Muslim Investor Behavior in Indonesian Capital Markets: an Extention of Theory of Planned Behavior

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ABSTRACT: This study aims to measure the intentions of Muslim investors in investing in Islamic stocks using the Theory of Planned Behavior and including religiosity. Religiosity was added in the study to answer the weakness of TPB to add new external variables to it. The sample of this research is Muslim investors who invest in shariah stocks with 200 investors. The analytical tool used in this study is Partial Least Square (PLS) using SmartPLS 3.0 software. This study indicates that the variables of attitude, subjective norm, and perceived behavioral control have a significant positive effect on the intention of Muslim investors to invest in Islamic stocks. Religiosity is also proven to have a significant positive effect on the intentions of Muslim investors to invest in Islamic stocks. Religiosity is proven to be a new external variable in the TPB that can measure Muslim intentions to invest in Islamic stocks.

KEYWORDS: Theory of Planned Behavior, religiosity, the behavior of Muslim investors

INTRODUCTION

Assessment of investment success is not only determined by high returns as investment objectives in conventional economics. Nowadays, there is a tendency for investment motivation to appear, which is an activity that provides financial (material) satisfaction and considers spiritual satisfaction. (Allinson, 2004).) This investment trend is called ethical investment, namely, socially responsible investments using ethical screening considerations. (Irkhami, 2016).

Ethical investment is an investment practice that arises based on the influence of religion (Paranque & Erragragui, 2016). Sparkes (2001) explained that ethical investment came at the initiative of the Methodist Church in 1928 to accommodate the desire of religious communities to avoid investments that are prohibited according to their religion. Ethical investment, often also called Socially Responsible Investment (SRI) (Sparkes et al., 2004), is an investment concept based on philosophical, religious, and ethical beliefs that exclude themselves from investing in stocks contrary to their beliefs. (Elmelki & Mounira, 2009). Cowton (2018) defines SRI as an investment practice that integrates Social, Environmental, and Ethical (SEE) values into investment decisions.

Ethical investors must apply ethical and moral values in the investment decision-making process. These conditions indicate that investors should avoid sin stocks, namely stocks of companies that engage in unethical or immoral activities, such as gambling, alcohol production, or firearms. (Webley et al., 2001). Avoidance of these sinful stocks has the potential to hinder ethical investors from maximizing profits (Lewis & Mackenzie, 2000). Mansour and Jlasi (2014) emphasize that the power of religion is the basis that influences investor behavior from maximizing total profits to prioritizing ethical goals.

Stock investing in Islam also has principles in line with SRI, which avoids investing in stocks contrary to their beliefs (Paranque & Erragragui, 2016). Chaefeddine et al. (2016) revealed that Islamic investment is designed with ethical principles to be considered part of SRI. Bennet dan Iqbal (2013) says that investors who invest in Islamic and SRI stocks expect economic benefits and expect social impacts based on investor confidence. Investment in Islam is not only the pursuit of profit; investing must follow the rules that follow the teachings of Islam so that it can provide halal profits and provide benefits in this world and the hereafter. (Septyanto et al., 2017).

I define ethical investing (EI) as investing in stocks that meet various sharia standards, known as Islamic stocks. This standard in the Indonesian capital market refers to the National Sharia Council (DSN) dan and the Indonesian Ulema Council (MUI), Financial Services Authority Regulation No: 15/POJK.4/2015. Sharia shares were developed to accommodate the needs of Muslims

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in Indonesia who want to invest in shares that comply with the basic principles of sharia. Muslims will feel comfortable and safe by investing their funds according to their beliefs, namely under Islamic law.

The behavior of Islamic investors is considered different from conventional investors in investing their funds (Imad, 2017). Sharia investors who made investments must comply with Islamic teachings and invest in worship to Allah (Muhammad Syukri, 2012). Meanwhile, conventional investors in investing are motivated by profit maximization (Farooq, 2011). Psychological and social factors influence the behavior of conventional investors in making investment decisions and choosing certain financial products. Meanwhile, sharia investors are influenced by compliance with Islamic law (Musse et al., 2015).

