The Patterns Of Saving And Investment Behavior Of Urban And Rural Communities In Jember

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Abstract:
Background: This study aims to determine patterns of saving behavior and patterns of investment behavior by people living in cities and villages in the Jember area by using financial literacy and sociodemographics as a basis for consideration in making decisions in saving and investing activities. Based on the phenomena and previous research that has been described above, the researcher wants to review individual financial behavior that is influenced by financial literacy and sociodemographic. This research is interesting to study in order to provide dimensions of the phenomenon of financial behavior, especially financial saving behavior and investment behavior which are widely discussed or used as research material.

Materials and Methods: This type of research is a qualitative descriptive research. Data collection for this research was carried out from April to June 2022 in Jember Regency. The research was conducted through observation, questionnaires, interviews and documentation with subject informants who were in urban and rural areas.

Results: The results of the research on saving behavior conducted by rural informants are exactly the same as the thought processes described in the previous urban informant's saving behavior, which made the informants carry out saving activities without any influence other than income factors. The type of investment chosen by the informants on average is tangible investment such as land or gold.

Conclusion: Rural and urban residents as a whole carry out saving activities without any obstacles through their socio-demographic side except in terms of income, meaning that only the income factor can dominantly affect the size of savings up to whether or not to save. All informants, both living in rural and urban areas, save with almost the same intensity, amount and attitude.

KeyWord: Financial behavior, financial Literacy, investment behavior, saving behavior, sociodemographics.

I.   Introduction

Finance behavior according to Ricciardi (2000) is a science in which there is interaction from various disciplines (interdisciplinary) and continues to integrate so that the discussion cannot be isolated. Finance behavior grows from various assumptions and ideas from economic behavior, there is involvement of emotions, attitudes, preferences and various kinds of things that exist in humans cognitively which will underlie decisions. Financial behavior is closely related to financial knowledge or literacy possessed by each individual. Broadly speaking, without sufficient knowledge about the world of finance or financial products, an individual is unlikely to use financial services or products.

Related to the research based on the factors proposed by Fünfgeld and Wang (2008), sociodemographic play an important influence on individual financial behavior. Individuals who have a higher level of literacy tend to understand more about the current financial conditions so that they can carry out wiser and healthier financial activities. However, this is not a certainty that individuals who have a high level of financial literacy are better than those who have a low level of literacy. Likewise with sociodemographic, it is not certain that individuals who have higher education or individuals who are in a rich environment have better financial behavior than individuals who have mediocre education or individuals who have a simple family environment.

Based on the phenomena and previous research that has been described above, the researcher wants to review individual financial behavior that is influenced by financial literacy and sociodemographic. This research is interesting to study in order to provide dimensions of the phenomenon of financial behavior, especially financial saving behavior and investment behavior which are widely discussed or used as research material. Saving behavior and investment behavior are several parts of financial behavior which are the main activities in financial

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management. Carrying out saving or investing activities is the goal of each individual to achieve economic well-being and a happy old age.

Researchers want to study financial behavior more specifically and in depth in accordance with phenomena that really need more attention at this time, namely saving behavior and investment behavior living in urban and rural areas. There are still disparities in financial literacy and inclusion in Indonesian regions, especially between urban and rural residents, which makes the financial behavior of urban and rural residents different.

Savings, investing, financial management and retirement fund planning are important indicators of financial behavior that show the health of an individual's financial condition. Therefore, in order to create good financial behavior, financial literacy which is one of the important factors of financial behavior must be improved, as well as socio-demographic factors which play a role in determining good and bad financial behavior of a person. The role of related ministries and institutions as well as the financial services industry is needed to improve the financial literacy and financial behavior of the Indonesian people

The formulation of the problem in this study is how the patterns of saving behavior and investment behavior of the informants both living in rural and urban areas with a background of financial literacy and sociodemographic factors as a basis for decision making. The purpose of this study was to find and describe the saving and investment behavior patterns of informants who live in rural and urban areas with a background of financial literacy and sociodemographic factors as a basis for decision making.

