THE DECISION OF THE ACEH COMMUNITY TO INVEST IN SHARIA

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ABSTRACT

Society and investors have a valuable role in the sharia capital market. For that, an analysis effort on community decisions is needed. This study analyzes the factors influencing people's decisions through perceptions, motivation, and learning. This research will use the consumer decision-making process model then replication by entering the knowledge variable as a substitute for learning in the model. This research is a type of survey research using a purposive sampling technique with 160 respondents. For data analysis techniques, the sed Structural Equation Modeling (SEM) approach with the help of Amos Version 24.0. The results show; that first, knowledge of sharia investment has a positive relationship with the perception of investing Shariah with a value ratio (CR) of 2.618; secondly, perception is positively related to motivation to invest Sharia, with its critical ratio value (CR) of 5,200; third, the motivation variable is positively related to the decision to invest Sharia, with its critical value (CR) of 2.052; the knowledge of sharia investment products is positively associated with the decision to invest in Sharia, as evidenced by the value of the critical ratio (CR) of 1.977. Fifth, perception has no relation with the decision to invest in Sharia because the value of the critical ratio (CR) of 0,430 is under requirement CR> 1,96, so the alternative hypothesis (HA) is rejected. The results of this study reinforce the importance of efforts to increase public knowledge of sharia investment products and the ins and outs of Sharia.

1. INTRODUCTION

Islamic financial resilience and revival have gained momentum in recent years. Revivalism in the field of Islamic finance is marked by the enactment of this concept, not only in some Asian countries but Europe, Australia, and the United States have also implemented this financial system. For Indonesia, the application of Islamic finance principles was marked by the establishment of the Islamic Trade Union organization in 2011 (Budiono, 2017), supported by the clergy and business people at that time (Rahayu & Agustianto, 2020). Over time, the Islamic economy has indicated that it has lost its way. In 1992, after the establishment of BMI (Bank Muamalat Indonesia), this concept began to show a good direction (Kamal & Rahmati, 2020). After the program was implemented, BMI began to be followed up with similar programs such as Takaful Sharia Insurance and Islamic Rural Banks (BPR) (Marimin & Romdhoni, 2017). The strength of the concept of Islamic finance was increasingly felt when the global crisis shocks hit the world, which gave birth to a heavy impact. Some conventional financial institutions even experienced problems (Hasbi, 2019). Interestingly, Islamic financial institutions have survived, even according to records, 63 traditional financial institutions were closed, 14 banks were taken over, and nine banks were assisted with state funds. (Parikesit, 2017).

Islamic financial institutions have more power when facing external financial crisis turmoil when compared with conventional finance. One of its virtues is sharia investment (Z. Hasan, 1991). Sharia investments carried out have reference principles, processes, and types, of course, different from conventional assets. Shariah investment does not apply interest or usury but instead practices a ratio system. and has a reference for all forms of profits and even losses to be shared responsibility between the parties involved in the investment activity (Chaidir, 2019).

Islamic investments vary when viewed from their type, ranging from assets with little vulnerability, such as Islamic savings or deposits, to investments with medium or high levels of openness, for example,

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Islamic stocks and Islamic mutual funds (Marlin, 2020). Making sharia investments also gets relief because it adjusts to the number of funds owned by ensuring a minimum deposit amount, for example, 10,000,000 rupiahs (Natalia et al., 2014). To support this, institutions such as IDX, together with PT Investment Management Mutual Fund, gave birth to the Jakarta Islamic Index (JII) (Desky & Iskandar, 2020), as well as sharia bonds (Susyanti; Nasrullah; et al., 2019).

The existence of Islamic stock exchanges is one of the crucial points in minimizing the emergence of gharar in conventional capital markets, as well as reducing financial scandals in international capital markets, for example, the problems with Enron, WorldCom, AOL, Walt Disney (Himawan Albertus, 2019). The Islamic stock market is one of the means of realizing the various desires or aspirations of citizens, both from Muslim and non-Muslim circles, about efforts and efforts to obtain non-usury benefits, as well as to minimize speculation in the capital market (Khairan, 2019).
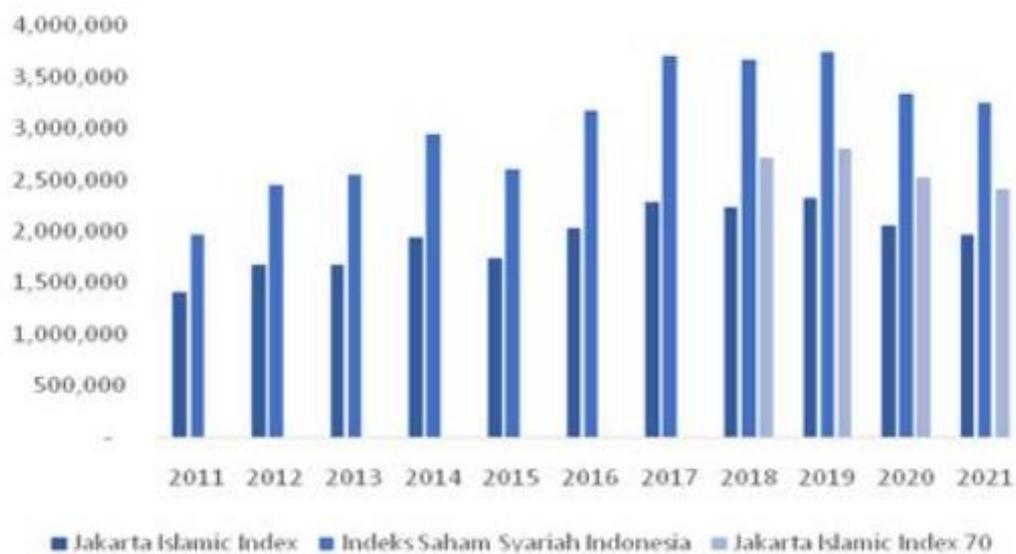