In Indonesia, Islamic stock investors have increased every year. This can be seen from the development and trading volume of sharia shares. Statistical data on sharia shares as of October 2020 shows that the number of sharia shares increased by 42.98% within five years, from 328 shares in 2015 to 469 shares as of October 2019. An increase also followed this increase in the number of sharia share investors. Sharia investors increased 1,500% in the last five years, from 4,908 investors at the end of 2015 to 81,413 investors as of October 2020, with an average growth rate of 75% per year. The market capitalization value of sharia shares dominates 51.4% or Rp. 3,061.6 trillion of the total market capitalization of Rp. 5,956 trillion. The transaction value of sharia shares is 53.7%, and the transaction volume of sharia shares is 56.9% of the total share transactions on the IDX (www.ojk.go.id).

The growth of sharia shares shows that the demand for sharia shares is increasing in Indonesia. This indicates that more and more investors are investing their funds under sharia principles. For Muslims, the investment must be under Islamic sharia. Islam places restrictions on individual investment choices, especially the prohibition of investing in stocks whose business activities involve things that are prohibited by Islamic law, such as usury, gambling, and speculation. (Canepa & Ibnurubban, 2014). With these rules, Muslim investors will have different behavior patterns than conventional investors.

The approach to measuring investor behavior patterns often used is the Theory of Planned Behavior (TPB). Theory of Planned Behavior (TPB) is one of the most commonly used frameworks and has proven reliable enough to get a good understanding of intentions and behavior (Ajzen, 2011). This theory integrates four predictors of the behavior: attitude, subjective norm, perceived behavioral control, and behavioral intention (Fishbein & Ajzen, 1991). TPB is a popular, well-established, and well-accepted model for measuring intentions and behavior (Biddle & Nigg, 2000). The popularity of TPB is since TPB is a model that is easy to understand and provides clear implications for social science research (Manfredo & Dayer, 2004). However, TPB also has several weaknesses that many researchers still criticize to this day (Corner & Armitage, 1998; Knabe, 2012; Rivis & Sheeran, 2003; Singh et al., 2018; Sniehotta et al., 2014). The Theory of Planned Behavior (TPB) weakness requires adding another antecedent to the intention (Ajzen, 1991). Some researchers suggest adding relevant external factors to the TPB to improve the predictive ability of intentions (Corner & Armitage, 1998).

Investment in Islamic stocks is closely related to carrying out investments under Islamic teachings. The behavior of sharia investors is influenced by the obligation to obey the teachings of Islam (Tahir & Brimble, 2011) and invest as a form of worship to Allah (Muhammad Syukri, 2012). Religiosity is an important factor influencing investor behavior (Mansour & Jlassi, 2014). The religiosity variable is also considered a factor influencing the prediction of intention and behavior in TPB (Nugroho et al., 2017). Several previous studies have added the religiosity variable as an external variable into the TPB to increase the predictive value of investment intentions and behavior (Ashraf et al., 2017; Balushi et al., 2018; Haji-Othman et al., 2018; M. A. Ibrahim et al., 2017; Osman et al., 2019; Subekhi & Ratnasari, 2017). However, previous studies used the religiosity variable, which was not a predictor of the behavior. This study expands the Theory of Planned Behavior (TPB) by integrating religiosity to estimate the behavior.

In line with his function and belief as a Muslim investor, a Muslim's behavior is expected to have behavior under Islamic law, including the behavior of making stock investment decisions. This study examines the expansion of the TPB model by measuring the behavior of Muslim investors in Islamic stocks. This study extends the Azjen TPB model by adding a new predictor called religiosity. These additional predictors were included in the model to answer the criticism of TPB, to add external variables. This new model contributes to building a behavioral model of Muslim investors in Islamic economics related to behavior by investing in Islamic stocks.

