

CHAPTER I INTRODUCTION

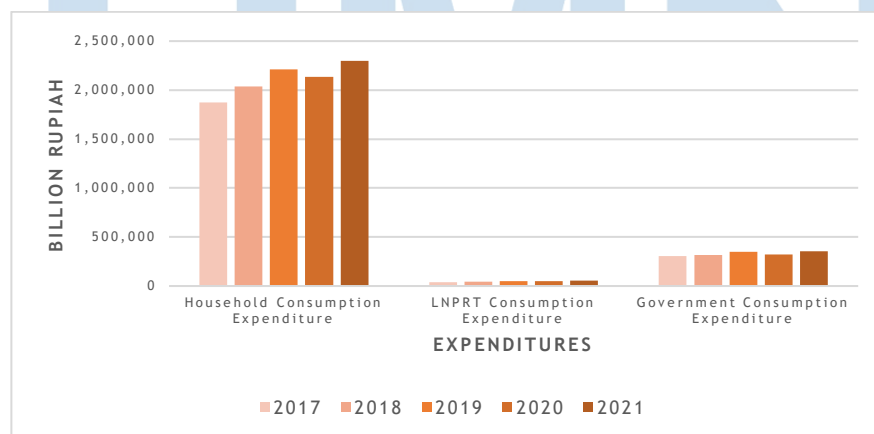
1.1 Background

Indonesia experienced a growth in consumption expenditure during 2017-2021 with an average CAGR (Compound Annual Growth Rate) of 4.035% for the second quarter of consumption spending (Badan Pusat Statistik, 2021) (Table 1.1). Meanwhile, the level of consumption by households remains the biggest share of total expenditures. (Figure 1.1)

Table 1.1 Consumption Expenditure (Billion Rupiah) Q2 2017-2021

Expenditures	2017	2018	2019	2020	2021
Household Consumption Expenditure	1,873,331.7	2,036,114.1	2,213,275.4	2,133,196.32	2,299,804.1
LNPRT Consumption Expenditure	40,763.7	44,608.1	50,719.5	49,978	52,806.1
Government Consumption Expenditure	308,053.4	31,6261.1	350,458.5	319,439.4	355,553
Total Expenditure	2,222,148.8	2,396,983.3	2,614,453.4	2,502,613.7	2,708,163.2

Source: *Badan Pusat Statistik (BPS), 2021*



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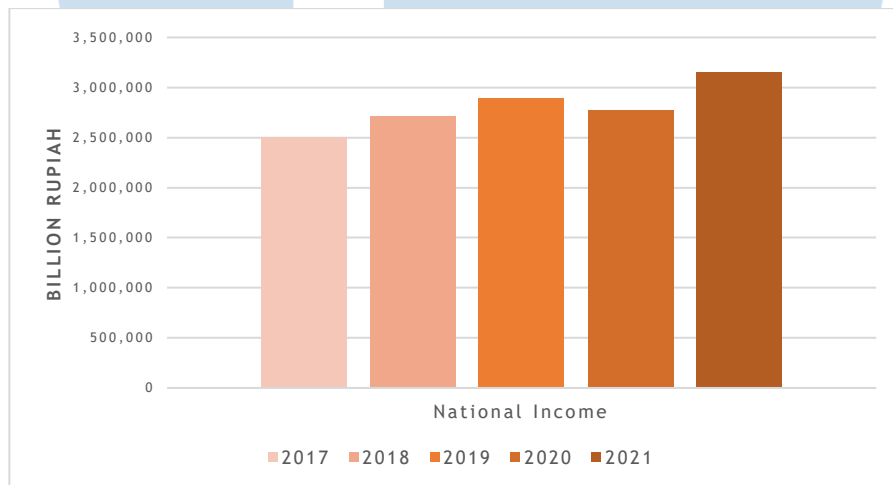
Figure 1.1 Consumption Expenditure (Billion Rupiah) Q2 2017-2021

Consumptive lifestyles will produce financial difficulties if not balanced with income capability. Over the last 5 years, Indonesia experienced an average CAGR (Compound Annual Growth Rate) growth of 4.7274% in terms of national income according to the BPS data for 2017-2021 (Table 1.2). During the same period in 2021, the national income reached a record high because of its consistent growth. (Figure 1.2).

Table 1.2 National Income (Billion Rupiah) Q2 2017-2021

Income	2017	2018	2019	2020	2021
National Income	2,499,774.8	2,713,154.8	2,888,328.2	2,770,601.1	3,149,220.5

