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The Analysis of Millennial Generation Financial Literation on Investment Decisions in Peer to Peer Lending Fintech in the Pandemic Covid-19 in Sukabumi City

Raisa Dea Fitrasari*, Novia Handini, Supardi
Widyatama University, Indonesia
*raisa.dea@widyatama.ac.id

ABSTRACT

Investment is one way that can be done by an individual to achieve financial prosperity in the future. The development of digital technology at this time makes investment easier to do, one of which is through Peer to Peer Lending financial technology, product lend offered by Peer to Peer Lending makes users a lender or investor by offering a return rate of up to 18% in one year. When deciding to invest, individuals need good financial literacy so that the investment decisions taken will be good too. The puIDRose of this research is to find out and analyze how the variable (X) financial literacy of the millennial generation affects the variable (Y) of investment decisions in the Peer to Peer Lending application. The method used in this research is quantitative method, with descriptive analysis techniques, simple linear regression analysis, hypothesis testing, and the coefficient of determination. The author uses data collection techniques by distributing questionnaires to samples taken using non-probability sampling techniques, with a total sample of 55 millennial generation in Sukabumi City who have invested in the Peer to Peer Lending application or at least know the application Peer to Peer Lending. The results showed that public financial literacy in Sukabumi City had a value percentage of 61.07% which was included in the fairly good category, then the community investment decision in Sukabumi City on the application Peer to Peer Lending had a percentage value of 55.42% which was included in the fairly good category, so from the results of these studies it can be concluded the higher the level of financial literacy possessed by individuals, the higher their investment decisions.

Keywords
Financial literacy, investment decisions, financial technology, peer to peer lending

Introduction

The number of Indonesian internet users during the Covid-19 pandemic increased to 196.7 million by the second quarter of 2020. In 2018, the number of internet users in Indonesia was only 171.2 million. This is known based on the results of a survey conducted by the Indonesian Internet Service Providers Association (APJII). The survey was conducted from 2 to 25 June 2020. The number of respondents was 7,000 people using interview data collection techniques and questionnaires in all provinces in Indonesia. The survey has a margin of error of 1.27%. From this data, internet users in Indonesia as of the second quarter of 2020 reached 73.7%. This figure is an increase compared to 2018 which was only 64.8%. (Kompas.com, 2020). How to use it is increasingly varied, all innovations that occur in internet use are based on the aim of making it easy for users. Especially innovation in the financial sector or what is known as financial technology (Fintech), is an innovation in the financial sector that has a touch of modern technology. The form of technology development through the internet in the financial sector that is of interest to us is Peer to Peer Lending, this service offers flexibility where lenders and borrowers can allocate and get capital or funds from and to almost anyone, in any amount, effectively and transparent. And with competitive returns (Vlasov 2017; Vovchenko et al., 2017). Peer to Peer Lending is a breakthrough and new innovation in the development of financial technology that has been accepted and recognized for its application in Indonesia (Darma dalam Lestari, 2019). This is supported by the existence of Bank Indonesia Regulation Number 19/12/PBI/ 2017 concerning the Implementation of Financial Technology in Article 3 Paragraph 1 Letter D which reads, for example the implementation of financial technology in the category of loans (lending), financing (financing or funding), and provision Capital (capital raising)

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includes information technology-based lending and borrowing services (Peer to Peer Lending) and information technology-based funding or fundraising (crowd-funding).

Since it has been supervised by the OJK, peer to peer lending is a safe investment. The loan interest rate is quite profitable because of its relatively significant value. Lenders can easily diversify their funding by providing loans to several borrowers at once to maximize profits. Expert staff in the field of tax supervision of the Indonesian Ministry of Finance, Nurfansa Wira Sakti (2018), stated that for the government, the participation of millennials in investment is very important, so that there is awareness in understanding the APBN instruments as a whole, then according to the Chairman of the OJK Board of Commissioners Wimboh Santoso (2019), OJK together with the Financial Services Industry strives to achieve the target of financial literacy and inclusion among young people, among others by increasing savings and investment, so that in the future Indonesian youth can be the driving force of the Indonesian economy.

Investments are assets or goods that are acquired with the aim of generating income or rewards (Saudi, 2018). In an economic sense, investment is the purchase of goods that are not consumed today but are used in the future to create wealth. In finance, an investment is a monetary asset that is purchased on the idea that it will provide income in the future or that it will be sold at a higher price for a profit later. Since investment is oriented towards future growth or income, there are risks associated with investing in the event that the investment does not go on or fails.

According to Janor et al. (2016), making investment decisions is recognized as one of the important factors affecting financial capacity and financial well-being so that identification of factors related to relevant investment decisions is one of the important issues for individuals personally and for national development. Changes in the investment environment are very dynamic, causing the focus not only to focus on investment decision making but also on the level of financial literacy and on how the impact of this level of financial literacy on investment decision making.

Figure 1. Profile and development of fintech lending
Source: OJK

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The peer to peer lending fintech industry continues to channel loans amid the Covid-19 pandemic. The Deputy Commissioner of the Financial Services Authority (OJK) stated that in total fintech distribution grew 113.05% yoy to IDR 128.7 trillion by the third quarter of 2020. Meanwhile, outstanding loans grew 24.88% yoy to IDR 12.71 trillion by the third quarter of 2020. Meanwhile, the distribution of new loans nationally in September 2020 grew 25.06% yoy to IDR 47.2 trillion. This growth reflects that P2P lending continues to channel working capital loans amid the pandemic, MSMEs find it difficult to find funding during a crisis.