Figure 1. Development of Sharia Stocks 2011-2021

Sumber: OJK, PSI Research

The graph shows that shari'ah shares have experienced a significant increase from 2011 to 2019, even though shari'ah shares in 2015 and 2018 experienced a slight depreciation when compared to before. This condition still shows good development for sharia stocks because the DSN - MUI, and OJK have kept the process in compliance with business screening and financial screening requirements. This coverage is carried out based on the rules of the Islamic capital market in Indonesia, both OJK rules and confirmed by the MUI DSN-MUI scholar/fatwa decision No 20/DSN-MUI/IV/2001 concerning investment implementation guidelines and Bapepam-LK regulation Number IX.A. 13 concerning the issuance of sharia securities (OJK, 2019).

Knowledge of the factors behind the decision of the public or investors to invest in Sharia is essential in investment development, especially stocks in Indonesia and Aceh. Related to this, Bapepam LK conducted a study in 2011 and concluded that the causes behind the public's interest in investing were divided into internal and external (Ratmojoyo et al., 2021). These two causes are significant to be analyzed further. Internal causes consist of lawful investment, investment diversification, investment returns, and investor knowledge, while external factors consist of regulations and economic conditions or social and economic factors. Although in the future, the internal and external factors will increase again.

In 2018 Firdaus examined problems in investment, problems implementing sharia principles, information on products, and investor satisfaction (Firdaus et al., 2018). Ratmojoyo examines gender differences, levels of income levels, and various activities for the socialization received by students regarding their interest in investing in the modal syariah market (Ratmojoyo et al., 2021), while Saputra added other causes, namely motivation and elements of knowledge related to investment that encourage the birth of interest in investing (Saputra, 2018), in 2021 research will be carried out training to the causes for the delivery of interest in the variables of perception, motivation, and learning of Islamic stock investment choices. (Atmaja & Widoatmodjo, 2021).

This research is presented to complement and perfect the results of previous research. Therefore, this study is focused on studying the factors that influence the variables of knowledge, view/perception factors, and motivational factors on investment decisions (sharia stocks). For this reason, the structural analysis technique of Equation Modeling (SEM) is used with the help of AMOS 24.0 (Ghozali, 2013). SEM analysis techniques are applied to determine the influence and correlation between the variables studied. Aceh was used as the location of this research. An area with the privilege of enacting Islamic law with unique characteristics in its people (Restela & Narawati, 2017).

Aceh inherited the life, social and cultural system of the Iskandar Muda sultanate, which was built on the traditions of coastal communities (Nurkhalis, 2019). To sharpen this research, the research location is focused on Lhokseumawe City. The city of Lhokseumawe was chosen because this city has a heterogeneous community and a distinctive character. Besides that, the city of Lhokseumawe is also known as the city of education. There are many educational institutions in Lhokseumawe City, starting from Malikussaleh University, IAIN Lhokseumawe, Lhokseumawe Polytechnic, Serambi Mekkah University, al Muslim University, Abulyatama University, STIE Bumi Persada, STMIK Bina Bangsa, STIE Lhokseumawe and several STIKES and the Academy of Nursing and Midwifery.

This study aims to determine: The effect of knowledge of sharia investment on sharia investment decisions, The impact of perceptions of sharia investment on sharia investment decisions, and The development of motivation for sharia investment on sharia investment decisions. And the benefits or contributions of this research are Theoretical contributions. This research is expected to contribute to developing public (investor) decision theory to invest; Empirical contribution. This research is expected to provide an overview of the crucial factor influencing people's (investor's) decisions to invest; Policy contribution. This research is expected to become a competent party holder to produce policies that can realize the recommendations from this research.