THEORETICAL BACKGROUNDS AND CONCEPTUAL MODEL
Theory of Planned Behavior (TPB)

The Theory of Planned Behavior (TPB), originally developed by Ajzen (1991), was derived from the Theory of Reasoned Action proposed by Fishbein and Ajzen (1975). TPB was designed to predict and explain human behavior in a specific setting and utilizes the concept that three factors determine behavioral intention: attitudes toward the behavior, subjective norms for the behavior, and perceived control over the behavior (Azjen, 1991). In the TPB model, an attitude refers to an individual's opinions

or thoughts about a particular behavior. A psychologically positive or negative evaluation reflected toward certain behaviors (Ajzen, 1991, 2011; Ajzen & Fishbein, 2000). The second determinant of intention is subjective norms, which are perceived as social pressures that channel a person's perception about how to behave in certain situations. (Ajzen, 1991, 2012; Fishbein & Ajzen, 2010). The last predictor of intention is perceived behavioral control, representing the perceived ease or difficulty to perform the behavior (Ajzen, 1991, 2002, 2012).
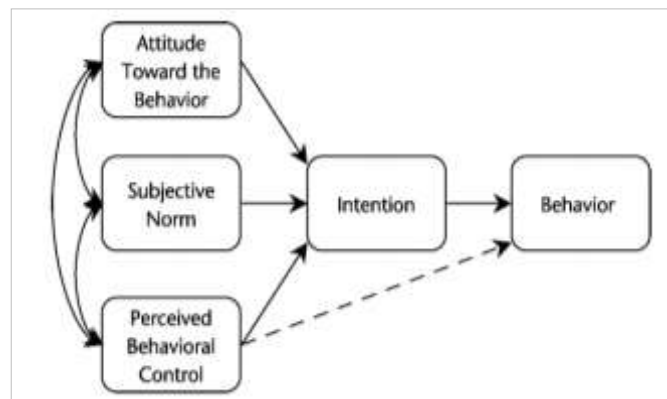

Figure 1. Theory of Planned Behavior

Ajzen (1991) explains that attitude is a positive or negative individual evaluation of objects, people, institutions, or events. Attitude is an individual's positive or negative evaluation of behavior determined by evaluating a person's beliefs regarding the consequences of behavior and evaluating the consequences of the behavior (Ajzen, 1991, 2011; Ajzen & Fishbein, 2000). The more individuals evaluate that behavior will produce positive consequences, the individual will tend to be favorable towards that behavior. Conversely, the more individuals consider behavior that will produce negative consequences, and the individual will tend to be unfavorable towards that behavior (Ajzen, 2005). Attitudes include (1) Behavioral Belief, the belief that behavior will produce a consequence caused by the behavior; (2) Outcome evaluation, individual evaluation of the behavior that will be chosen to be carried out based on the beliefs they have (Fishbein & Ajzen, 1991).

Individuals who believe that certain behaviors will provide positive outcomes will have a positive attitude, and vice versa (Ajzen, 2011). The explanation shows that the higher the positive evaluation or a person's positive attitude to investing, the stronger one's intention to invest. The higher the positive response or positive attitude of Muslim investors regarding investment in Islamic stocks, the stronger the intention of Muslim investors to invest in Islamic stocks. Empirically, several studies have also confirmed that attitude has a significant influence on the intention to invest (El Mosalamy & Metawie, 2018; Kaur & Kaushik, 2016; Octarina et al., 2019; Pascual-Ezama et al., 2014; Syukriah et al., 2014; Warsame & Ireri, 2016).