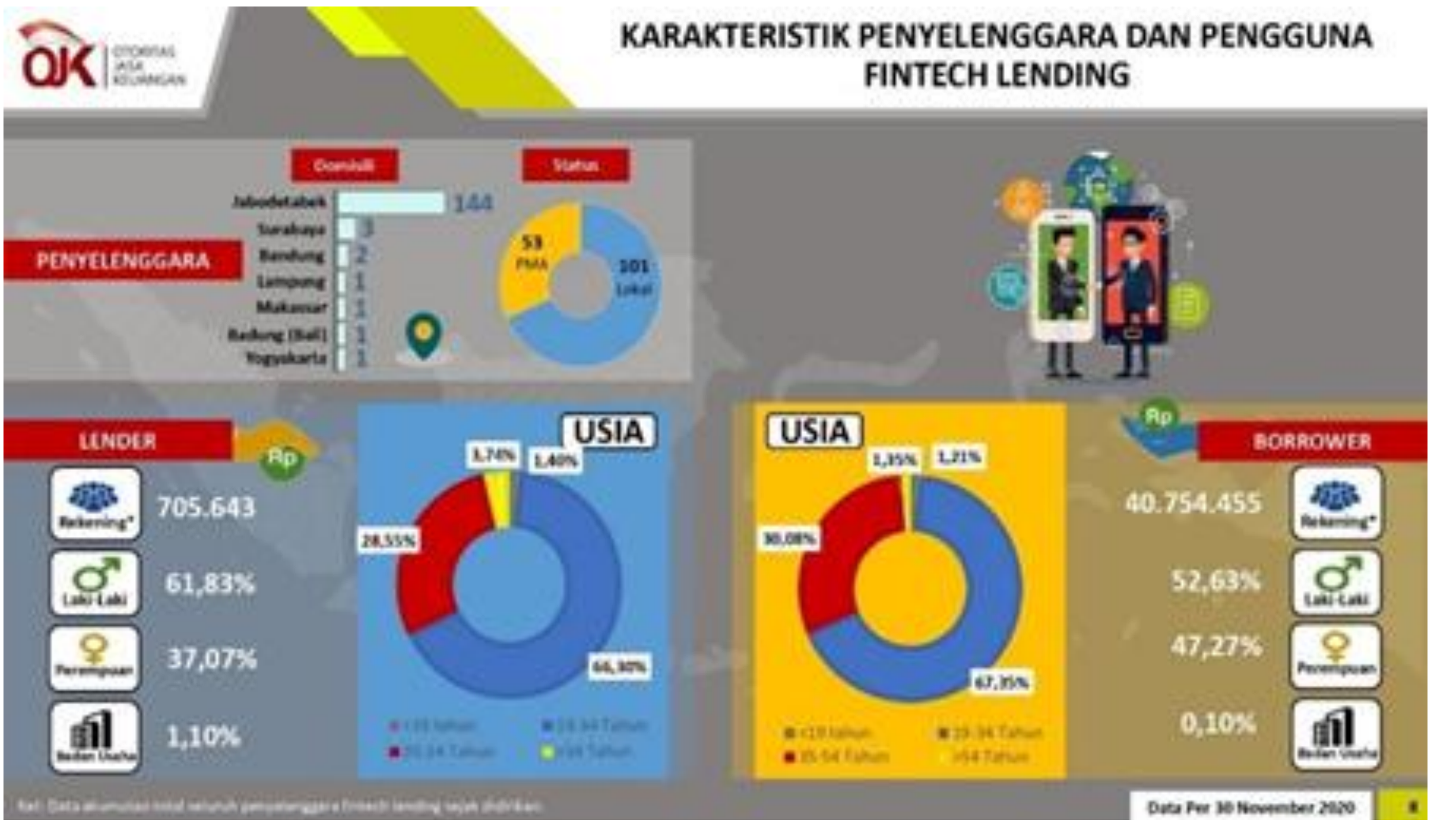

Figure 2. Characteristics of fintech lending operators and use
Source: OJK

The Financial Services Authority (OJK) as an independent institution that has functions, duties, powers and regulations, supervises, and checks and investigations as referred to in Law Number 21 years 2011 concerning the Financial Services Authority. In this case the OJK established a regulation on financial technology, namely the Financial Services Authority Regulation Number 77 / POJK.01 / 2016 concerning Information Technology-Based Lending and Borrowing Services. The regulation states that every financial technology operator is required to apply for registration and licensing with the OJK. With the issuance of the Financial Services Authority Regulation (POJK) Number 77 / POJK.01 / 2016, concerning Information Technology-Based Borrowing and Lending Services (LPMUBTI), the OJK regulates various matters that must be obeyed by loan business operators from user to user, or which is commonly referred to as P2P lending. However, in the end this will protect the interests of consumers regarding the security of funds and data, as well as national interests related to the prevention of money laundering and terrorism financing, as well as financial system stability.