THEORY BASIS AND HYPOTHESIS DEVELOPMENT
Theory Used

The theoretical basis of this research is Solomon's theory, which says that a person's perception, motivation, learning, and attitude influence investment behavior (Solomon, 2011). Other researchers apply this theory to four factors that affect consumer decision considerations (Malik, 2017). However, in this study, the author will replicate the approach presented by Solomon (2011) with the input of knowledge as a substitute for learning (learning and memory). Hawkin Best supports replication in Solomon's theory, and Coney adds understanding, perceptions, motives, personality, and emotions in influencing investment behavior. The repetition of Solomon's approach can be illustrated in Figure 2 below:
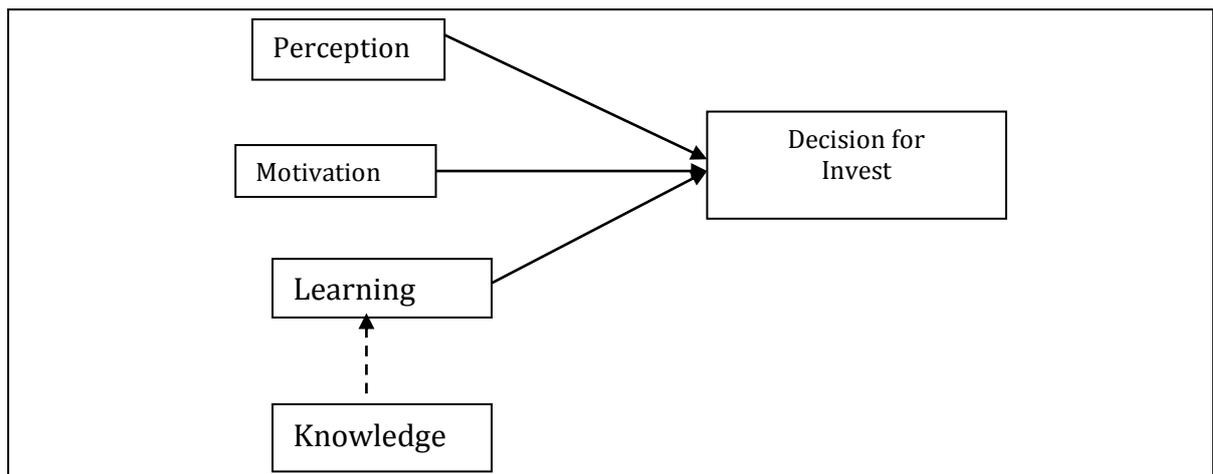

Figure 2 Thinking Framework

Source: Solomon's Replication Theory (2011)

Investation

Investment is referred to as convertible shares in money with other forms of wealth, such as shares or immovable assets held for a certain period, to gain future income. (Latifah, 2019). In general, investment is divided into two: first, investment in financial assets, and second, investment in tangible assets. Investment financial assets can be given examples of certificates of deposit, Money Market Securities (SBPU) that occur in the money market (Hendra&Damayanti et al. 2020). Meanwhile, real asset investment is defined as purchasing productive assets, setting up factories, opening mines, and others (Hendra&Damayanti et al. 2020).

Investment activities in Islam are part of muamalah activities, where the initial law is mubah or a law prohibiting following it (Rahim & Bayuni, 2021). Investment from an Islamic point of view is carried out by shohibul property (investors) over business shohibul (issuers) with the principle of empowering business owners and property owners (investors) to benefit from these activities, financial investment on the Islamic side while maintaining the tenets of halal and justice (A. Hasan et al., 2021). This basis brings investing using sharia norms and scientific and charitable values; therefore, investment is highly recommended for Muslims.

Basic Concept of Islamic Capital Market

The capital market is an essential part of Islamic economic activities and activities, including the discussion of muamalah. Muamalah can be interpreted as a relationship between human beings related to commerce (Hardi, 2020). Recently, studies on the Islamic capital market have begun attracting much interest from researchers. This is a good thing for the future development of the Islamic capital market itself. Implementing activities in the capital market that do not conflict with sharia principles has a good position in Indonesia because it has been regulated through the Capital Market Law (UUPM) (Fathoni, 2020). Therefore, the Islamic capital market is not separate from the capital market system. It can be seen that Islamic capital market activities have similarities with traditional capital markets. Still, several different characteristics and transaction mechanisms exist, especially in activities that do not conflict with sharia principles (Indarwati, 2021).

The main basic principles in carrying out activities in the Islamic capital market are the Koran as the highest law and the Hadith of the Prophet Muhammad SAW, and the scholars who have made ijtihad and interpretation of muamalat activities through these two legal sources.

Figure 3. Sources of Sharia Capital Market Law

Source: OJK, 2014. (www.ojk.go.id))

The Indonesian capital market system should be committed to the application of sharia principles and refer to the Financial Services Authority Regulations, which consist of: (1) POJK Number 15/POJK.04/2015 concerning the Application of Sharia Principles in the Capital Market; (2) POJK Number 17/POJK.04/2015 concerning Issuance and Requirements for Sharia Securities in the Form of Shares by Sharia Issuers or Sharia Public Companies; (3) POJK Number 18/POJK.04/2015 concerning Issuance and

Requirements for Sukuk; (4) POJK Number 19/POJK.04/2015 concerning Issuance and Requirements for Sharia Mutual Funds; and (5) POJK Number 20/POJK.04/2015 concerning Issuance and Requirements for Sharia Asset-Backed Securities (OJK, 2021).