The second variable from TPB is the subjective norm; the subjective norm is defined as the individual's perception of the social pressure he gets to do or not to do a behavior. (Ajzen & Fishbein, 2000). Subjective norms are beliefs held by individuals regarding the expectations of influential people around (significant other) whether individuals or groups will approve or disapprove of behavior that will be carried out. (Ajzen, 2005). Significant other consists of spouse, parents, close friends, co-workers, and so on (Ajzen, 2005). Subjective norms consist of: (1) normative belief is an individual's belief in the expectations of others to perform certain behaviors or not to do them; (2) motivation to comply is an individual's motivation to comply with other people's expectations of him (Fishbein & Ajzen, 1991). The support or influence of others determines the individual decision-making process (Ajzen & Fishbein, 2000). If Muslim investors can invest in Islamic stocks, they will intend to invest in Islamic stocks. On the other hand, if Muslim investors do not support investing in Islamic stocks, it will be difficult for them to invest in Islamic stocks. Empirically, several studies have also confirmed that subjective norm has a significant influence on intention (Dayaratne & Wijethunga, 2015; Y. Ibrahim & Arshad, 2017; Kaur & Kaushik, 2016; Syukriah et al., 2014).

The last variable in the TPB is perceived behavioral control. The perception of behavioral control is the perception related to the ease or difficulty of performing certain behaviors (Ajzen, 1991). This perception is formed from the past experience of the individual (Ajzen, 2011). Perceived behavioral control consists of (1) control belief about the existence of ease or difficulty in performing certain behaviors; (2) power of the control factor is how far the supporting factors have the power to facilitate or complicate a behavior to be carried out (Fishbein & Ajzen, 1991). If Muslim investors have the convenience of investing in Islamic stocks, then they will invest in Islamic stocks. Conversely, if a Muslim investor finds it difficult to invest in Islamic stocks, he will not invest in Islamic stocks. Empirically, several studies have also confirmed that perceived behavior control has a significant influence on the intention to invest (Adam & Shauki, 2014; Alleyne & Tracey, 2011; El Mosalamy & Metawie, 2018; Kaur & Kaushik, 2016; Pascual-Ezama et al., 2014; Syukriah et al., 2014; Warsame & Ireri, 2016). Therefore, we propose a hypothesis as follows:

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Ha1: Attitude has a significant positive effect on the intention of Muslim investors to invest in Islamic stocks.

Ha2: Subjective norms have a significant positive effect on the intentions of Muslim investors to invest in Islamic stocks.

Ha3: Perceived behavioral control has a significant positive effect on the intention of Muslim investors to invest in Islamic stocks.

Religiosity

Religiosity is a concept related to one's belief in God, manifested through obedience and obedience to all His commands (Salleh, 2012). Religiosity is also a commitment to follow the principles that are believed to have been set by God (Khraim, 2010). Religious people will follow the principles of their religion, such as regular worship, a strong commitment to religious teachings, and group associations. In contrast, individuals who have weak religious beliefs and principles feel free to behave in other ways. (Mokhlis, 2009). Religiosity or religious commitment is reflected in one's attitudes and behavior (McAndrew & Voas, 2011). Huber (2012) also revealed that religiosity is the thoughts and beliefs that a person has to view the world to affect their experiences and behavior in everyday life.

Investors with a high level of religiosity always relate their religious teachings to every decision or action taken in their life, including in terms of investment. Religious investors who will invest will weigh and seek information related to the instruments they choose to invest in by their religion. Investor behavior can be formed based on the religion believed by investors (Pitluck, 2008). Mansour and Jlassi found that highly religious investors do not behave in the same way as conventional investors. They avoid investing in portfolios that are forbidden by religion (Mansour & Jlassi, 2014). Tahir dan Bimble (Tahir & Brimble, 2011) revealed that Islam influences investor behavior. The level of individual religiosity affects it. This indicates that the higher the level of investor religiosity, the stronger the investor's intention to invest in Islamic stocks. Based on this explanation, the hypothesis for the religiosity variable is:

Ha4: Religiosity has a significant positive effect on the intention of Muslim investors to invest in Islamic stocks.
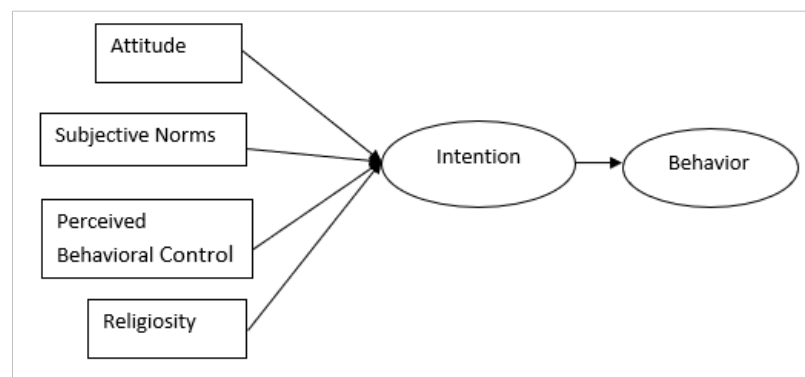
Conceptual Framework

Figure 2. Research Mode

RESEARCH METHODS

Sample

The sample of this study is part of the population, namely part of investors who invest in Islamic securities stocks and is a member of the Islamic Stock Investors Association (HISSAH). Sampling in this study used purposive sampling; namely, the respondents met the criteria. The criteria for this research sample are Muslim investors who are still active on the Indonesia Stock Exchange and become investors in Islamic stocks.

The sample size was adjusted to the analytical model used in this study, namely the Structural Equation Model (SEM). There are several rules of thumb regarding the number of samples required for research using SEM, namely: (1) minimum 200 for any regression; (2) the minimum ratio between respondents and predictors is between 15:1 to 25:1; (3) Number of respondents (N) 50+8m (where m is the number of variables) N 104+m (for partial correlation). The study used a sample of 200 samples.

Data Collection Procedures

There were 237 questionnaires distributed to Islamic stock investors via google form links on social media; a total of 215 questionnaires were returned. The questionnaires that met the criteria were 200 questionnaires, so 15 questionnaires were excluded from the data analysis, so there were a total of 200 effective responses. (84.39 percent). The questionnaire was designed based on an intensive literature review to ensure the scale's content validity. It was then reviewed by academic researchers with expertise in Islamic stock investor behavior and survey methodology. Wherever possible, existing measures that have been used

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in previous studies are adopted. The questionnaire conducted a pilot study involving 30 Islamic stock investors. The pilot study aimed to obtain additional feedback on the questionnaire instrument.

Table 1. Response Rate of The Survey

Criteria of Questionare	Trial	Actual Survey
Distributed	35	237
Unused	2 (5,71%)	15 (6,33%)
Unreturned	3 (8,57%)	22 (9,28%)
Used	30 (85,71%)	200 (84,39%)

This research questionnaire consisted of 38 question items which were adopted from several previous studies. Attitude consists of three questions; subjective norms consist of four question items, perceived behavioral control by four items, intention by four items, and behavior by three items. All The measures for the theory of planned behavior were adapted from Ajzen (1991) and Taylor and Todd (1995). Religiosity consists of 25 questions adopted from Nugroho et al. (2017). In all these measures, a Likert-type scale of 1-5 was used, a score of 1 = Strongly Disagree, 2 = Disagree, 3 = (Neutral), 4 = S (Agree) and 5 = SS (Strongly Agree).

RESULT AND DISCUSSION

Respondents Profile

The total respondents in this study amounted to 200 respondents, where the most respondents based on gender profile were male, with 136 respondents (68%). Meanwhile, female respondents were 64 respondents (32%). These results indicate that Men dominate Islamic stock investors. Not many women invest in Islamic stocks. Most respondents based on age profile were respondents aged between 21-30 years, namely 68% or 136 respondents. Respondents aged 31-40 years were 30 investors (15%), respondents aged less than 20 years were 22 investors (11%), respondents aged 41-50 years were ten investors (5%), and respondents aged over 50 years amounted to 2 investors (1%). This shows that most respondents in this study are aged 21–30 and are a productive age to become an investor.