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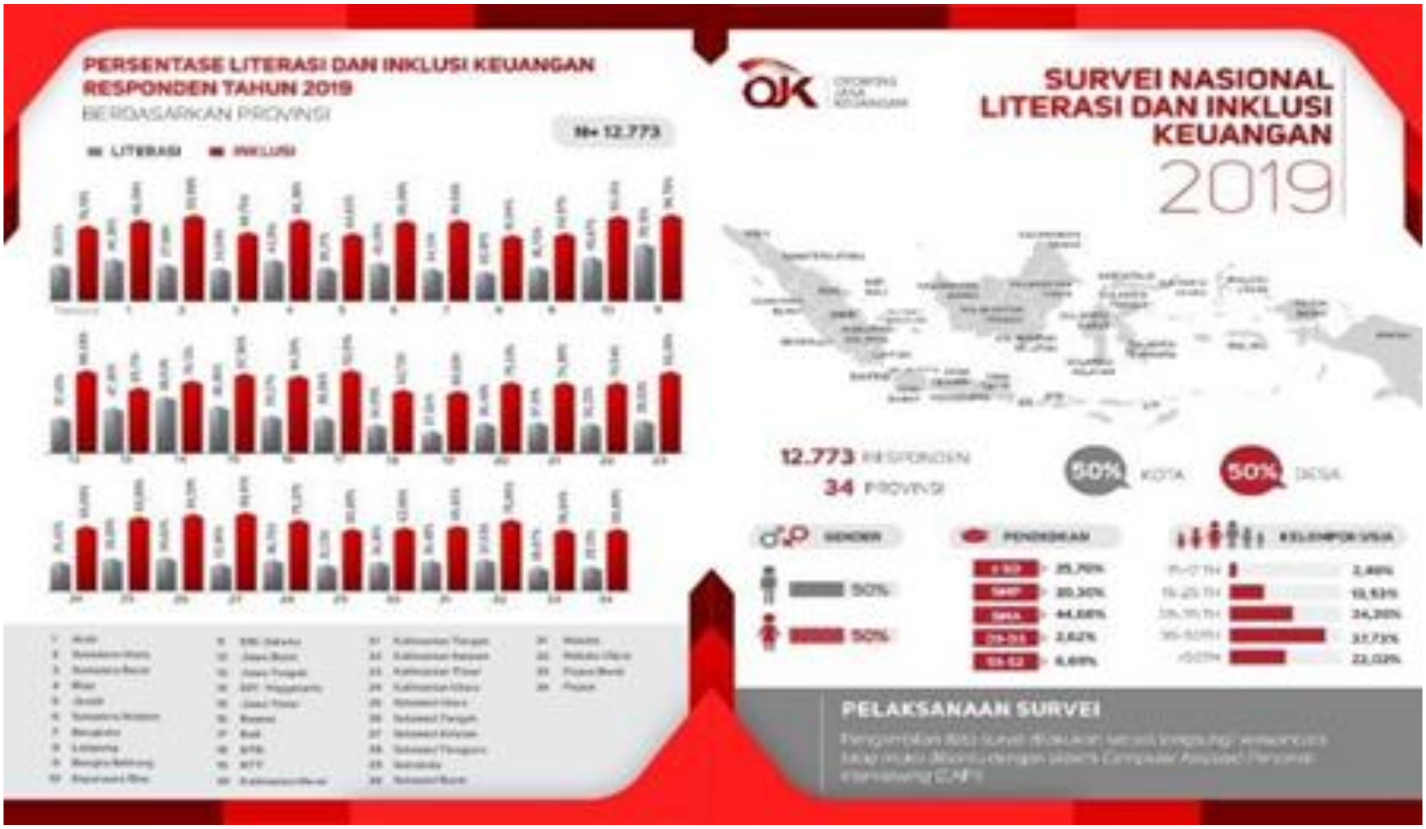

Figure 3. National surveys of financial literacy and inclusion 2010
Source: OJK

The third National Survey of Financial Literacy and Inclusion (SNLIK) conducted by the Financial Services Authority (OJK) in 2019 shows a financial literacy index reaching 38.03% and an index financial inclusion 76.19%. This figure is an increase compared to the results of the 2016 OJK survey, namely the financial literacy index of 29.7% and the financial inclusion index of 67.8%. This in the last 3 years there has been an increase in public financial understanding (literacy) by 8.33%, as well as an increase in access to financial products and services (financial inclusion) by 8.39%. The 2019 OJK SNLIK survey covered 12,773 respondents in 34 provinces and 67 cities / districts by considering gender and strata of urban / rural areas. SNLIK 2019 also uses the same methods, parameters and indicators, namely the financial literacy index which consists of parameters of knowledge, skills, beliefs, attitudes and behavior, while the financial inclusion index uses the parameters of usage.

Financial literacy is closely related to financial management where the higher the level of a person's financial literacy, the better the person's financial management. Personal financial management is an application of financial management concepts at the individual level. Financial management, which includes planning, management and financial control activities, is very important to achieve financial well-being. Planning activities include activities to plan the allocation of income earned will be used for anything.

The level of financial literacy is strongly influenced by the demographics of the individual. Women, minorities and low-income groups tend to have low levels of financial literacy (Amari & Jarboui, 2015; de Bassa Scheresberg, 2013). Likewise, age, it greatly determines the perspective of people on something. Generation Y is a generation born in the range 1980-1994. This generation is a generation that is confident, expressive, liberal, passionate and open to challenges, characteristics that are very different from its predecessor namely X (born between 1963-1977). Generation Y or what is commonly referred to as millennial, they grew up

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with the birth of computers and the internet so that it can be said that they have natural intelligence and skills in using new technology (Carrasco-Gallego, 2017).

In Indonesia, Tongam L Tobing, the Investment Alert Task Force Team, said that public losses due to fraudulent and illegal investments in the last 10 years, 2009-2019 period reached IDR92 trillion. This value will continue to increase, because throughout this year during the pandemic, invalid investment has not decreased but has become more prevalent. Tongam stated that the value of community losses continued to increase, even though the Investment Alert Task Force continued to take precautions and take action. These illegal investment activities often take advantage of the weaknesses of society. The mode and pattern will repeat itself, only changing names and places. The public's losses cannot be covered by the assets confiscated in order to return public funds.