II. Material nd Methods

This type of research is a qualitative descriptive research. Problems that are dynamic and complex and the possibility of social data that cannot be analyzed using quantitative methods make researchers choose to use qualitative methods. In addition, researchers want to understand patterns, theories and social situations in more depth.

Research Design

In this study the main variables to be analyzed and explained are saving behavior and investment behavior and using supporting variables in the form of sociodemographic and financial literacy. This research will be conducted in Jember Regency on individuals who live in urban and rural areas.

Data Types and Sources

The type of data used in this research is quantitative and qualitative data, the data sources used are primary and secondary data. The primary data used in this study were obtained through observation, interviews and documentation of individuals living in urban and rural areas in Jember Regency. Secondary data in this study were obtained from various sources of information related to the studies so that they became additional data material in the research.

Informants/objects of Research

Research informants are research subjects who can provide information about the focus of the problem or phenomenon studied. The selection of informants was carried out intentionally or using purposive sampling techniques based on the strategies and objectives set by the researchers. Informants are divided into; Main informants are informants who know about the research problem technically and in detail, then there are supporting informants who can provide additional information to complete the research discussion.

Data analysis method

Data collection methods used by researchers are questionnaires, observation, interviews and documentation. An open questionnaire was used to obtain financial literacy scores for each interviewed informant. Observations were made on research objects which would be followed up with an interview process to obtain data that could explain the research problem. Documentation is used to record or record during the research process and is proof of the validity of the data taken and the last is data triangulation. Data triangulation is defined as a data collection technique that combines various data collection techniques and existing data sources.

Procedure methodology

The description of problem solving begins with an elaboration of the background to obtain the formulation of the problem, then after identifying the problem formulation and determining the research objectives, it is continued by determining sources or informants. After that, determining data collection techniques, including using a questionnaire technique as a tool to measure the level of financial literacy then observation, interviews and documentation, besides that there is also a triangulation technique for the credibility of a data in the researcher's understanding of the research data itself.

The next step is to enter the field to gather information or obtain data using the techniques previously described. After the data has been collected, data analysis will be carried out in order to sort out the data that will be used and which will not be used using data reduction techniques, data presentation and verification.

Then test the validity of the data in order to validate a research result by testing the credibility, transferability, dependability, and confirmability. After going through a series of data analysis techniques and testing the validity of the data or research results, the last step is finding and drawing conclusions.

III. Result

Data collection for this research was carried out from April to June 2022 in Jember Regency. The research was conducted through observation, questionnaires, interviews and documentation with subject informants who were in urban and rural areas. The research results were analyzed by researchers using qualitative descriptive techniques, which means that researchers will describe, describe, and interpret all the data collected so as to be able to obtain an in-depth and detailed picture.

There were 12 informants where 6 informants were from rural areas and 6 informants from urban areas. Data collection and interviews with rural and urban informants were at home, workplaces, cafes to shopping centers.

Sociodemographic

The results of the characteristic or sociodemographic data used are gender, age, status, last education, occupation to income per month. Researchers will describe each informant in the following table.

Table 1. Sociodemography of Research Informants

Infor.	Resident	Gen	Age	Status	Educ.	Jobs	Earning
ATM	Village	F	27	Single	S1	Employee	Rp.4,5jt
SM	Village	F	29	Married	SMA	Businessm.	Rp.30jt
PB	Village	M	50	Married	SMA	Self-employ.	Rp.2-3jt
PS	Village	M	54	Married	SMK	Businessm.	Rp.40jt
DSP	Village	M	22	Single	SMA	Employee	Rp.3,5jt
AKA	Village	M	35	Married	SMA	Businessm.	Rp.12jt
NK	City	F	25	Single	S2	Businessm.	Rp.1,5jt
AK	City	M	30	Single	S1	Employee	Rp.5,5jt
AB	City	M	26	Married	S1	Employee	Rp.2-3jt
ARP	City	M	29	Married	S1	Businessm.	Rp.6-10jt
IF	City	M	34	Married	S1	Self-employ.	Rp.3-5jt
DP	City	F	27	Single	S2	Self-employ.	Rp.2,5jt