Most of the last education respondents reached Bachelor or S1 as many as 116 people or 58%. Respondents who have education up to the high school level of 70 people or 35%. For the S2 level, there are 14 people or 17%. The respondents' last educational background illustrates the perception of diverse respondents about investor behavior based on knowledge received by respondents from the respondents' last education. The profession of respondents in this study shows that the majority of respondents' occupations are students and private sector employees, namely 138 respondents or 69%. Entrepreneurs occupy the third-largest job position, namely 30 respondents or 15%. Furthermore, civil servants have as many as 14 respondents (7%), teachers/lecturers as many as 12 respondents (6%), and retirees as many as two respondents (1%).

The majority of respondents' investment duration is 1 to 2 years, as many as 94 respondents (47%). Respondents invest less than one year as many as 66 respondents (33%). Furthermore, the duration of investment of respondents is more than three years totaling 26 respondents (13%), and the duration of respondents' investment is 2-3 years as many as 14 respondents (17%). The survey results show that the largest number of respondents are sharia investors who have been investors for less than one year. These data indicate that most of the Islamic investors are new investors. This is by the age profile of the respondents, where most of them are young investors. Therefore, many Islamic investors are dominated by investors who have just invested their funds in Islamic stocks.

Respondents of Islamic stock investors who are also non-Sharia stock investors are 84 respondents or 42%. At the same time, the respondents who did not become non-sharia stock investors or only became Islamic stock investors were 1116 respondents (58%). This indicates that Islamic stocks are not the only choice of stock investment by investors. They also invest their funds in non-Islamic stocks.

Measurement Model

. The model was tested and analyzed using Partial Least Square (PLS). PLS is structural equation modeling (SEM) based on the latent variables' covariance structure for a predictive research model (Chin, 2010). It is suitable for structural measurement models, a small sample size can be used in it, and it is used to validate and test the models (Hair JR et al., 2010). The partial least square (PLS) method was used for assessing scales validity and testing the hypotheses. Based on the literature, it can be said that PLS is suitable for this research because it develops TBP by adding it as a new external construct. As to analyze the data, this study uses SmartPLS 3.0.

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Table 2. The Measurement Model

Variabel	AVE	Croncbach's Alpha	Composite Reliability	Square Root of AVE	Interconstruct Correlation
Attitude	0,770	0,850	0,909	0,936	0,877
Subjective Norm	0,764	0,898	0,928	0,935	0,874
Perceived Behavioral Control	0,643	0,817	0,878	0,896	0,802
Religousity	0,604	0,973	0,979	0,881	0,777
Intention	0,642	0,813	0,877	0,895	0,802
Behavioral	0,775	0,855	0,912	0,938	0,880

Pengukuran yang dilakukan meliputi convergent validity, and discriminant validity, and reliability. Hair et al. (2010) said the parameter to see convergent validity is a minimum average variance extracted (AVE) value of 0.5. The measurement results show that all indicators have an AVE value> 0.5. Discriminant validity relates to the principle that different construct metrics should not be highly correlated. The rule of thumb is the square root of AVE > correlation between latent constructs (Ghazali & Laten, 2015). Table 2 shows that all constructs' AVE square root value is greater than the largest correlation between constructs. Lastly, the reliability test is carried out to prove the instrument's accuracy, consistency, and accuracy in measuring the construct. The reliability test was carried out in two ways: Cronbach's alpha value > 0.7 and composite reliability > 0.7 (Ghazali & Laten, 2015). Table 2 also shows that all constructs meet the reliability criteria. The value of Cronbach's alpha indicates this; all constructs have a value above 0.70 and have a composite reliability value > 0.7.