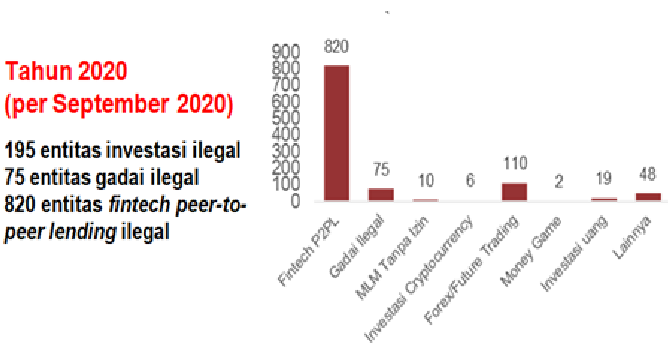

Figure 4. National survey of financial literacy and inclusion 2020
Source: Presentation material by the Chairman of SWI, Tongam L Tobing (Bareksa.com)

Tongam urged the public to continue to be careful before investing. There are a number of reasons why cases of illegal investment or fraudulent investment seem to recur. Because people are easily tempted by high yields, people do not understand investment, and / or actors use religious figures, community leaders, celebrities, or influential figures.

The Investment Alert Task Force asks the public to always be aware of offers of loan funds from illegal fintech peer-to-peer lending and investment offers from entities that do not have permits for their business. Investment Alert Task Force Chairman Tongam Lumban Tobing said offers from illegal fintech lending and investment without permission are still popping up in the community and targeting those whose income is affected by the Covid-19 pandemic. As of September 2020, the Task Force in its operations again found 126 illegal peer-to- peer lending fintechs, as well as 32 investment entities and 50 pawn companies without permission. Loans from illegal fintech lenders always charge high interest and short loan terms and ask for all access to contact data on cell phones, which are used to intimidate when collecting. The Task Force has also submitted a report on the identity information of this illegal fintech lending to Bareskrim Polri for law enforcement. In addition, the Task Force also appreciates the policy of the Indonesian Joint Funding Fintech Association (AFPI) which prohibits fintech lending companies that are registered and licensed by the OJK from making offers via SMS in accordance with OJK regulations. So that it can be ascertained that if there is an offer of fintech lending funds via SMS, it means that it is carried out by illegal fintech lenders which should be avoided. Article 43 POJK 77/2016 concerning Information Technology-Based Lending and Borrowing Services states the prohibition of offering services to Users and/or the public through personal communication facilities without the user's consent. The total illegal fintech that has been handled by the Investment Alert Task Force to close from 2018 to September 2020 has reached 2,840 entities.

In Sukabumi, West Java, there have been several cases of illegal money lending and borrowing offers, known as fraudulent investments, which occurred due to a lack of financial literacy. Chief of the Sukabumi Resort Police (Kapolres), Adjunct Senior Commissioner of Police (AKBP) Sumarni said that the number of Sukabumi residents who were deceived was suspected of investing by one of the companies at 6,664 people. Meanwhile, the losses suffered by residents have now reached IDR 23,889,386,000.

Based on the background described above, this study aims to analyze the effect of financial literacy of the millennial generation in Sukabumi on financial behavior and its impact on investment decisions in peer to peer lending fintech during the Covid-19 Pandemic.

Literature Review

According to Houston (2011), financial literacy is a skill possessed by individuals with the ability to manage their income in order to achieve increased financial welfare. Financial literacy as the ability to read, analyze, manage money, and communicate about the allocation of financial resources which affects the level of welfare and the appropriate economic decision-making process (Shaari, 2015).

Aspects of Financial Literacy

According to the Financial Services Authority (2014), a person's financial literacy level is divided into four types, namely:

a) Well literate, Y is having knowledge and belief about financial service institutions and financial service products, including features, benefits and risks, rights and obligations related to financial products and services, as well as having skills in using financial products and services.
b) Suff literate, at this stage, a person already has knowledge and belief about financial service institutions and financial products and services, including features, benefits and risks, rights and obligations related to financial products and services, but is not yet skilled in using them.
c) Less literate, at this stage, a person only has knowledge of financial institutions and services, financial products and services.
d) Not literate, at this stage, a person does not have knowledge and belief about financial service institutions and financial products and services, and does not have skills in using financial products and services.

Bongomin (2016) in his research uses the following four aspects:

a) Behavior, it is the effort and goal of each individual to take advantage of the budget they have in order to achieve prosperity and welfare.
b) Skills, is an individual's ability to find out the benefits and perform simple calculations including calculating returns and interest from products and services of financial institutions.
c) Attitude is the ability of individuals associated with financial institutions such as interest in products and services owned by these financial institutions, so that they are able to make good decisions and be able to take effective actions for now and in the future.
d) Knowledge, it is the level of individual understanding of financial products and their instruments including the benefits, risks, and obligations and rights of consumers, so that individuals are able to use their financial knowledge to achieve financial prosperity.

Meanwhile, according to (Sadalia, 2013) explains that in financial literacy there are several aspects which include:

1. Basic Personal Finance, which is about the basic knowledge possessed by individuals in understanding the financial system such as inflation, interest rates, asset liquidity, credit and so on.
2. Cash Management (money management), which is a person's ability to manage their finances properly and appropriately. If an individual has a good level of financial literacy, the better they will be in managing their finances.
3. Credit and Dept. Management Credit management is a process of systematically correlating activities with one another in collecting and presenting credit information on a bank.
4. Saving, that is the part of a person's income that is not used for consumption, but is allocated to become savings. Study a person how they can afford to set aside a portion of their income source for savings and how they manage it.
5. Investment (investment), which is related to someone's knowledge about investment. How an individual uses their finances to get more economic benefits in the future. This relates to

one's knowledge of the capital market, mutual funds, deposits, interest rates, and others.

