

THE USE OF THEORY OF PLANNED BEHAVIOR (TPB) FOR SHARIA INVESTMENT INTENTIONS: COMPARISON BETWEEN SUKUK AND SHARIA STOCKS

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ABSTRACT

The purpose of this study is to test the theory of planned behavior for sharia investment intentions. Data were collected using a questionnaire distributed online. more than 100 respondents participated in both studies. The collected data was then analyzed using SPSS software. The findings of this study are that there is a positive and significant influence between subjective attitudes and norms with the intention to invest in Sukuk and Sharia Stocks. but unfortunately, the perceived behavioral control variable has a positive but not significant effect. The implication of the findings of this study is that parties with an interest in increasing public participation in sharia investing can design the right program to achieve its goals.

Keyword: Theory of Planned Behavior, Sukuk, Sharia Stocks

INTRODUCTION

The presence of an Islamic economy in the world has an impact on a new economic system and gives a new color in an increasingly modern era. The Islamic financial system is a system that uses Islamic methods based on the Qur'an and Hadith as a reference. One of the things that is prohibited in sharia economics is usury, as stated in the verse in the Qur'an:

يَا أَيُّهَا الَّذِينَ آمَنُوا لَا تَأْكُلُوا الرِّبَا أَضْعَافًا مُضَاعَفَةً وَاتَّقُوا اللَّهَ لَعَلَّكُمْ تُفْلِحُونَ

Meaning: "O you who believe, do not eat usury doubled and fear Allah so that you will get good luck" (Q.S. Ali Imran: 130).

The prohibition in the Islamic financial system is not only usury, but also gambling, monopoly, cheating, *gharar* and hoarding of goods. Sharia economic growth in recent years has shown an increase. This is also supported because Indonesia is one of the countries with the largest Muslim population in the world and is also encouraged by the halal lifestyle, namely the tendency of people to adopt a lifestyle that follows the teachings of Islamic sharia. With the development of information technology, the public's intention to invest is also increasing. The development of increasingly sophisticated technology makes it very easy for people to invest. This digitalization era makes many activities can be done faster, easier and cheaper. People who will choose investment first analyze the company's financial condition. With digitization, it becomes easier and faster because it can be accessed anywhere and anytime.

The presence of the government, ulama and stakeholders to advance the Islamic finance industry in Indonesia can be seen in the 2019-2024 Islamic Economics & Finance Master Plan issued by the National Planning Agency (Bapenas). One of the Islamic financial instruments is the sukuk. Sukuk issuance in Indonesia as of July 2020 is Rp. 1.041 trillion (Ministry of Finance, 2020). Indonesia is one of the countries that has consistently issued sukuk since 2002. Sukuk instruments in Indonesia are able to compete with Islamic financial instruments. Sukuk is one of the sharia securities as evidence of asset ownership in accordance with the sharia concept. The issuance of sukuk by the Indonesian government uses *ijarah* sale and lease back contracts, *ijarah* assets to be leased, *ijarah al-kadamat* and *wakalah*. According to data from the Islamic Finance Foundation in 2019, sukuk (sharia securities) globally grew very high, from 1996 to 2019 reaching US \$ 568.23 billion issued sukuk. Malaysia, the United Arab Emirates and Saudi Arabia are the countries that have the largest role in the issuance of sukuk. Sukuk become a profitable and fair financing alternative because of the binding of assets and sharing of risk.

In addition to Sukuk, the public can also invest in the capital market in the form of sharia Stocks. Sharia Stocks are securities in the form of Stocks that do not conflict with sharia principles in the Capital

Market. The definition of Stocks in the context of sharia Stocks refers to the definition of Stocks in general which are regulated in laws and other OJK regulations. There are two types of sharia Stocks recognized in the Indonesian capital market. First, Stocks that are declared to meet the selection criteria for sharia Stocks based on OJK regulation Number 35/POJK.04/2017 concerning Criteria and Issuance of Sharia Securities Lists, second are Stocks listed as sharia Stocks by issuers or sharia public companies based on OJK regulation no. 17/POJK.04/2015.

Various previous studies to ascertain the factors that influence Indonesia's intention to invest in Islamic stocks. Hati et al. (2020) show that product knowledge, perceived quality, perceived risk, and perceived value all influence investment intentions in Islamic banks. Addury and Nugroho (2020) show that Islamic financial literacy and subjective norms have no influence on individual intentions to invest in Islamic securities. Septyanto and Dewanto (2017) find that intentions in Islamic investment are influenced by attitudes, subjective norms, and perceived behavioral control. Although various studies on intentions to invest in Islamic equities have been conducted, this study differs from previous studies in that it compares two types of investments, namely Stocks and sukuk. This research is important because it develops from several previous studies so that it can be input for Indonesian investors who are interested in investing in the Islamic capital market.