Source: primery data, 2022

In the table above, the informants are divided into 2 regions according to the research problem, namely rural and urban areas. Informants from rural areas include; ATM, SM, PB, PS, DSP and AKA. Meanwhile for informants from urban areas, among others; NK, AK, AB, ARP, IF, and DP. Each of the rural and urban areas there are 2 women and 4 men. The youngest and oldest informants were in rural areas namely 22 years, while the oldest informants were 54 years.

The education level of the informants in rural areas was only one with an undergraduate degree, the rest were high school/vocational school. In contrast to informants who are in urban areas, they have a minimum education level of S1. This can be seen in the phenomena of culture, economy, background, openness and better access to education in urban environments.

All selected informants are economically independent, meaning they have a fixed or irregular income every month. There were 4 informants who worked as employees, 2 each in rural areas and 2 in urban areas. While others are entrepreneurs, and freelance or non-permanent jobs.

Informants who have relatively high incomes actually belong to informants whose profession is entrepreneurs, both those living in rural and urban areas. There are 3 entrepreneurs from rural areas and 1 entrepreneur from urban areas, with the highest income held by informants from rural areas, namely Rp.40,000,000.

Financial Literacy

The score or value of the level of financial literacy for each informant is obtained from the total score divided by the maximum score.

Score (%) = (total score / maximum score) x 100

Chen and Volpe (1998) categorize personal or individual financial literacy into 3 groups, namely the first <60% means that individuals have low financial knowledge. Second, 60-79% means the individual has moderate financial knowledge. Third, >80% indicates that the individual has high financial knowledge.

Table 2. Records the Percent Change in Lipids profile after treatment given.

Informant	Score	Category
ATM	66%	Moderate
SM	68%	Moderate
PB	81%	High
PS	88%	High
DSP	88%	High
AKA	47%	Low
NK	93%	High
AK	94%	High
AB	71%	Moderate
ARP	82%	High
IF	94%	High
DP	62%	Moderate

Source: primery data, 2022

The level of financial literacy owned by the informants varies. 7 informants have high financial literacy, in which the informants can be said to have excellent insight or knowledge about financial products and services and have certainly been and are still actively using these financial products and services.

Informants who have low financial literacy can be said to have good or moderate knowledge and insight about financial products and services, meaning that the informants only know and use some financial products and services other than banking, such as pawnshops, pension funds and others. There is one informant who has low financial literacy, meaning that the informant only has a little knowledge and use of available financial products or services, the informant only knows and uses banking products or services.

Interview result

The results of the in-depth interviews the author describes and concludes become a pattern which is described in the form of pawn-points.

ATM
Saving Behavior
1) Income received is directly allocated to savings of 20% of income placed in the bank.
2) There are two places for savings allocation, namely in the bank and in bottles.
3) The funds placed in the bottle come from leftover money, either in the form of money left over from consumption or leftovers from other needs
4) Consistently save at the bank every month. Irregular savings on savings bottles.
5) The decision to save is your own decision and not influenced by other people.

ATM informants are currently not carrying out investment activities or activities at all, this is because knowledge and insight into the world of investment is still minimal and informants feel unsure about investing.

SM
Saving behavior
1) Saving from some of the business results that are run.
2) Direct operating income allocated to savings of around 15-20%.
3) Have several types of savings allocations in accordance with several savings goals.
4) Savings funds in savings at home.
5) Consistency of saving that is carried out from daily, weekly to monthly.
6) After saving funds have been collected for 1 month, these savings funds will be purchased for metal gold.
7) Revise the allocation of savings at the end of each month. Adjust the target or goal of saving.
8) Own decision.