6. Risk management, is the implementation of management functions in dealing with risk management, especially the risks faced by companies, families and communities. This aims to manage risks so as to minimize the losses faced or optimize existing profits.

Financial Technology (Fintech)

Fintech comes from the term financial technology or financial technology. Financial technology according to Bank Indonesia regulation Number 19/12 / PBI / 2017 is “the use of financial system technology that produces new products, services, technology and / or business models and can have an impact on monetary stability, financial system stability, efficiency, smoothness, security. and the reliability of the payment system”.

Bank Indonesia (2016) classifies financial technology into four categories, namely as follows:

1. Crowd funding and peer-to-peer (P2P) lending. This classification is based on the function of the platform, namely as a meeting place for capital seekers and investors in the loan sector. This platform uses information technology, especially the internet, to provide easy money lending and borrowing services. The capital provider only provides capital and the borrower carries out the loan process through the platform provided online.
2. Market Aggregator, this category is a medium that collects and collects financial data from various data providers to be presented to users. This financial data can then be used to make it easier for users to compare and choose the best financial products.
3. Risk and Investment Management, the following categories are classifications for financial technology services that function as financial planners in digital form. So that users can plan and know the financial condition at any time and in all circumstances.
4. Payment, Settlement, and Clearing, financial technology services in this category function to make it easier for users to make payments via online quickly. In 2016, Bank Indonesia issued Bank Indonesia Regulation Number 18/40 / PBI / 2016 concerning Implementation of Payment Transaction Processing. This regulation aims to continue to support the creation of a smooth, safe, efficient and reliable payment system by prioritizing the fulfillment of the principles of prudence and adequate risk management and by taking into account the expansion of access, national interests and consumer protection, including international standards and practices.

Peer-to-Peer Lending

Peer to peer (P2P) Lending is a startup that provides an online lending platform. Capital affairs, which are often considered the most vital part of opening a business, gave birth to the idea of many parties to establish this type of startup. Thus, people who need funds to open or develop their business can now use startup services engaged in P2P lending. Uangteman.com is an example of a startup engaged in this field. This startup aims to meet the financial needs of the community by simply filling out a form on the Uangteman.com website in about 5 minutes, and fulfilling the requirements.

According to Dorfleitner et al., (2016), Peer-to-Peer lending is a major innovation related to the banking sector. In recent years, the number of platforms offering the service and the number of transactions has continued to increase.

According to Hsueh, (2017), Peer-to-Peer Lending is an Internet-based business model that meets loan needs between financial intermediaries. The platform is aimed at medium and small companies where they think bank loan requirements may be too high. Peer-to-Peer Lending has lower costs and higher efficiency than traditional bank- based loans.

Table 1.

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Jenis Financial technology : Deposit dan Lending

Jenis Financial technology Deposit dan Lending			
Dynamic credit	Tunaiku	investree	Pinjaman24
Fintegrahamidoind	Taralite	Pinjam.co.id	Kreditcepat.id
Gotong royong	Igrow	Gradana	amartha
Danacita	tunaikita	danakita	danamas
Mekar	klikacc	kredina	modalku
Rumah	amalan	julo	credy
Cicil	Sofis	terbit	crowde
crowdo	Disitu	tangbull	kredivo
bostunai	cashindo	alami	efl
gandengtangan	Pendanaan.com	danabijak	kimo
shootyourdream	doctorrupiah	vcard	simplefi
Indogold	ethisgrowd	kredivest	kapitalboost
koinwork	artawana	akulaku	rupiahplus

Sumber : (DailySocial, 2012)

The development of fintech P2P Lending in Indonesia is also interesting to know. Since 2016 the P2P Lending industry has begun to develop and is recognized by the Indonesian people. On the other hand, investors or lenders or lenders have investment alternatives with attractive returns. The P2P Lending fintech platform has an important role in the development of MSMEs in Indonesia. One of the most dominant roles of P2P is the development of MSMEs in Indonesia so that the economy can also grow. Because of this simplicity, P2P is able to reach a variety of MSMEs. Various models of UMKM certainly have a good impact and support financial inclusion. This allows for a much wider range of marketing targets. Seeing this potential, the government has contributed to the stipulation of detailed regulations governing the rights and obligations of both borrowers and fund owners. Apart from working with the government, fintech P2P Lending also develops collaborations with other parties in order to create mutually beneficial connections.

Peer-to-Peer Lending Development in Indonesia

According to Bank Indonesia, the very rapid development of Fintech in Indonesia can bring many benefits, these benefits can be for borrowers, investors and banks in Indonesia:

1. For borrowers, benefits that can be felt include encouraging financial inclusion, providing loan alternatives for debtors who are not creditworthy, the process was easy and fast, and the resulting competition led to lower loan interest rates.
2. For FinTech investors, the benefits that can be felt are such as investment alternatives with higher returns with default risk that are spread across many investors, each with a low nominal value and investors can choose borrowers who are funded according to their preferences.
3. For banks, cooperation with FinTech can reduce costs such as the use of non-traditional credit scoring for initial filtering of credit applications, increasing third party funds (TPF), increasing credit channeling and providing an investment alternative for banks.
4. To help meet the still very large domestic financing needs.

The Advantages and Disadvantages of Fintech Peer-to-Peer Lending

According to the Financial Services Authority (2016), the advantages of Fintech are, serving Indonesian people who have not been able to be served by the traditional financial industry due to tight banking regulations and the limitations of the traditional banking industry in serving people in the regions In particular, being an alternative funding alternative to traditional financial industry services where the public needs a more democratic and transparent alternative to financing.