LITERATURE REVIEW

Intention to Invest in Sharia Investment

According to Fishbein & Ajzen (1975) intention is a subjective possibility to carry out a behavior and is an indication of how difficult it is for people to try something, how much effort they plan to exert to perform the behavior. According to TPB, the intention is a function of three basic factors, the first is the individual's personal factor (attitude), the second is social influence (subjective norms) and the third is related to the control that belongs to the individual. Intentions in this study indicate individual willingness to invest in Sharia sukuk and Stocks. Studies conducted on Malaysian society stated that entrepreneurs choose Sukuk if they expect low profits thereby minimizing their losses in case of failure, while others will choose conventional bonds if they expect high returns thereby increasing their profits if the probability of success (Godlewski, et al, 2013). Similarly stock market participants would expect the worst borrowers to choose to issue Sukuk and would interpret such issuance as a negative signal on the issuing company's financial position (Warsame and Ileri, 2016). Therefore, an investor in a sukuk does not own the debt obligations of the bond issuer, but rather owns a share of the assets associated with the investment. This means that sukuk holders, unlike bondholders, receive a portion of the income generated by the related assets.

Attitudes toward Sharia Investment

Ajzen (1991) explains that attitude is an individual's positive or negative evaluation of objects, people, institutions, or events. Attitude is an individual's positive or negative evaluation of behavior which is determined by evaluating a person's beliefs about the consequences of behavior and evaluating them. If the individual evaluates that the behavior will produce positive consequences, then the individual will tend to perform the behavior. Conversely, the more individuals consider behavior that will produce negative consequences, the more individuals tend to dislike the behavior. Attitudes include (1) Behavioral Belief, the belief that behavior will produce consequences caused by behavior; (2) Result evaluation, individual evaluation of the behavior that will be chosen to be carried out based on the beliefs they have. If it is associated with the intention to invest in Islamic stocks, the better the individual's attitude towards Islamic stocks, the more likely they are to invest in Islamic stocks. It could be concluded that a person's attitude towards Islamic stocks reflects how strongly he believes Islamic stocks are beneficial or detrimental to him. According to research by Addury and Nugroho (2020), perceptions affect Islamic investment intentions. In addition, Osman et al. (2019); Mahastanti and Hariady (2014) show that attitudes have a substantial influence on investment intentions.

Subjective Norms

Subjective norm is an individual's perception of the social pressure he gets to perform or not to perform a behavior (Ajzen and Fishbein, 2000). Subjective norms are also defined as individuals as holders of beliefs about the expectations of influential people around how individuals or groups will agree or disagree with the behavior to be carried out (Ajzen, 2005). Subjective norms consist of: (1) individual beliefs about the expectations of others to perform certain behaviors or not to do them; (2) individual motivation to comply with other people's expectations of him. Empirically, several studies have also confirmed that subjective norms have a significant influence on intentions (Dayaratne and Wijethunga, 2015).

Perceived Behavioral Control

Behavioral control is a measure of a person's perceived capacity to behave as desired. It refers to an individual's impression of the level of ease and difficulty associated with completing a behavior and is believed to be influenced by both previous experience and predicted hurdles. This construction is influenced by beliefs about a person's ability to acquire the necessary skills, resources, and opportunities to perform these activities. Perceived behavioral control is separated into two components: the degree of control over the behavior and the individual's belief in his or her capacity to refrain from or perform activities. Perceived behavioral control is determined by one's belief in the efficacy of internal, situational, and internal elements in facilitating behavior implementation. If a person has no control over his or her circumstances, he or she may not have the intention to engage in certain behaviors. Perceived behavioral control has been shown to be a predictor of attention use intention in behavioral intention research (Ajzen, 1991).

Hypothesis

Based on the previous discussion, the hypotheses in this study are as follows:

- H1 : Attitude has a positive effect on sharia investment intentions
- H2 : Subjective norm has a positive effect on sharia investment intentions
- H3 : Perceived behavioral control has a positive effect on sharia investment intentions

Based on the proposed hypothesis, the model proposed in this study can be seen in Figure 1.