Model Testing Result
Table 3. Hypothesis Test Results

Variable	Original Sample	P Values	Result
Attitude –> Intention	0,168	0,021*	Supported
Subjective Norm –> Intention	0,216	0,003*	Supported
Perceived Behavioral Control –> Intention	0,319	0,000*	Supported
Religousity –> Intention	0,267	0,000*	Supported
Intention –> Behavioral	0,716	0,000*	Supported
Adjudted R-Squared			
Intention	0,508		
Behavioral	0,511		

Ket: *p<0,05

The structural model was assessed by estimating the path coefficients and the Adjusted R2 values. Path coefficients indicate the strength of the relationships between the independent variables and dependent variables. Adjusted R2 values indicate the amount of variance explained by the exogenous variables and measure the predictive power of the structural models (Barclay, Higgins, & Thomson, 1995). Table 3 also shows that the coefficient of determination for the dependent variable of intention was 0.508. It indicated that attitude, subjective norms could explain 50.8% variance of behavior, perceived behavioral control, and religiosity, while the rest of variance (49.2%) was due to unknown variables.

We calculated path coefficients and p-values for hypothesized relationships using a bootstrapping technique. Results all of the hypothesis testing had positive values and were significant at the level of 5%. The significant path coefficient from attitude to intention (b= 0.168, p < 0.05), subjective norms had significant influences intention (b=0.216, p < 0.05), perceived behavioral control had significant influences intention (b=0.319, p < 0.05), religiosity had significant influences intention (b=0.216, p < 0.05). lastly, intention had significant influences behavioral (b=0.716, p < 0.05). This result confirmed our theoretical expectation and provided H1, H2, H3, H4, and H5.

DISCUSSION

This study indicates that attitude, subjective norm, and behavioral control variables significantly positively affect Muslim intentions to invest in Islamic stocks. The findings of this study are in line with and support the Theory of Planned Behavior (TPB) used as the basis of this research. Ajzen (1991) said that attitudes, subjective norms, and behavioral control are TPB constructs

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that influence a person's intention to behave. This study confirms the research results conducted by (Adam & Shauki, 2014; Alleyne & Tracey, 2011; Pascual-Ezama et al., 2014; Syukriah et al., 2014; Warsame & Ireri, 2016), who found that attitude affected investment intention. The results related to subjective norms are also in line with research conducted by (Adam & Shauki, 2014; Dayaratne & Wijethunga, 2015; El Mosalamy & Metawie, 2018; Y. Ibrahim & Arshad, 2017; Kaur & Kaushik, 2016; Madi et al., 2018; Ramasubbian et al., 2018; Syukriah et al., 2014). The results related to the last TPB variable, namely the perception of behavioral control, are also in line with the results of research conducted by (Adam & Shauki, 2014; Alleyne & Tracey, 2011; El Mosalamy & Metawie, 2018; Kaur & Kaushik, 2016; Pascual-Ezama et al., 2014; Syukriah et al., 2014; Warsame & Ireri, 2016).

Furthermore, the religiosity variable was found to affect Muslim intentions to invest in Islamic stocks positively. Corner dan Armitage (1998) explained that TPB could be expanded by adding external variables that can increase the predictive power of intention to use or perform a behavior. This study incorporates religiosity as an external variable into the TPB. This study indicates that religiosity can be a new predictor in TPB and supports Corner and Armitage's suggestion.

The results of this study are in line with research (Hess, 2012; Khan et al., 2020; León & Pfeifer, 2017; Niveditasri & Sanmitha, 2020) who found that religiosity affected investment intentions. This result is also in line with Ibrahim et al. (2017), Balushi et al. (2018), Osman et al. (2019) dan Octarina et al. (2019), which states that religiosity affects investors' intentions to invest in sharia instruments. This study indicates that individual beliefs about the values of Islamic teachings directly influence investors to choose Islamic stock investments. Investors who are Muslim tend to invest according to Islamic teachings, namely by investing in sharia shares (Mansour & Jlassi, 2014). Muslim investors who are religiously obedient will avoid investment activities prohibited by religion and choose investment activities under Islamic teachings, namely investing in sharia stocks (Nugroho et al., 2017).