While the shortcomings of Fintech, Fintech is a party that does not have a license to move funds and is less well-established in running its business with large capital, when compared to banks, some Fintech companies do not have physical offices, and lack experience in carrying out procedures related to security systems and product integrity.

Challenges, Risks and Fintech Peer-to-Peer Lending Strategies

According to the Financial Services Authority (2016), the challenges in Fintech are, Regulations in

Support of FinTech Development. Adopt regulations regarding digital signatures and the use of digital documents so as to optimize the potential of the FinTech industry. The coordination between related institutions and ministries are to optimize the potential of FinTech with a complex business environment, it is also necessary to support the various ministries and related institutions.

According to the Financial Services Authority (2016), the risks are experienced by FinTech users. So, a strategy is needed to protect consumers and national interests. The strategies to protect consumers are as follows:

a) Protection of user funds Potential loss or decline in financial capacity, whether due to abuse, fraud, or force majeure from FinTech activities.
b) Protection of user data Privacy issues of FinTech users are prone to misuse of data, whether intentional or unintentional (hacker attacks or malware).

The strategy to protect the national interest is as Anti Money Laundering and Terrorism Financing Prevention (AML-PPT). The ease and speed offered by FinTech creates potential abuse for money laundering and terrorism financing activities. As Financial System Stability, it needs adequate risk management so as not to have a negative impact on financial system stability.

Investment Decision

Timothy (2016) states in Theory of Planned Behavior humans tend to act according to their intention and perception of control through certain behaviors, where intention is influenced by behavior, subjective norms and behavioral control. Of the three things that determine the intention, behavior is the main point that can predict a behavior. The Theory of Planned Behavior also explains that behavioral intention is not only influenced by attitudes towards behavior and subjective norms, but is also influenced by perceived behavioral control. Behavioral control is influenced by past experiences and a person's estimate of whether or not it is difficult to perform certain behaviors (Azwar, 2003). Therefore, the intention to behave can show the behavior that will be carried out by someone. This can explain if someone who has an interest in investing, he tends to take actions to achieve his desire to invest. For example, by attending training and seminars on investment, accepting investment offers well, and ultimately investing (Kusmawati, 2011).

According to Tandelilin (2005), the basic basis for investment decisions can be influenced by several factors.
Among others:

1. Return. The main reason people invest is to make a profit. In the context of investment management, the rate of return on investment is referred to as return. In the context of investment management, it is necessary to distinguish between expected returns and actual or realized returns. Expected return is the level of return that investors anticipate in the future. Meanwhile, the return that occurs or the actual return is the rate of return that has been obtained by investors in the past.
2. Risk. Naturally, investors expect the highest return on their investment. However, there are important things that must always be considered, namely how much risk must be borne from the investment. Generally, the greater the risk, the greater the expected rate of return.
3. The time factor or time factor in investing is very strong in carrying out an investment. There are several alternative timeframes for investing. Short term, medium term or long term. The investment period chosen can be strong on the attitude of investors towards their investment activities. The duration of the investment can suggest how much the looming investment risk is. The investment time also considers how quickly the return on investment that is issued is back again like a dummy. The faster the returns and returns, the more feasible the investment is to run.

Investment decisions are also influenced by other demographic factors, namely age, level of education, and family members. Young investors (less than 30 years old) tend to be more tolerant of risk (Evans, 2004). Young investors with higher income levels invest their funds in a more volatile portfolio consisting of more volatile stocks (Barber & Odean, 2001; Schooley & Worden, 1999). Investor risk tolerance is also influenced by education level, whereas investors with higher levels of education are more tolerant of risk (Bhandari & Deaves, 2006; Lewellen et al., 1977; Schooley & Worden, 1999). In addition, investors with more family members tend to be risk averters (Lewellen et al., 1977). In terms of investment options, young investors with higher income levels, higher levels of education, and fewer family members will choose riskier investment alternatives that offer higher expected returns. In other words, they tend to invest more of their money in stocks than in bank accounts and bonds.

The Investment Decision Process The investment

Decision process is a continuous decision process (going process). The investment decision process consists of five decision stages that run continuously until the best investment decision is reached. The stages of investment decisions include five stages of decisions, namely:

a) Determination of Investment Objectives. The investment objectives of each investor may vary depending on the investor who makes the decision. Investors usually prefer investing in securities that are easily traded or in lending are more risky but provide high return expectations.
b) Determination of Investment Policy. This stage begins with the determination of the asset allocation decision. This decision concerns the distribution of funds held in various available asset classes (stocks, foreign securities bonds).
c) Portfolio Strategy Selection. The selected portfolio strategy must be consistent with the two previous stages. There are two portfolio strategies to choose from, namely an active portfolio strategy and a passive portfolio strategy. An active portfolio strategy includes the use of available information and forecasting techniques to actively seek a better portfolio combination. The passive portfolio strategy includes information activities on the portfolio in line with the performance of the market index.
d) Asset Selection. After the portfolio strategy is determined, the next step is ownership of the assets that will be included in the portfolio. This stage requires evaluating each security that you want to include in the portfolio. The puIDRose of this stage is to find an efficient portfolio combination, namely a portfolio that offers the highest expected return with a certain level of risk or vice versa offers a certain expected return with the lowest risk level.
e) Portfolio Performance Measurement and Evaluation. If the measurement and performance evaluation stage has been passed and the results are not good, the investment decision process must be started again from the first stage, and so on until the optimal investment decision is reached.

Previous Research

This research has also been raised as a research topic by several previous researchers. The researchers are also required to study previous or previous studies which can be used as a reference for researchers in conducting this research.