Sharia Products in the Capital Market

The Islamic capital market now has a variety of products ranging from securities or better known as securities. Securities or securities, interpreted as debt acknowledgments, commercial papers, stocks, bonds, or proof of debt, are strengthened by Law Number 8 of 1995 concerning Capital Markets (UUPM). What distinguishes it from conventional capital market activities is that securities must comply with sharia principles, not the other way around. More perfect rules regarding deposits are explained in LK Number IX.A.13 (Fadilla, 2018). The types of sharia products are experiencing continuous development, although they have not been able to beat the effects of the conventional capital market. These products include Sharia shares, Sukuk, and Participation Units from Sharia Mutual Funds.

Perception

Membicarakan persepsi memiliki beragam makna, diantara persepsi dapat diartikan sebagai pandangan suka atau tidak suka terhadap sesuatu. Dalam pemaknaan lain, persepsi dimaknai sebagai penilaian atas suatu objek yang mendekati kesesuaiannya pada persyaratan yang diharapkan oleh konsumen (investor) (Ningsih et al., 2021). The theory of perception will be implemented in an effort to analyze the level of consumer (investor) satisfaction with the intention to invest. The relationship between investors and perceptions is often based on the past through stimulation that is felt by the five senses (Dania & Novziransyah, 2021). Encouragement and stimulation that can captivate one's view, so that it can bring perception, and the requirement is a message that stands out. Stimulation requirements for investors are not just promotions but everything investors need.

The image or description of a product is significant in the eyes of consumers (investors). As with the "sharia" label image, it can attract consumers to use these goods or services, as is the case with the development of sharia products in banking, capital markets, etc. This condition is reinforced by several studies which produce the perception that the growth of Islamic stocks is very rapid, Islamic stores are intended for all parties, an increase in investors investing in Islamic stocks, and the movement of Islamic supplies is the same as other stocks, and there are aspects of profit and risk in Islamic stocks (Rahmadion et al., 2021).

In other words, perceptions of the Islamic stock market or capital market produce a positive relationship with an increase in investor interest in investing, which means that the more the Islamic capital market grows, the more investors invest (Ulinnuha et al., 2020). From the research by Ulinnuha et al., the result is that the higher the degree of investor perception of security over risk in sharia investment products (SR 001 Sukuk), the higher the interest in investing in sharia investment products (Sukuk SR 001).

Motivation

Motivation is a series of individual efforts to recognize their needs and act to satisfy them (Jufrizen & Hadi, 2021). The content of this definition shows a process that can explain differences in the intensity of consumer (investor) behavior (Dewati, 2020). Another scope of this definition is that motivation is encouragement, namely the urge of humans to take specific actions to satisfy their needs. David McClelland (2009) developed a theory of motivation known as McClelland's theory of learned needs (Mansaray, 2019). This theory states that three basic needs motivate an individual to behave, namely, 1) the need for success, 2) the need for affiliation (fostering peer-to-peer relationships), and 3) the need for power. Concerning this theory in investment, investors are motivated to invest in fulfilling their own needs (success and return) as well as helping the development of the economy in affiliation with eminence or public companies, and also for the need for power associated with maintaining the fulfillment of self or family needs in the long term. (hereditary) and can also be interpreted as developing the ability in investment to sustain economic stability by becoming a majority shareholder (Rainey, 2014).

A person's motivation is determined by his inner needs and habitual factors from previous learning experiences (Royle, 2013) and the experience of investors who make the strength of their motivation to invest in the capital market. Based on Kurt Lewin's field theory, theory suggests that a person's behavior is a function of a person toward his environment. With investment, investors are influenced by the investment environment and investment development environment, so they are motivated to invasion (Arnolds & Boshoff, 2003).

Knowledge

The decision to invest in the process requires knowledge about returns, risks, and types of investment products to get a total investment (Siahaan, N.M, 2011). According to Fikri (2011), In investing at a basic level, investors must be familiar with capital market terms such as stocks, bonds, mutual funds, etc. Then at the intermediate level, knowledge of technical analysis and fundamentals of stocks is required, which is also carried out by simulating trading on the stock exchange so that it is more specialized to know to trade on the stock exchange. At the advanced level, investors already have securities accounts directly engaged in the Islamic capital market, bonds, and market developments. Kusmawati (2011), in his research, stated that investing in the capital market required sufficient knowledge, experience, and business sense to analyze which securities to buy. Adequate knowledge is needed, as essential things in stock investment instruments are assessing the company's performance for the past few years. When investing, knowledge and understanding of investment information are needed to avoid losses in the capital market. Knowledge of products and the ins and outs of sharia investment is also necessary to obtain maximum returns from our investments (Ahmad Dahlan Malik, 2017).

Research Hypothesis

The hypothesis in this study are:
HA1: Knowledge of sharia investment is positively related to perceptions of
Sharia Investment.
HA2: Perception is positively related to motivation to invest in Sharia.
HA3: Motivation is positively related to the decision to invest in Sharia.
HA4: Sharia investment knowledge is positively related to the decision to invest
Sharia was investing.
HA5: Perception is positively related to the decision to invest in Sharia.