Investment Behavior

1) Investment funds come from savings funds that have turned into metal gold.
2) Savings that have been converted to metal gold are stored and collected.
3) The metal gold that has been collected for months to years will be disbursed and a piece of land will be purchased if the metal gold is deemed sufficient to be invested.
4) Before investing or buying land, always seek information and analyze the object to be used as an investment.
5) Own decision.

PB

Saving Behavior

1) Savings funds come from income.
2) The amount of savings depends on the income earned.
3) The intensity or time interval of saving activities is not certain according to the financial situation at that time.
4) Income received will be used for household needs first, then the rest (if any) will be saved.
5) Keep savings funds in the bank.
6) Purpose of saving just in case.
7) The decision to save is made with the wife.

Investment Behavior

1) Investment in livestock such as cattle.
2) Funds for investing in cattle for the first time came from savings from sales.
3) Furthermore, the investment funds obtained are from the turnover of cattle. The cows will give birth, and the calves will be cared for again or sold to buy more breeding cows. And so on until now.
4) Decisions are made alone.

PS

Saving Behavior

1) Saving from operating income.
2) Nominal savings are not certain in accordance with income at that time.
3) Saving at will or irregular time intervals.
4) Income received from operations will be used for labor costs and production costs first, then the rest will be deposited in the bank.
5) The main purpose of saving at a bank is for safety reasons, rather than keeping it at home. So one day you need funds for consumption or other needs, you will withdraw these savings funds.
6) Apart from the main objective, there is also the objective of enjoying old age.
7) The decision to save is made with the wife.

Investment Behavior

1) The focus of the investment being carried out is land investment.
2) The source of investment funds comes from operating income.
3) The aim of investing is old age welfare.
4) Sometimes decisions are made by themselves, sometimes decisions are made with the wife.

DSP

Saving Behavior

1) Income or salary received will be used for consumption and needs first, then the rest (if any) will be saved.
2) The nominal savings are different each time you save, depending on your income.
3) Irregular saving intervals.
4) Saving at the bank.
5) Sometimes reducing consumption to be able to save.
6) Short term goals are for precautionary situations, so savings funds will be used if there is an urgent need.
7) Long term goals for someday capital.
8) Own decision.

DSP informants have not yet carried out investment activities because their income is still sufficient for saving activities.

AKA
Saving Behavior
1) Get savings funds from operating income after deducting consumption.
2) The size of the savings fund is attempted to be at the level of ¼ of income.
3) Saving for an indefinite period.
4) Save their savings in the bank.
5) The purpose of saving is to buy a house, needs and children's education.
6) The decision to save is made with the wife.

Investment Behavior
1) Land investment.
2) Investment funds are obtained from business results which are allocated for investment, especially in land.
3) If the allocated investment funds are deemed sufficient, land will be purchased.
4) Informants always try to increase their land investment.
5) Considerations for choosing land investment because it is felt to be more profitable than other investments.
6) Before investing, always look at the condition and location of the land to be purchased.
7) The results of the investment will be used for old age welfare.
8) Investment decisions are made on their own.

NK
Saving Behavior
1) Savings funds are obtained from business results and from parents' gifts.
2) Save at least 30% of income.
3) Save at the bank once a week or once every 2 weeks.
4) Income received is directly saved in the bank and only then used for consumption or other purposes.
5) The purpose of saving is for sudden needs or just in case things happen that are out of control.
6) The decision to save is made on their own.

Investment Behavior
1) Metal gold investment and mutual funds.
2) Investment funds in the form of stocks, bonds and forex.
3) Investment funds are obtained from operating income and gifts from parents.
4) Investments in metal gold are made every month, while for mutual funds it is uncertain.
5) Considerations in the selection of gold and mutual fund investments are due to the low risk factor and high
   level of liquidity.
6) Decisions are made alone.