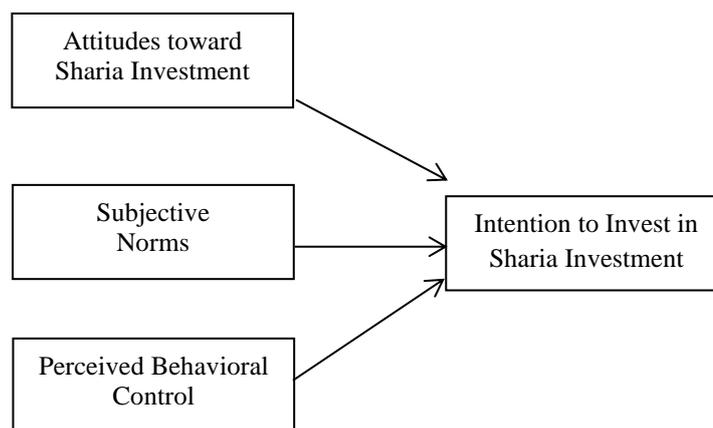


Figure 1. Research Model

METHOD

Data were collected using a questionnaire with the Accidental Sampling technique. Participants were given questions using alternative answers on a Likert scale which is strongly agree get 5 score and strongly disagree get 1 score. The data is first tested for validity and reliability to test whether the instrument is valid and reliable. Pearson Correlation is used to validity testing while Cronbach's Alpha is used for reliability testing. Data that passed the validity and reliability tests were then analyzed using multiple linear regression.

RESULT AND DISCUSSION

Participant Identity

The participants in this study were students who belonged to the Generation Z category. According to Annisa (2021) Generation Z already has full access to smartphones, Wifi, streaming application services, and various other technological conveniences. The impact of technological advances, the internet, and social media has a major influence on the growth of Generation Z. Based on the data in Table 1 the majority of respondents are between 20-25 years old. Women dominate with 197 people or 73% of the participants.

Table 1. Participant Identity

Variable	Category	Sukuk		Sharia Stocks	
		Freq	(%)	Freq	(%)
Age	Less than 20	6	6%	2	2%
	Between 20 – 25	82	77%	42	40%
	Between 26 – 31	17	16%	23	22%
	Above 31	2	1%	39	36%
Total		107	100%	106	100%
Gender	Male	29	27%	49	46%
	Female	78	73%	58	54%
Total		107	100%	106	100%
Occupation	Students	36	34%	32	30%
	Private employee	41	38%	42	40%
	Civil servant	1	1%	4	4%
	Entrepreneur	2	2%	8	8%
	Others	27	25%	20	18%
Total		107	100%	106	100%

Based on the data in Table 1, it can be seen that the number of samples for the intention to invest in sukuk is 107 respondents while the intention to invest in sharia Stocks is 106 respondents. The majority of respondents are female with an age range between 20-25 years old. Most of the respondents' occupations were private employees and followed by undergraduate students.

Validity and Reliability Test

The validity test is carried out to see whether a questionnaire is valid or not, whether the questionnaire questions can measure what will be measured and in accordance with the actual conditions. Table 2 below shows that in this study the data is valid and reliable.

Table 2. Validity and Reliability Testing

Construct	Item	Sharia Stocks		Sukuk	
		Pearson Correlation	Cronbach's Alpha	Pearson Correlation	Cronbach's Alpha
Intention to Invest	INT1	.929	.908	.916	.897
	INT2	.939		.906	
	INT3	.894		.910	
Attitude	ATT1	.919	.893	.906	.919
	ATT2	.890		.954	
	ATT3	.914		.925	
Subjective Norms	SN1	.857	.835	.809	.841
	SN2	.879		.890	
	SN3	.868		.912	
Perceived Behavioral Control	PBC1	.923	.838	.866	.839
	PBC2	.863		.879	
	PBC3	.819		.872	

Normality Test

To determine whether the data is normally distributed can be seen on the asym value. Significant (2-tailed). The results in Table 3 show the asym values. The significance (2-tailed) obtained is 0.223 for Sukuk and 0.366 for sharia Stocks, which is greater than 0.05, which means that the data is normally distributed.

Table 3. Normality Test

		Sukuk	Sharia Stocks
		Unstandardized Residual	Unstandardized Residual
N		107	106
Normal Parameters ^{a,b}	Mean	0E-7	0E-7

		Sukuk	Sharia Stocks
		Unstandardized Residual	Unstandardized Residual
Most Extreme Differences	Std. Deviation	1.71412510	1.94048616
	Absolute	.101	.089
	Positive	.101	.065
	Negative	-.046	-.089
Kolmogorov-Smirnov Z		1.047	.920
Asymp. Sig. (2-tailed)		.223	.366

a. Test distribution is Normal.
b. Calculated from data.