Table 2. Previous research

No.	Research	Title Research Research	Results	Similarities and Differences
1.	Ikhsan, Aditya Wardhana	The Influence of Financial Literation of Telkom University Students on Investment	Financial literacy has a 43.6% influence on investment decisions of Telkom University students in peer to peer lending applications, while the rest Another 56.4% is influenced by other variables not examined in this study.	The equation is, the researcher conducts a financial literacy analysis of peer to peer Lending investment decisions. The

		Decisions in the Peer to Peer Lending Application		difference is that the object of research is different. Where, my research uses a population sample of Millennial Generation with birth years between 1980 – 1995.
2	Suresh Kumar Christalita Watung Josephine Eunike N Lusianna Liunata	The Influence of Financial Literacy Towards Financial Behavior and its Implication on Financial Decisions: A survey of President University Students in Cikarang - Bekasi	Parents have an important role in the learning process from every aspect of life. With financial literacy that will have an impact on children's financial decisions, parents must provide a good understanding of financial problems to their children that can affect children's financial behavior and decisions to be taken.	The equation is the X factor, namely financial literacy, but the Y factor in my research is the decision to invest Peer to Peer Lending.
3	I Gusti Ayu Agung Pradnya Dewi	Community Intension Investing in Peer to Peer Lending: Analysis of Theory of Planned Behavior	Survey results distributed to 100 people respondents, it can be seen that the Badung people already have sufficient knowledge of the existence of P2P Lending investments. The public has understood the definition of P2P lending, where P2P lending is a lending and borrowing system that is carried out online and has a similar concept to an online marketplace, it can be seen from the answers of the majority of respondents who chose to agree.	The difference is my research focuses on Financial literacy analysis of peer to peer lending investment decisions.

Hypothesis and Framework

From the description that has been stated above, the schematic model of the thinking framework can be described as follows:

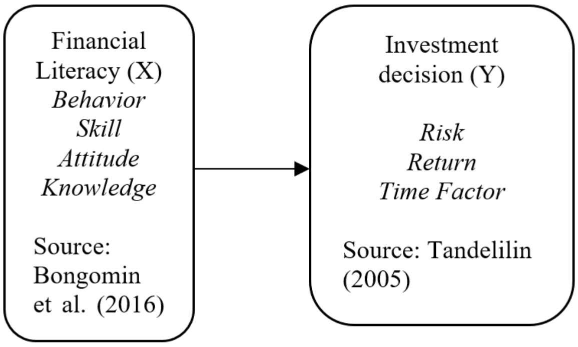

Figure 5. Framework

So, the following hypothesis can be formulated:

A. H0: β = 0: There is no significant influence between the financial literacy of the Millennial Generation on investment decisions in peer to peer lending applications during Covid-19 in the city of Sukabumi.

B. H1: β ≠ 0: There is a significant influence between the financial literacy of Millennial Generation on investment decisions in peer to peer lending applications during Covid-19 in the city of Sukabumi.

Methodology

The method used in this research is quantitative method, with descriptive analysis techniques, simple linear regression analysis, hypothesis testing, and the coefficient of determination. The author uses data collection techniques by distributing questionnaires to samples taken using non-probability sampling techniques, with a total sample of 55 millennial generations in Sukabumi City.

Measurement Scale

In the independent variable in this study uses a Likert scale. According to Sugiyono (2014), the Likert scale is used to measure the attitudes, opinions and perceptions of a person or group of people about social phenomena. This social phenomenon has been specifically determined by researchers and is hereinafter referred to as research variables. The answer to each instrument that uses a Likert scale has a gradient from very positive to very negative, which can be in the form of words and then given a score (Sugiyono, 2014). Answer Likert scale used in this study are as follows:

Table 3. Weighted values based on Likert scale

Statement of	Answers Weighted	Value
Strongly Agree	SS	5
Agree	S	4
Enough Agree	CS	3
Disagree	TS	2
Strongly Disagree	STS	1

Source: Sugiyono (2014)

Analysis of the Coefficient of Determination

According to Ghozali (2013), the coefficient of determination (R2) in essence, it measures how far the model's ability to explain the variation in the dependent variable. The value of the coefficient of determination is a percentage, which shows the percentage of the variation in the value of the dependent variable which can be explained by the regression model.

Results and Discussion

Results

The previous research entitled "The Influence of Financial Literation of Telkom University Students on Investment Decisions in the Peer to Peer Lending Application". The financial literacy variable obtained a percentage of 76.97%, this figure is included in the good category. Of the four dimensions in the financial literacy variable, the skills dimension has the highest score with a value of 77.2%, then behavior is 77.1%, the knowledge dimension is 76.9%, and the attitude dimension is 76.7%. The investment decision variable in the Peer to Peer Lending application gets a percentage of 76.5%, this figure is included in the good category. Of the three dimensions in the investment decision variable, the dimension of the rate of return has the highest score with a value of 77.7%, then the dimension of the payback period has a value of 76.1% and the risk dimension with a value of 75.4%.

While the results of my research showed that the Financial Literacy Variable was 61.07%, this figure was included in the quite good category. Of the four dimensions in the financial literacy variable, the Behavior dimension has the highest score with a value of 73.82%, then an attitude of 61.27%, a knowledge dimension of 57.5%, and a skill dimension with a value of 55.15%. The investment decision variable in the Peer to Peer Lending application gets a percentage of 55.42%, this figure is included in the quite good category. Of the three dimensions in the investment decision variable, the dimension of the level of risk has the highest score with a value of 64.05%, then the dimension of the payback period has a value of 54.02%, and the dimension of the rate of return has a value of 48.18%.