2. METHODS

This type of survey is conducted by taking samples directly from the population to find the relationships between variables (Sugiyono, 2004). This research is seen from the scope of the type of explanation of science, so it is included in a study that looks for causal relationships. The research location was chosen in Lhokseumawe City, Aceh Province. The research was carried out for 3 (three) months, from March 2018 to May 2018. This study's type of data includes primary and secondary data. Preliminary data were obtained directly from the data source, namely the answers to the questionnaire from the respondents. In comparison, secondary data is data obtained indirectly that supports this research. This secondary data was obtained from textbooks, scientific journals, reports, and literature related to the object of this study. The data obtained in this study came from research respondents, namely the people of Lhokseumawe City, Aceh Province. The time for conducting the research was from March 2018 to May 2018.

According to Sugiyono, the population is a generalization area consisting of objects/subjects with specific qualities and characteristics determined by researchers to be studied and then conclusions drawn (Sugiyono, 2004). The population in this study was all the people in Lhokseumawe City, namely the people in the Banda Sakti District. While the sample, according to Arikunto, is part or representative of the population studied (Suhasono Arikunto, 2002). So the piece in this study is part of the people of Lhokseumawe City. Sampling was carried out using a purposive sampling method, namely: a sampling technique based on characteristics, namely: Residents of Lhokseumawe City; Bank customers (conventional or Sharia); minimum age of 18 years; have a job; know at least one of the sharia investment products (such as sharia savings, sharia deposits, sharia education savings, sharia insurance, retail Sukuk, sharia stocks and sharia mutual funds; and the number of samples ranges from 150-200 according to the sample criteria of the SEM model frame. In this study, the authors took a sample of 200 respondents. Of the 200 respondents, only 160 returned and filled in correctly and met the criteria, so the samples in this study were 160 samples. Collecting data in this study using a questionnaire. The questionnaire is a data collection technique that is carried out by giving a set of questions or written statements to respondents. Respondents will assess each account using a 5-point scale: strongly disagree to agree strongly with a message in the questionnaire. The variables in this study are four latent variables (unobserved variables): knowledge; perception; motivation; and community decisions to invest in Sharia (Investment). Knowledge, perception, and motivation are exogenous variables influencing the decision to invest in Sharia in the structural equation model used. In comparison, the investment variable is endogenous. Indicators or manifest variables will measure all these latent variables.

This study used an instrument in the form of a questionnaire. Questions or statements for each research variable refer to previous studies. Then the research instrument in this study can be described as follows:

Table 1Research Instrument Pooling

No	Variable	Indicator	References
1	Perception	Fact	Fikri, 2011
		Emotion	Solomon (2011)
		Perceive Price	
		Perceive Quality	
2	Motivation	Profit	David MecClelland,
		Blessing	2013
		Income	
		Close People	
		Help	
		Development of Islamic Finance	
		Company owner	
	Knowledge	Yield	Kusmawati,2011
		Risk	Fikri, 2011
		Investment product type	Siahaan, 2011.
		Terms - terms in the capital market	
		Technical and investment fundamentals	
	Investigation	Economy	Salim, H.S dan
		Risks and profits	Sutrisno, B., 2008
		Development	Fikri, 2011
		Terms	

Source: Processed cell data (2021)

Research Validity

The content validity test was carried out by examining the research instruments' grids. This study used two measures: convergent validity and discriminate validity. According to the measure of convergent validity, the construct is called valid if the loading factor is more than 0.4 (Imam Ghozali, 2017). Meanwhile, according to the discriminate validity measure, if the Square Root of average variance extracted (AVE) value is greater than the correlation value between the construct and the other constructs in the model, it is said to be excellent or valid (Imam Ghozali, 2017).

Table 2. Discriminant Validity Test with AVE Roots

Construct	Correlation Value Between Constructs				Root AVE
	Perceived	**Motivation**	**Knowledge**	**Investment**	
Perceived	1				0,691
Motivation	0,079	1			0,577
Knowledge	0,508	0,170	1		0,688
Investment	0,701	0,156	0,716	1	0,722

Source: Primary data processed (2021)

Meanwhile, to test or measure a questionnaire which is an indicator of a variable or construct, its reliability will be measured. Reliability is the extent to which measurement results can be trusted and produce good results. Measuring reliability in this study was carried out in a way: the value of construct reliability. If the construct reliability value is higher than the Cut Off value, it is said to be reliable (Imam Ghozali, 2017).

Table 3. Construct Reliability Results

Variable	*Construct Reliability*	Cut Off Value	Information
Perception	0,877		*Reliable*
Motivation	0,785	0,7	*Reliable*
Knowledge	0,976		*Reliable*
Investation	0,766		*Reliable*

Source: Primary data processed (2021)

The table above shows that all variables or constructs in this study are reliable because they have a value higher than 0.7

Data analysis technique

This study uses data analysis techniques using Structural Equation Modeling (SEM) using AMOS 24.0 software. This analysis technique is based on the solid relationship between several variables in the basic theory of consumer behavior Theory of Solomon (2011) because it used SEM. Furthermore, there are 7 (seven) stages used in this study to analyze the structural similarities, namely: developing a model based on theory; constructing a path diagram showing the causality relationship; translating path diagrams into structural equations; assessing the identity of the structural model; evaluating the criteria of Goodness of Fit; and model interpretation and modification (Imam Ghozali, 2017).