AK
Saving Behavior
1) The source of savings funds comes from investment returns.
2) The nominal amount that will be saved from investment returns ranges from 5-10%.
3) Funds are kept in the bank.
4) The intensity of saving is inconsistent, both in time intervals and in nominal terms.
5) The purpose of saving is to keep the funds safe, and someday they will be used again for investment.
6) Own decision.

Investment Behavior
1) Invest in the stock sector
2) Stock investment funds are obtained from the turnover of investment returns such as dividends or capital gains.
3) Apart from getting investment funds from the results of their investment turnover, informants also sometimes take savings funds kept in banks.
4) Investments are made periodically.
5) Always seek information and analyze it first.
6) The nominal investment always increases from time to time.
7) Consideration of choosing a stock investment because of the good return.
8) The purpose of the investment is used for daily living needs until future needs.
9) Investment is the main livelihood in earning income and on their own decision.

AB
Saving Behavior
1) Savings funds come from income.
2) Inconsistent, depending on income and mood.
3) Income is used for consumption and household needs first, then if there is excess it will be saved.
4) Keep savings funds in the bank.
5) The purpose of saving is for sudden needs at a later date.
6) The decision to save is made with the wife.

At this time the AB informant has not made a single investment, this is related to income that is still sufficient for needs and savings only.

ARP
Saving Behavior
1) Savings activities are carried out periodically or monthly.
2) Savings funds are kept in a bank.
3) The biggest source of savings funds is obtained from the results of the business it runs.
4) The income from the business will be used first to be used again as business capital, after that the rest will be saved.
5) Savings portion of 30% of business results.
6) The purpose of saving is to keep the funds safe in the bank, with the hope that one day the savings will be needed for sudden needs or business needs.
7) Decisions are made with the wife.

Currently, ARP informants have not carried out investment activities because they feel they do not have sufficient knowledge about the investment itself.

IF
Saving Behavior
1) The source of savings funds comes from income or salary.
2) The size of the savings fund ranges from 10 to 20 percent of income.
3) Income received first is used for consumption or needs.
4) Always try to set aside income for savings, even if it's a little.
5) Conducted every month.
6) The purpose of saving at the bank is because of the safety of funds rather than being kept at home.
7) There are short term and long term goals. The short term is for sudden needs and the long term is used for investment if it is sufficient.
8) The decision to save is made alone.

Investment Behavior
1) The investment made is a gold savings investment.
2) Investment funds are obtained partly from savings and partly from income which has been set aside for investment activities.
3) Always looking for market information and analyzing an investment risk that will be made.
4) The purpose of investing is to get passive income from the investment being made.
5) Decisions are made alone which are influenced by environmental factors.

DP
Saving Behavior
1) Savings funds come from income.
2) Savings portion is no more than 20% of income.
3) Not done consistently because it depends on income.
4) Use income for consumption purposes first and then save the rest.
5) Put their savings in the bank.
6) The purpose of saving is for security of funds and for reserves for future needs.
7) The decision to save is made on their own.

Investment Behavior
1) Investing in gold bullion.

2) Investment funds obtained from income
3) Buying gold is done uncertainly, depending on the desire and funds collected for investment.
4) Buying gold when the price is down.
5) Always looking for information about the price and situation of the gold market through the website.
6) Considerations for choosing gold bars due to price stability and liquidity levels.
7) The purpose of investing is to use it for sudden needs one day.
8) Decisions made with lovers.

IV. Discussion

Some Sociodemographic Characters Become Differentiators in Informants' Saving Behavior

The results of the interviews show that the main source of funds to be saved comes from income, be it salary, business results, work results, investment returns or from gifts from parents. Income received by several informants will be used first for consumption, needs or needs owned by each informant. Then the rest of the consumption will be used for savings funds. So the amount of income, the amount of consumption will affect saving activities and the level of savings. There is a positive side from several informants as pointed out by the SM informant, that regardless of the amount of income received after deducting consumption, it must be saved. There are also informants whose saving activities are very dependent on the amount of income per month, if there is no remainder after deducting consumption and needs, the informant will not carry out saving activities. This indicates how big the influence of income on the saving behavior of the informants who are used as research objects.