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Table 4.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,749a	,561	,553	10,39548

a. Predictors: (Constant), Literasi Keuangan

The magnitude of the R correlation value is 0.749. From this output, a coefficient of determination (R square) of 0.561 is obtained, which means that the influence of the Financial Literacy variable on P2PL investment decisions when Covid-19 is 56.1%.

Table 5.

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	5,509	14,362		,384	,703
	Literasi Keuangan	,974	,118	,749	8,231	<,001

a. Dependent Variable: Keputusan Investasi P2PL saat Covid-19

From Table 5, the simple linear regression equation model is obtained as follows: Y = 5,509 + 0.974X. This equation can be translated as follows:

a) The Constant is 5,509, meaning that if the financial literacy variable is 0 and there is no change, the investment decision will still be worth 5,509.
b) The regression coefficient for the financial literacy variable is 0.974, which states that every 1% addition of the investment decision variable, the value of financial literacy increases by 0.974. The regression coefficient is positive, so it can be said that the direction of the influence of the variable X on Y is positive.

T test

Now and Bougie (2017) state that the T test is a test method in statistics used to test whether the financial literacy variable (X) affects the investment decision variable (Y). In testing the hypothesis, the authors use the T test to determine the effect of financial literacy on investment decisions in peer to peer lending applications currently being studied.

Table 6.

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	5,509	14,362		,384	,703
	Literasi Keuangan	,974	,118	,749	8,231	<,001

a. Dependent Variable: Keputusan Investasi P2PL saat Covid-19

Based on Table 6, it can be seen that the t-count has a value of 8,238 with a significance of 0.01, then compared with the t-table with the following formula:

t table = (α / 2: nk-1)
= (0.05 / 2: 55- 1-1)
= (0.025: 53) [Looking at the distribution of the t-table value]
= 2.120

From the above formula, the t-table value is 2.120 so it can be concluded that H0 is rejected and H1 is accepted, because the value in table 3.3 shows the t-value a count of 8,231> 2,120 and the significance value in table 3.3 shows 0.01 <0.05, so it can be stated that financial literacy has a significant effect on investment decisions in peer to peer lending applications during the covid-19 period in Sukabumi City.

Coefficient of Determination

Coefficient of determination (R2) according to Kesumawati (2017), is the cause of changes in the dependent variable that come from the independent variable, this coefficient of determination explains the magnitude of the influence of the value of a variable on the increase / decrease in the value of the variable l ain. The coefficient of determination value is $0 \leq r2 \leq 1$. If there is a smaller determination coefficient (close to 0) it means that the independent variable approaching has no influence on the dependent variable. Meanwhile, if the coefficient of determination is greater, it means that the independent variable has an almost perfect effect on the dependent variable.

Table 7.

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,749[a]	,561	,553	10,39548

a. Predictors: (Constant), Literasi Keuangan

Table 7 shows that the value of (R) is 0.749 and (R2) is 0.561 which means that the influence of the independent variable financial literacy on the dependent variable on investment decisions in peer to peer lending applications during Covid-19 is 56.1%, while the rest is 43.9 % influenced by other variables.

Research conducted by Ikhsan and Aditya Wardhana (2020) suggests that the effect of financial literacy on investment decisions in the Peer to Peer Lending application among Telkom University students has a positive and significant effect. The results of research on Millennial Generation investment decisions in peer to peer lending applications when covid-19 in the city of Sukabumi itself were stated to be good with a percentage value of 61.07%. Of the four dimensions in the financial literacy variable, the Behavior dimension has the highest score with a value of 73.82%, then attitude is 61.27%, knowledge dimension is 57.5%, and skill dimension is 55.15%. This is consistent with the statement of Stephanie (2017), where investment in peer to peer lending has several advantages that are suitable for young people, including a higher rate of return where the average interest offered is starting from 18% per year, besides investment. peer to peer lending also offers flexible ownership, where investors can spread their investment through loans with various tenor options making it easier for investors to withdraw the money that has been invested.

The results of hypothesis testing through the t test, obtained a t-value of 8,231 with a significance value of 0.01, because the t-value of 8,231> t-table of 2,120 and a significance value of 0.01 <0.05, then H0 is rejected and H1 is accepted, so it can be It is concluded that financial literacy has a significant effect on Millennial Generation investment decisions in peer to peer lending applications during covid-19 in Sukabumi City. Then the magnitude of the influence of financial literacy on investment decisions is tested using the coefficient of determination. Based on these calculations, it was found that financial literacy had an effect of 56.1% on student investment decisions in peer to peer lending applications, while the remaining 43.9% was influenced by factors other than financial literacy which were not examined in this study.

Conclusion

Based on the results of research that has been conducted regarding the effect of Millennial Generation financial literacy on investment decisions in peer to peer lending applications during Covid-19 in Sukabumi City, the following conclusions are obtained:

1. Financial literacy for Millennial Generation in Sukabumi City has a percentage value of 61.07% which is included in the quite good category, meaning that the Millennial Generation in the city of Sukabumi has quite good financial literacy.
2. The investment decision of the Millennial Generation in Sukabumi City in the peer to peer lending application has a value percentage of 55.42% which is included in the fairly good category, meaning that the Millennial Generation in Sukabumi City had good investment decisions on peer to peer lending applications during the Covid-era 19.
3. Financial literacy has a significant influence on investment decisions for the millennial

generation of Sukabumi City in peer to peer lending applications during Covid-19. The magnitude of the influence of financial literacy on investment decisions is 56.1%. So, it can be concluded that financial literacy has an effect of 56.1% on Millennial Generation investment decisions in Sukabumi on peer to peer lending applications, while the remaining 43.9% is influenced by other variables not examined in this study.

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