3. RESULTS AND DISCUSSIONS

Results

Overview of Research Locations

Lhokseumawe is a city in the province of Aceh, which is right in the middle of the East Sumatra route between Banda Aceh and Medan, so this city is a significant distribution and trade route for Aceh. Lhokseumawe was assigned the status of a city government based on Law Number 2 of 2001 (dated June 21, 2001). Geographically, Lhokseumawe City is located at 04° 54' – 05° 18' North Latitude and 96° 20' - 97° 21' East Longitude, which the Malacca Strait flanks, the boundaries are as follows: North side with the Malacca Strait; West side with Dewantara District, North Aceh Regency; Southside with Kuta Makmur District, North Aceh Regency; and to the East with Syamtalira Bayu District, North Aceh Regency.

Lhokseumawe City has an area of 181.10 km². Lhokseumawe City is divided into 4 Districts and 68 Gampongs. Districts in Lhokseumawe Regency: a). Banda Sakti District; b). Muara Dua District; c). Blang Mangat District; and D). Muara Satu district. The total population in this region is 191,976 people (2015). The concentration of population is mainly in Banda Sakti District as the center of the Lhokseumawe City Administration and, at the same time, is still the center of the government of North Aceh. The population in this sub-district reaches 73,193 people (45.30%) of the total population of Lhokseumawe, followed by Muara Dua District, with a population of 44,469 people (24.50%) and Muara Satu District with a population of 31,214 people (18.65%). Meanwhile, the smallest population is in Blang Mangat District, with only 21,628 people (11.52%). And since 2005, the population of Lhokseumawe City has experienced an average growth of 0.37% per year.

Characteristics of Respondents

Respondents in this study were the people in Lhokseumawe City. Due to the city's enormous population of Lhokseumawe, a purposive sampling technique was used in selecting the sample in this study. The characteristics of the respondents in this study were based on gender, age, education level, and occupation. Regarding gender, there were 84 male respondents (52.5%) in this study and 76 female respondents (47.5%). Characteristics of respondents based on age, showing 46 respondents aged 18-29 years (28.7%), 80 respondents aged 30-39 years (50%), and 34 respondents aged >40 years (21.3%)). In terms of education level, 24 people (15%) had high school/equivalent education, 39 people (24.4%) had a Diploma, 59 respondents (S1) had a bachelor's degree (36.9%), 36.9% had a master degree (S2) 36 respondents (22.5%), and doctoral (S3) 2 respondents (1.2%). Meanwhile, from the type of work, there were 41 civil servant respondents (25.6%), 31 employees (19.4%), 59 teachers and lecturers (36.9%), 22 respondents who had jobs as entrepreneurs (13.7%), and TNI/Polri 7 respondents (4.4%).

Data analysis

SEM Full Model Test

After analyzing the results of this study, the full model test results in SEM are as follows:

Table 4. SEM Full Model Feasibility Test Results

The goodness of Fit Index	Control of Value	Model Fit outputs	Information
Chi-Square	Small Expected	400,084	Good
Probability	>0,05	0,08	Good
RMS	0,05 – 0,08	0,095	Good
CMIN/DF	<2	1,081	Good
GFI	Expected High	0,764	Good
AGFI	>0,90	0,700	Marginal
TLI	Expected High	0,802	Good

Source: Primary data processed (2021)

Table 4 above shows that of the seven criteria for model suitability, six measures indicate that this research model is feasible. The results of this study also suggest that the assumption of normality in this

study is fulfilled, as evidenced by the multivariate critical ratio value of 2.495, which is between -2.58 and + 2.58. It can be concluded that the assumption of multivariate normality in this model is fulfilled. Furthermore, the multivariate outlier test conducted shows that the values of p1 and p2 are <0.001. Moreover, reliability and variance extracted (AVE) tests were carried out, and the results showed construct validity that was higher than the cut-off value (0.50) and variance extracted (0.70).

Parameter Estimation Test

Testing the proposed hypothesis can be seen from the results of standardized regression coefficients. If the standard regression coefficient parameter is positive and the critical ratio (CR) is more than +1.96, it can be concluded that the data support the research hypothesis. The output results of parameter value estimation are as follows:

Table 5. Regression Weights in Full Model SEM

			Estimate	SE.	CR.	P	Label
Perception	<---	Knowledge	.239	.091	2.618	.009	par_19
Motivation	<---	Perception	.695	.170	5.200	***	par_18
Investation	<---	Motivation	.204	.079	2.052	.019	par_17
Investation	<---	Knowledge	.075	.036	1.977	.049	par_20
Investation	<---	Perception	.047	.110	.430	.667	par_21

Source: Primary data processed (2021)

Hypothesis Testing Results

The estimation parameters in table 5 show that knowledge of sharia investment is positively related to perceptions of Sharia investing (0.05), so the alternative hypothesis (HA) is accepted. While the relationship between perception and motivation to invest in Sharia is positive, this is indicated by the value of the critical ratio (CR) of 5.200, which is above the requirement for CR> 1.96 with a significance level of 0.000 (smaller than 0.05), so that the alternative hypothesis (HA) two received. The relationship between motivation and the decision to invest in Sharia is positive. This is indicated by the value of the critical ratio (CR) of 2.052, which is above the requirement for CR> 1.96 with a significance level of 0.019 (smaller than 0.05) so that the alternative hypothesis (HA) three received.