Multicollinearity Test

Table 4. Multicollinearity Test for Sukuk

Coefficients ^a							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.815	.700		1.165	.247		
Subjective Norms	.286	.089	.291	3.200	.002	.390	2.563
1 Attitude	.501	.090	.480	5.594	.000	.438	2.284
Perceived Behavioral Control	.142	.108	.132	1.310	.193	.318	3.147

a. Dependent Variable: Intention

Table 5. Multicollinearity Test for Sharia Stocks

Coefficients ^a							
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.743	.922		.806	.422		
Subjective Norms	.197	.086	.200	2.276	.025	.522	1.915
1 Attitude	.643	.105	.551	6.110	.000	.497	2.013
Perceived Behavioral Control	.105	.102	.100	1.035	.303	.435	2.301

a. Dependent Variable: Intention

Table 4 and 5 shows the results of the multicollinearity test for sukuk and shariah Stocks. There is no Tolerance value less than 0.1 and no VIF value greater than 10 which means that the multicollinearity in the regression equation that is built does not occur.

Hypothesis Testing

The results of hypothesis testing can be seen in Tables 6 and 7. Subjective norm and attitude variables both have a positive and significant influence on investment intentions in both Sukuk and Sharia Stocks. This research is in line with research conducted by Onasie and Widodoatmojo (2020). Their research explains that attitude has a positive and significant effect on investment intentions. Safira (2020) in her research also explains that attitude has a positive and significant effect on investment intentions. However, this study found a positive but not significant effect for the perceived behavioral control variable on investment intentions.

Table 6. Hypothesis Test for Sukuk

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.815	.700		1.165	.247
1 Subjective Norms	.286	.089	.291	3.200	.002
Attitude	.501	.090	.480	5.594	.000
Perceived Behavioral Control	.142	.108	.132	1.310	.193

a. Dependent Variable: Intention

Table 7. Hypothesis Test for Sharia Stocks

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.743	.922		.806	.422
1 Subjective Norms	.197	.086	.200	2.276	.025
Attitude	.643	.105	.551	6.110	.000
Perceived Behavioral Control	.105	.102	.100	1.035	.303

Simultaneous Test

Based on the data in Table 8 and 9, it can be seen that simultaneously the three variables have an effect on the intention to invest in Sukuk and Sharia Stocks.

Table 8. Simultaneous Test for Sukuk

ANOVA ^a					
Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	627.296	3	209.099	69.151	.000 ^b
Residual	311.452	103	3.024		
Total	938.748	106			

a. Dependent Variable: Intention to Invest in Sukuk

b. Predictors: (Constant), Subjective Norms, Attitude, Perceived Behavioral Control

Table 9. Simultaneous Test for Sharia Stocks

ANOVA ^a					
Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	563.124	3	187.708	48.425	.000 ^b
Residual	395.376	102	3.876		
Total	958.500	105			

a. Dependent Variable: Intention to Invest in Sharia Stocks

b. Predictors: (Constant), Subjective Norms, Attitude, Perceived Behavioral Control

Coefficient of Determination

The results in Table 10 show the variation of changes in the intention to invest in Sukuk by 65.9% influenced by subjective norms, attitudes, and perceptions of behavioral control, and 34.1% determined by other variables not included in this study. Meanwhile, for the intention to invest in Islamic stocks, the effect of the three independent variables on the intention to invest in Sharia Stocks is only 57.5 percent and this means it is lower than Sukuk.

Table 10. Coefficient of Determination for Sukuk

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.817 ^a	.668	.659	1.73891

a. Predictors: (Constant), Subjective Norms, Attitude, Perceived Behavioral Control

b. Dependent Variable: Intention to Invest in Sukuk

Table 11. Coefficient of Determination for Sharia Stocks

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.766 ^a	.588	.575	1.96882

a. Predictors: (Constant), Subjective Norms, Attitude, Perceived Behavioral Control

b. Dependent Variable: Intention to Invest in Sharia Stocks

CONCLUSION

This research replicates the theory of planned behavior which has been very popular in marketing research. This time, the researcher wants to know whether the three variables that were previously often proven to have an effect on intention, will also be proven for the intention to invest in Islamic investment. The results of the study found uniformity where the two variables, namely attitude and subjective norms had a positive and significant effect on both the intention to invest in Sukuk and Sharia Stocks, but perceived behavioral control was found to have no significant effect. The results of this study are expected to be input for managers of Islamic financial instruments to better understand consumer behavior so that they can design various programs that are adequate in increasing sharia investment intentions.

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