Rural and urban residents as a whole carry out saving activities without any obstacles through their socio-demographic side except in terms of income, meaning that only the income factor can dominantly affect the size of savings up to whether or not to save. All informants, both living in rural and urban areas, save with almost the same intensity, amount and attitude.

Income and Age as Sociodemographic Characters that Have a Role in Investment Behavior

In terms of age, there are indeed informants who are younger and have not made an investment, but this is based not only on the maturity factor of age but because firstly, the income factor is felt to be insufficient to make an investment, then secondly, because of the lack of knowledge and insight about investment world itself. So there are some informants who are younger, namely between the ages of 25 and 35, both living in urban and rural areas, there are some who do not invest for the two reasons above. Because maybe at that age you can still say that you just have income that can only be used for consumption or daily needs or is still enough to use for household needs that you have just fostered or even only enough to get to the saving stage. As well as maybe the influence of investment knowledge and insight that is still minimal because they really don't have the experience to invest at all so they have the view that investment must start with a fairly large nominal and have a high risk.

Income still dominates as a crucial factor for both saving and investment activities, as indicated by several informants in the interview results that income is a source of funding for their investment activities, whether the income is saved and collected until it reaches the desired value for an investment or directly invested. This is in line with the results of research revealed by V. Sudheer (2015) that income has a significant effect on needs and investment decisions.

The discussion is the most important part in a scientific article. Basically, the writing technique in this section is set the same as the writing technique in the previous sections.

The level of financial literacy is not the main key to saving behavior

The informants studied carried out saving activities with quick decisions and were already in their heads, of course with intentions and habits that have often been carried out. So when an informant is faced with a situation where he gets money and is aware of the condition and situation that requires stability and prosperity in the future as well as a secure life journey in the future, the informant will think consciously and deliberately about saving activities. This is also driven by external aspects in the form of an environment that teaches or invites them to save, so that unconsciously they follow the habits of their surroundings. According to the theory of Reasoned Action put forward by Fishbein and Ajzen (1975), if someone is evaluated and advised to behave positively (attitude), and if they think other people will suggest that he or she behave (subjective norm), the result is higher intensity and they will happy to be motivated to do that (behave). That is, that people will behave in a certain way if they get advice from others.

So financial literacy can be said to have no significant influence on saving behavior carried out by each of the informants studied but by habit, intention, intuition and cognitive.

Financial Literacy Becomes a Determinant of Investment Choices in the Financial Markets

Informants who live in rural areas have investment activities that are engaged in the investment of tangible goods such as gold bullion, land to livestock. The three investment instruments are still the prima donna for rural residents who will use their funds to invest.

There were also some informants who had moderate to high levels of financial literacy, especially in rural areas, but did not carry out investment activities in the financial market sector. They were more comfortable and trusted with the investments they had made long ago, which were obtained from habitual factors, the role of the environment, and the role of parents. . Another reason is also because they feel they do not understand the financial market. This shows that financial insight and knowledge, especially knowledge about investment, is a major factor in investment behavior in the financial market sector, which in the current digitalization era, the financial market sector has developed rapidly with easier access to transaction processes and liquidity processes.

Different things are shown by some groups of productive age or youth who live in urban areas and have high levels of literacy. These informants carried out investment activities in the financial market sector such as stocks, forex, bonds and mutual funds to gold savings as well as investing in tangible assets. Having insight and knowledge about finance, especially investment, makes them more open to information and has the confidence to invest in the financial market sector.