While the relationship between sharia investment knowledge and the decision to invest in Sharia shows a positive sign, this is indicated by the value of the critical ratio (CR) of 1.977, which is above the CR requirement > 1.96 with a significance level of 0.049 (smaller than 0.05), so the fourth alternative hypothesis (HA) is accepted. And the relationship between perception and the decision to invest in Sharia shows no relationship or influence. This is indicated by the value of the critical ratio (CR) of only 0.430, which is under the CR requirements > 1.96 with a significance level of 0.047 (smaller than 0.05) so that the fifth alternative hypothesis (HA) is rejected, or in other words, the fifth alternative hypothesis (HA) in this study is not supported by data.

Based on the results of the hypothesis testing above, it can be concluded that of the five hypotheses proposed in this study, there are four hypotheses supported by data and 1 hypothesis not backed by data. The complete results of testing the research hypothesis can be seen in the following table:

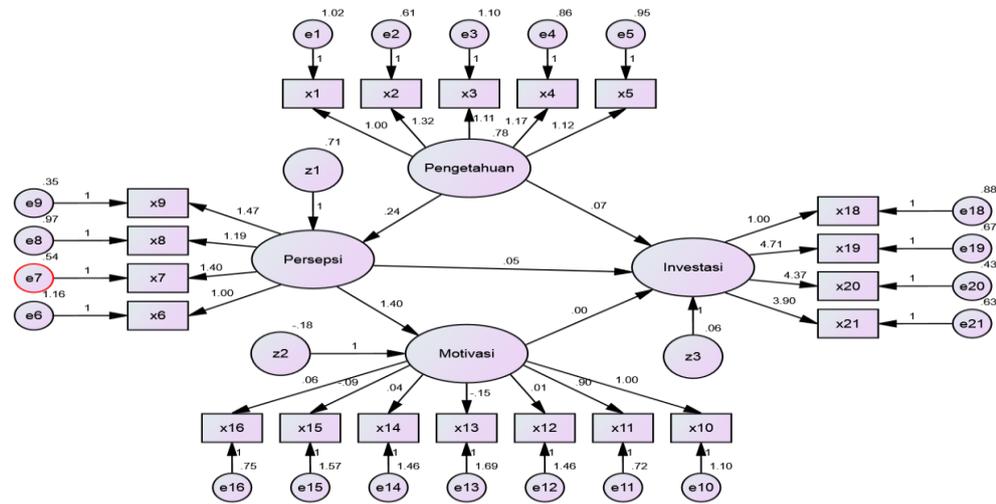**Table 6. Results Conclusion Hypothesis**

Hypothesis	Test results
HA1: Knowledge of sharia investment positively relates to perceptions of sharia investment.	Powered By Data
HA2: Perception is positively related to motivation to invest in Sharia.	Powered By Data
HA3:Motivation is positively related to the decision to invest in Sharia.	Powered By Data
HA4: Knowledge of sharia investment positively relates to the decision to invest in Sharia.	Powered By Data
HA5: Perception is positively related to the decision to invest in Sharia.	Not Supported By Data

Source: Primary data processed (2021)

Discussion of Research Results

This research was conducted to focus on the decisions of the community or investors in Lhokseumawe City to invest in Sharia in the sharia capital market. This study's total sample of investors

was 160 respondents spread across Lhokseumawe City. The data used is the result of coding from answers to community questionnaire questions in the research period from March 2018 to May 2018. From 160 respondents, all were processed and further processed through SEM using Amos version 24.0. then the results can be seen in full, as follows:

Source: Primary data processed (2021)
Figure 4. Full Empirical Model

The research results described above show that Islamic investment knowledge is positively related to perceptions of Islamic investment. This is evidenced by the critical ratio (CR) of 2.618, which is above the requirement for CR > 1.96 with a significance level of 0.009 (smaller than 0.05). In other words, public knowledge regarding returns, risks, types of investment products, terminology in the capital market, and sharia investment technical and fundamentals can create a good perception for the public to invest in Sharia. So it can be explained that the manifest variable of knowledge can be used as a stimulus or encouragement for the people of Lhokseumawe City to invest in Sharia. This research reinforces previous research conducted by Mustofa (2015) and Hadi Peristiwo (2016), who view the excellent image of sharia products as very important to encourage public interest in investing in Sharia.