This study found exciting findings related to religiosity. Although religiosity affects Muslim intentions to invest in Islamic stocks, the data in the field found that most Muslim investors who invest in Islamic stocks also invest in conventional stocks. It is a contradictory finding where religious Muslim investors should avoid investments that Islam prohibits. However, in reality, 42% of Muslim investors in Islamic stocks in this study also invest in non-Sharia stocks. It indicates that Muslim investors in this study are rational investors. They invest not only in compliance with Islamic teachings but also the profile of profits and losses obtained. It is possible because Muslim investors in the study are included in floating market loyalist investors. Pramesti said that around 75% of capital market investors are floating market loyalists. Floating market loyalists are a segment of investors who have profit considerations in making investment choices (Muthia Pramesti, 2005).

These findings are also in line with Murshid and Irviana's (2016) results. They divide the customers of Islamic banks in the DKI Jakarta area into three market segments, namely sharia loyalists, floating mass, and conventional loyalists. His research found that the floating mass segment is the largest market segment compared to the sharia loyalist and conventional loyalist segments. The floating mass segment is a market segment where customers prioritize the profit motive. Customers can transfer their funds to conventional banks when interest rates are more profitable than Islamic banks

The findings of this study also confirm the findings of Lewis and Mackenzie's research regarding ethical investors. Lewis revealed that ethical investment is part of the lifestyle favored by investors at this time. Ethical investors are not holy people, and they usually consist of middle-income professionals who combine ethical investment and conventional investment (Lewis & Mackenzie, 2000). Many ethical investors have a mixed portfolio of ethical and conventional investments at the same time. Some ethical investors say that they are ready to lose money to invest consistently with their moral commitments. Others say that it is unwise to put all their investment funds in one egg basket, i.e., ethical investing. (Lewis & Mackenzie, 2000).

Michelson et al. (2004) also revealed that ethical fund investors diversify into various funds with different profit and risk profiles. Ethical fund investors also have funds in conventional investments at the same time. On the other hand, ethical investors remain consistent by investing in funds by their moral values. This is motivated by the desire to get a calmer feeling (psychologically) or make social changes, even though they will get fewer profits than conventional investors (Webley et al., 2001).

These results are in line with the findings of research conducted by Lewis. Some Muslim investors in this study diversify their portfolios by having a mixed portfolio of Islamic stocks and conventional stocks simultaneously. Some other Muslim investors only invest in Islamic stocks. As many as 42% of Muslim investors in this study have investments in conventional stocks, and as many as 58% of Muslim Muslim investors in this study only invest in Islamic stocks.

CONCLUSION

This study found that attitude, subjective norms, and perceptions of behavioral control proved to affect Muslims to invest in Islamic stocks. The results are in line and support the theory of Planned Behavior (TPB), which is used as the basis of this research. Religiosity has also been shown to affect Muslim intentions to invest in Islamic stocks. Religiosity is proven to be a new external

variable in the TPB that can measure Muslim intentions to invest in Islamic stocks and add predictive value to intentions and behavior. These results support Corner and Armitage's suggestion that adding new external variables in the TPB is necessary.

However, this study may have potential limitations that may affect the interpretation of the findings. This study only surveyed Muslim investors from one stock community. Future research is expected to expand the scope of the study population to obtain more comprehensive results. Furthermore, the questionnaire items from this research study were adopted from the related questionnaire developed by Ajzen. These statements were developed by Western culture, so it is hoped that further research can develop research questionnaires that are appropriate to the Muslim context and Indonesian culture and are based on the theory of investment behavior.

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