The Saving Behavior of Urban Populations

Income is the main key as a driving force for savings activities, if income is higher than before, it is likely that informants will save and the nominal savings will also be higher. This was obtained from the results of research revealed by several informants who had

been interviewed, that the saving activities they carried out depended on their income, if the income received still had residue after being used for consumption, daily needs and other needs, then that remainder would be saved by informants. Meanwhile, if there are no remaining funds from income after deducting consumption and others, then saving activities will be missed during that period, so that the consistency of saving behavior is disrupted.

The similarity of each urban informant in this saving behavior is the attitude shown in the process of saving decisions. All informants had been taught to save by their parents or relatives, both saving at school and using piggy banks. This saving behavior over time becomes a habit that is driven by the invitation and expectations of someone who teaches it. So that in the process, the decisions made become a process that runs in an intuitive mode as the theory expressed by Fiscbein (1983, 1999). This intuitive process mode is one of the thought process modes of a Dual Process Theory theory.

Fischbein (1983, 1999) explained that intuition is a mental process (cognition) that has certain characteristics (Muniri, 2013). The essence of both opinions is that intuition is defined as the result of a cognitive process. Dane & Pratt in Sukmana (2011) wrote that intuition is a unique process in processing information which has the characteristics of processing information that occurs subconsciously, overall association, feeling and emotion, and speed. The informants processed information quickly to carry out saving behavior because there was an aspect of cognition and was already subconscious. That is why sociodemographics such as age, gender, occupation, education and marital status do not have a significant effect on saving behavior.

Saving Behavior of Rural Population

The saving behavior shown by informants living in rural areas is not much different from the saving behavior practiced by urban informants. Income is still the main source of funding for savings, and on average they save after their income is deducted from consumption activities and needs. As revealed in Sirine and Utami's (2016) study that savings is the residual income after deducting consumption for a certain period of time. Only ATM and SM informants directly allocated funds for savings after receiving income.

The purpose of saving for rural informants was almost the same as that of urban informants, namely for security of funds and for precautionary situations. There are also informants who have goals for future welfare, such as owning a house, for children's education and for enjoying old age. This is in line with the theory of saving behavior which does have a goal of financial well-being in the future and is supported by the research results of Chitra and Aruna (2019) that most people save their money for safety, the future protects and fulfills other life goals. Someone must have a goal or desire that has not been achieved in the present with different factors. To realize these

desires and goals, people usually carry out saving activities by setting aside money from income or making sacrifices by reducing consumption.

The saving behavior carried out by rural informants was exactly the same as the thought process described in the previous urban informant's saving behavior, which made the informants carry out saving activities without any influence other than income factors.

Investment Behavior of Urban Residents

For some urban informants, investment is an activity that is occupied in order to obtain a yield or additional income apart from the results of work or business. In some informants ownership of tangible assets such as gold bullion is still in demand as a promising investment alternative. However, over time, the insights and knowledge of the informants in the world of investment made them start exploring investment alternatives that were more profitable and full of challenges.

As was done by informants NK and AK, they chose financial market investments such as stocks, bonds, mutual funds to forex with the reason of getting better and more profitable returns or yields as well as easy and fast liquidation. There is a change in investment behavior from ownership of tangible assets such as land or gold to investments engaged in the financial sector with various underlying factors such as financial literacy and perceptions of each individual as said by Alfredo and Vicente (2010) that investment decisions made by individuals based on their attitudes, mindsets or ideological arrangements which are based on their psychological strategies and opinions in the context of stock market investment which conceptualize investment behavior.

There are differences in the thinking process for investment behavior compared to the thought processes used by informants for saving behavior. If in the saving behavior the thinking process uses an intuitive model based on the subconscious and speed in behaving, it is different from investment behavior which uses an analytical model which tends to be slow, conscious and uses the central memory system in processing information.

There are also urban informants who do not invest because of a lack of knowledge about investment, especially in financial markets and there are also those who do not carry out investment activities because the income received is still only sufficient for saving activities. Informants invest with capital taken from income, both from work results, investment results to business results. As the informant AK did, he invested from the income he generated from an investment made previously.