Furthermore, this study also found that perceptions or views of the likes or dislikes of the community or investors are positively related or have a significant effect on people's motivation to invest in Sharia. This is evidenced by the critical ratio (CR) of 5,200, which is above the CR requirement > 1 .96 with a significance level of 0.000 (smaller than 0.05). In other words, the superiority of sharia investment products, the emotions or bonds of a belief that the community has, and the price and quality of sharia investments can give birth to the motivation of the people of Lhokseumawe city to invest in Sharia.

Meanwhile, the community's motivation to invest in Sharia is positively related to the decision of the people of Lhokseumawe City to invest in Sharia. This proves that the constructs of profit, blessings, income, close people, help, development of Islamic finance, and company owners are positively related to the decision of the people of Lhokseumawe City to invest in Sharia. This can be seen from the value of the critical ratio (CR) of 2.052, which is above the requirement for CR > 1.96 with a significance level of 0.019 (smaller than 0.05), so the alternative hypothesis (HA) three is accepted. The research results reinforce the effects of Fikri's study (2011), which sees its relation to investment; investors are influenced by the investment environment and investment development environment, so they are motivated to invest (Fikri, 2011). This confirms that positive sharia effects will result in high motivation for people to invest in Sharia.

This study also shows that knowledge of sharia investment is positively related to the decision of the people of Lhokseumaw City to invest in Sharia. This is evidenced by the value of the critical ratio (CR) of 1.977, which is above the requirement for CR > 1.96 with a significance level of 0.049 (smaller than 0.05), so the fourth alternative hypothesis (HA) is accepted or supported by data. The results of this study reinforce the effects of Hadi Peristiwo's research (2016) which sees that investors who are not interested in Islamic investment are more due to the lack of education and socialization regarding Islamic securities and the limited availability of Islamic instruments in the Islamic capital market. The lack of education and socialization regarding sharia products and the ins and outs of sharia investment makes people lack knowledge of the products and the ins and outs of sharia investment. In the end, makes people not interested.

The results of this study found that perceptions have no relationship with the decision of the people of Lhokseumawe City to invest in Sharia. This is evidenced by the value of the critical ratio (CR) of only 0.430, which is below the requirement of CR > 1.96 with a significance level of 0.047 (smaller than 0.05), so the fifth alternative hypothesis (HA) is rejected, or in other words, the hypothesis the fifth alternative (HA) in this study is not supported by data. In the sense that perceptions of liking or disliking sharia investment products have no relationship to the decision of the people of Lhokseumawe City to invest. This shows that respondents are not guided only by perceptions of likes or dislikes to make decisions. The results of this study were supported by respondent data, which showed that the majority of respondents were 30-39 years old, 80 people (50%), and respondents aged >40 years, 34 people (21.3%). In terms of educational level, the majority of respondents had undergraduate education (S1) as many as 59 respondents (36.9%), and master's (S2), as many as 36 respondents (22.5%), which means that respondents are very selective in making decisions to invest because they are influenced by high educational background and mature age.

4. CONCLUSION

Based on the tests that have been carried out on several hypotheses previously proposed, it can be concluded as follows: Sharia investment knowledge has a positive relationship with perceptions of Sharia investment. Evidenced by the critical ratio (CR) of 2.618, which is above the requirement for CR > 1.96 with a significance level of 0.009 (smaller than 0.05). This shows that sharia investment knowledge has an essential role in giving birth to people's decisions to invest in Sharia. Sharia investment knowledge has a positive relationship with perceptions of Sharia investment. Evidenced by the critical ratio (CR) of 2.618, which is above the requirement for CR > 1.96 with a significance level of 0.009 (smaller than 0.05). This shows that sharia investment knowledge is essential in giving birth to people's decisions to invest in Sharia. This study also shows that perception positively relates to motivation to invest in Sharia. This is evidenced by the critical ratio (CR) of 5.200, which is above the requirement for CR > 1.96 with a significance level of 0.000 (smaller than 0.05). This study proves that a good perception of sharia investment products will motivate people to invest in Sharia and vice versa. This study found that motivation is positively related to investing in Sharia. This is evidenced by the value of the critical ratio (CR) of 2.052, which is above the requirement for CR > 1.96 with a significance level of 0.019 (smaller than 0.05), so the alternative hypothesis (HA) three is accepted. This study strengthens the role of motivation in giving birth to people's decisions to invest in Sharia. The results of this study indicate that knowledge of sharia investment products is positively related to the decision to invest in Sharia. This is evidenced by the value of the critical ratio (CR) of 1.977, which is above the requirement for CR > 1.96 with a significance level of 0.049 (smaller than 0.05), so the fourth alternative hypothesis (HA) is accepted. This study reinforces the importance of knowledge of sharia investment products for the community because it has a positive and significant relationship to community or investor decisions to make sharia investment decisions. This study also found that perception has no relationship with the decision to invest in Sharia. This is evidenced by the value of the critical ratio (CR) of only 0.430, which is below the requirement of CR > 1.96 with a significance level of 0.047 (smaller than 0.05), so the fifth alternative hypothesis (HA) is rejected, or in other words not supported by data.

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