is said to be valid.

Reliability test

Reliability testing was carried out using Composite Reliability and Cronbach's Alpha indicators. If all latent variable values have a Composite Reliability or Cronbach's Alpha value ≥ 0.50, this means that the respondents in this study were correct.

**Table 4.4. Composite Reliability and Cronbach's Alpha Test Results**

| | Cronbach's Alpha | Composite Reliability | Keterangan |
|---|---|---|---|
| Social interaction | **0,799** | **0,603** | *Reliable* |
| Financial Literacy | **0,589** | **0,665** | *Reliable* |
| Interest in Stock Investment | **0,677** | **0,786** | *Reliable* |
| Use of Technology | **0,910** | **0,913** | *Reliable* |

**Source:** Data output processed by PLS, 2023

Based on table 4.4 above, it can be seen that the test results show good values, namely that all variables have composite reliability and Cronbach's alpha values ≥ 0.50, so it can be concluded that the questionnaire used as an instrument for this research is appropriate.

Structural Model Testing (Inner Model)

After the model meets the measurement model analysis criteria (outer model), the structural model (inner model) is then tested. Inner model testing aims to analyze the relationship between exogenous and endogenous variables which have been described in a conceptual framework. The structural model testing stages are carried out through the following stages:

R-Square Test Results ($R^2$)

**Table 4.5 R-Square Test Results ($R^2$)**

| | R Square | R Square Adjusted |
|---|---|---|
| **Minat Investasi Saham** | 0,655 | 0,622 |

**Source:** Data output processed by PLS, 2023

Based on table 4.5 above, it can be seen that the adj R-Square (R2) value or coefficient of determination is 0.622. This means that interest in stock investment is influenced by the variables financial literacy, social interaction and use of technology by 62.2%, while the remaining 37.8% is explained by other causes outside the research.

Goodness of Fit Model

Structural Model Goodness of Fit Testing on the inner model uses d_ULS values (i.e. squared Euclidean distance) and d_G (i.e. geodesic distance) representing two different ways to calculate this difference. For bootstrap-based tests for proper overall model fit (i.e. d_ULS and d_G), you compare the original values to confidence intervals created from the sampling distribution. The confidence interval must include the true value. Therefore, the upper limit of the confidence interval must be greater than the initial values of the d_ULS and d_G goodness-of-fit criteria to indicate that the model has a "good fit". The following is table 4.6 model fit test results.

**Table 6.6. Model Fit Test Results**

| | Saturated Model | Estimated Model |
|---|---|---|
| SRMR | 0,201 | 0,201 |
| d_ULS | 24,124 | 24,124 |
| d_G | 23,511 | 23,511 |
| Chi-Square | 1398,525 | 1398,525 |
| NFI | 0,194 | 0,194 |

**Source:** Data output processed by PLS, 2023

Based on table 4.6 of the model fit test results, it can be seen that the d_ULS value is greater than d_G, this indicates that the model in this study is said to have good suitability or fit model.

Hypothesis test

The estimated value of the path relationship in the structural model must be significant. This significance value can be obtained through a bootstrapping procedure. See the significance of the hypothesis by looking at the parameter coefficient values and the significance value of the T-statistics in the bootstrapping report. To find out whether it is significant or not significant, look at the t-table at alpha 0.05 (5%) = 1.96. Then, the t-tables are compared by t-count (t-statistics).

**Table 4.7. Hypothesis Test Results**

| | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | T Statistics (\|O/STDEV\|) | P Values |
|---|---|---|---|---|---|
| IS → MIS | -0,100 | -0,064 | 0,200 | 0,503 | 0,615 |
| LK → MIS | 0,793 | 0,787 | 0,106 | 7,463 | 0,000 |
| PT → MIS | -0,062 | -0,038 | 0,178 | 0,349 | 0,727 |

**Source:** Data output processed by PLS, 2023

Based on table 4.7 above, Financial Literacy (LK) on Interest in Stock Investment. Based on the hypothesis test in this study, the t-statistics result was 7.463, and the original sample value was 0.793, where the t-statistics value was greater than the t-table value of 1.96. This shows that financial literacy has a positive and significant effect on interest in stock investment. In this test hypothesis 1 was accepted. Social Interaction (IS) of 0.503 and Use of Technology (PT) of 0.349 on Interest in Stock Investment is smaller than the t-table value of 1.96, this shows that social interaction and Use of Technology (PT) have no effect on interest in stock investment. In this test hypothesis 2 and hypothesis 3 were rejected.

**DISCUSSION**

Financial literacy has a positive and significant effect on students' interest in investing in shares. This means that the higher an individual's financial literacy, the individual's interest in investing in shares will increase. This shows that the higher the financial

literacy of students, the higher the student's interest in investing in shares. The test results in this study are in line with research conducted by Khan, Rabbani, and Kadoya (2020), Wiandiri (2020), Syahroh, Tarjo, and Setiawan (2019), Hati and Harefa (2019), Fajri (2019), Hasanah , Yulinda, and Yuniasih (2019), Yusuf (2019), Thomas and Spataro (2018), Deviyanti, Purnamawati, and Yasa (2017), Tandio and Widanaputra (2016), but not in line with research conducted by Nandar, Rokan, and Ridwan (2018), Malik (2017), Saunders (2015). Other results in this research for the variables social interaction and use of technology have no effect on students' interest in investing in shares. This means that in this research an individual's social interaction ability, especially in an environment that actively participates in the stock market, and ease of use of technology do not have any influence on students' interest in stock investment. The results of this test are in line with research conducted by Wulandari (2017), Tandio and Widanaputra (2016), Saunders (2015) stated that they found no influence between the use of technology and interest in investing in shares.

## CONCLUSIONS AND SUGGESTIONS

Based on the data analysis and discussions that have been carried out, it is concluded that financial literacy has a significant positive effect on students' stock investment interest. The higher the student's financial literacy, the higher the student's interest in investing in shares. For social interaction and use of technology, there is no effect on students' stock investment interest, so in this study, strong or low social interaction and ease of use of technology do not have any influence on students' interest in stock investment.

Based on the research results, it is known that the lack of student financial literacy regarding stock investment makes students more comfortable in saving their money in banking through savings, so the researcher provides suggestions for policy makers and investment procedures so that they can provide student knowledge about stock investment with more diverse material and a more interesting literacy method, in order to increase interest in stock investment among students. For future researchers, it is recommended that for further research they can develop a model by adding mediating variables such as attitude variables to mediate the variables of social interaction and use of technology which in this study had no effect, so that in future research the variables can influence social interaction and use of technology on stock investment interest through mediation. investor attitude variable.

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