The investment decisions made by several informants were based on their own decisions, however, it was different for the DP informants who made an investment decision with their lover. This is because the previous DP informant was the type of person who was extravagant and could not manage his finances, but after getting to know his current girlfriend, the DP informant was invited and taught by his girlfriend to invest in gold bullion, so that the investment decisions made by the DP informant, the lover always involved in making those decisions. According to Ajzen (2005), if there is a positive attitude, support from people around and there is a perception of ease because there are no barriers to behavior, then one's intention to behave will be higher. The encouragement of positive behavior carried out by DP's lover received a good response from the DP informant himself, so that behavior that was previously a heavy and difficult thing to do became fun and profitable behavior.

Investment Behavior of Rural Residents

Basically, the thinking processes carried out by rural informants and urban informants are the same. The analytical model is the main aspect in making decisions on an investment activity carried out by informants. They process information and then calculate profit expectations and devise a plan to avoid a risk for the investment activities carried out. There is a step by step process that is carried out in a structured manner and tends to be slow.

There were no rural informants investing in the financial market sector, this was due to the lack of knowledge and insight into financial market investment. As previously explained, investing in the financial markets does require sufficient knowledge and insight about investing in the financial markets themselves, a large amount of capital is also an indicator of a financial market investment. In urban areas that have a more advanced and modern environment and young people who are more open, financial market investments are easier to understand and realize. In contrast to rural areas which are still dominated by ancient investment culture, such as investing in land, gold and livestock. Rural residents do not have the courage and confidence to enter the realm of financial market investment even though they know what stocks, mutual funds or forex are, as revealed in research conducted by Umesha and Neelakanta (2019) that rural investors do not dare to invest their savings due to a lack of knowledge to manage their investment portfolio to maximize returns and minimize risk.

Similar to the reasons stated by urban informants who did not invest, rural informants who did not invest reasoned that they did not have sufficient knowledge and insight as well as income that was not yet at the stage of making an investment. These two things became the basis for consideration for making an investment for several informants who did not carry out investment activities.

V. Conclusion

Rural and urban residents as a whole carry out saving activities without any obstacles through their socio-demographic side except in terms of income, meaning that only the income factor can dominantly affect the size of savings up to whether or not to save. All informants, both living in rural and urban areas, save with almost the same intensity, amount and attitude.

Based on the results of the study it can be concluded that each individual has varying levels of financial literacy, some have low, medium and high literacy levels. Variations in the level of financial literacy in rural areas

are lower than in urban areas. If the average level of financial literacy in rural areas is at the level of 73%, while for urban areas it is at the level of 82%. The lowest level is in rural areas with a value of 47% and the highest level is in urban areas with a value of 94%. From an educational point of view, all urban informants had an undergraduate education level, while rural informants on average only went up to high school level.

The pattern of saving behavior shown by each informant is very dynamic based on his cognitive and character. There are informants who save in a different way or pattern than usual individuals. Most informants, both living in rural and urban areas, have a source of savings funds derived from income. The saving behavior carried out by rural informants was exactly the same as the thought process described in the previous urban informant's saving behavior, which made the informants carry out saving activities without any influence other than income factors.

The type of investment chosen by the informants on average is tangible investment such as land or gold. The reason is because the price continues to rise and the risk is lower and the level of liquidity is high. However, it is slightly different from some of the informants who live in urban areas, because inclusion, access and a more open and modern environment in urban areas make informants more varied in terms of investment choices. There are urban informants who invest in the gold savings sector, stocks, mutual funds, bonds and forex.

The pattern of investment behavior is very dependent on financial literacy or knowledge and income carried out by both rural and urban informants, because there are several informants who do not invest because their income is not sufficient to carry out an investment activity and lack of knowledge of the world of investment other than a lot of traditional investments. carried out by informants such as livestock in the form of cows or goats, land, gold bullion and other tangible assets. Even though the alternative investment options today are very varied and given easy access to get them.

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