Source: *Badan Pusat Statistik (BPS), 2021*

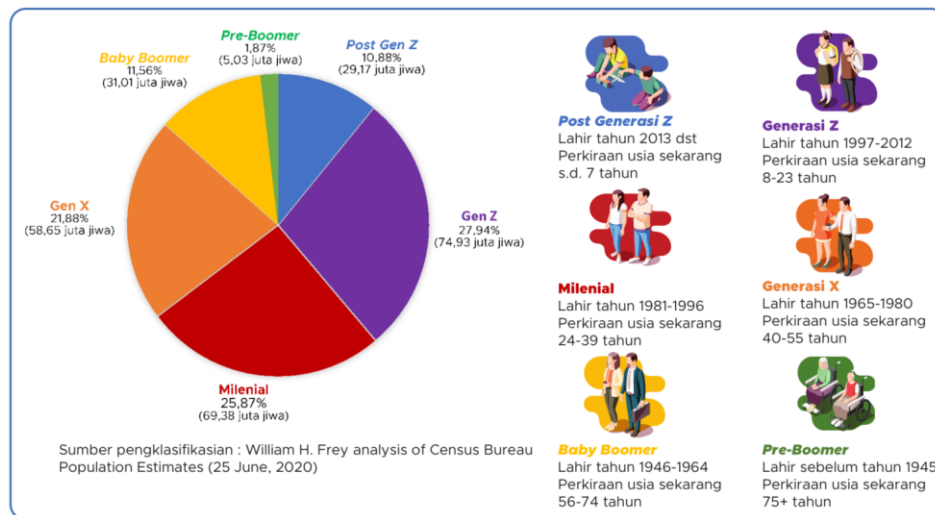


Source: *Badan Pusat Statistik (BPS), 2021*

Figure 1.2 National Income (Billion Rupiah) Q2 2017-2021

Figures 1.1 and 1.2 indicate that Indonesia's national income and consumption are still growing in harmony and can avoid the aforementioned financial issues. This cannot be separated from the factor of financial literacy that has been incorporated since an early age.

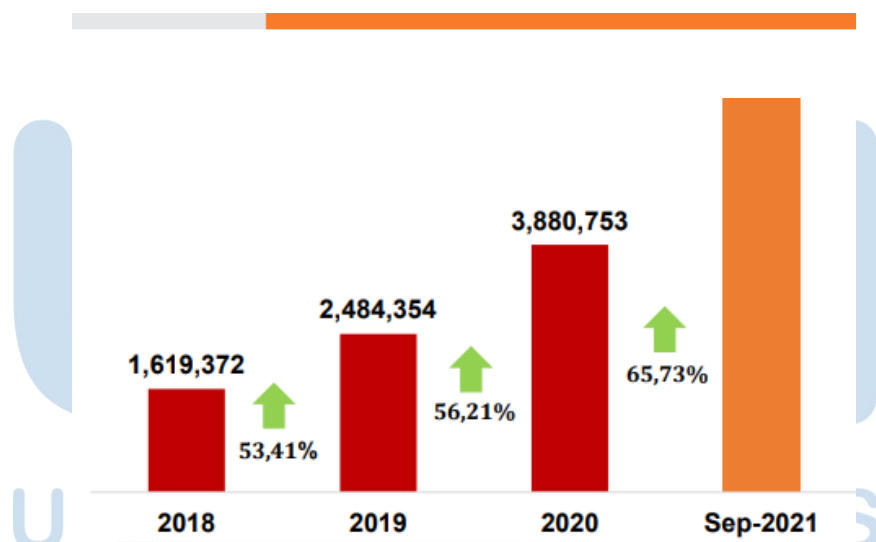
According to *Badan Pusat Statistik* in 2020, Indonesia is dominated by vast majority of young generation. Indonesia has a population of 270.20 million, with Generation Z (27.94%) and Millennials (25.87%) making up the majority of young people. (Figure 1.3)



Source: *Badan Pusat Statistik (BPS), 2020*

Figure 1.3 Population Composition by Generation, 2020

Indonesian investors continue to increase year after year. In September 2021, there are 6.4 million investors compared to 3.8 million in 2020, representing a 65,73% increase. (Figure 1.4). It shows a penetration of only 1.44% in year 2020, and a projected penetration of only 2.36% in year 2021 (constant population).

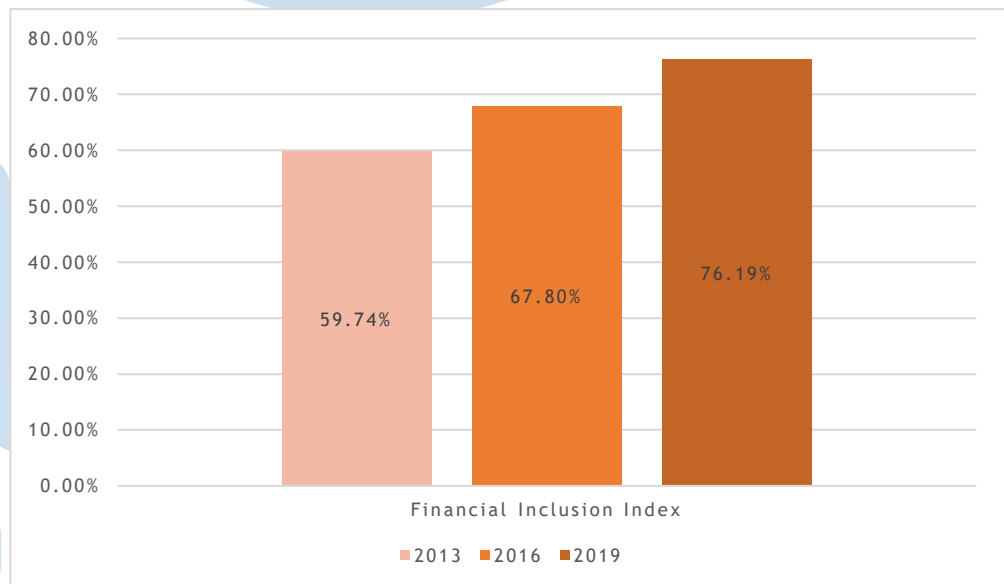


Source: *KSEI, Statistik Pasar Modal, 2021*

Figure 1.4 Population Composition by Generation, 2020

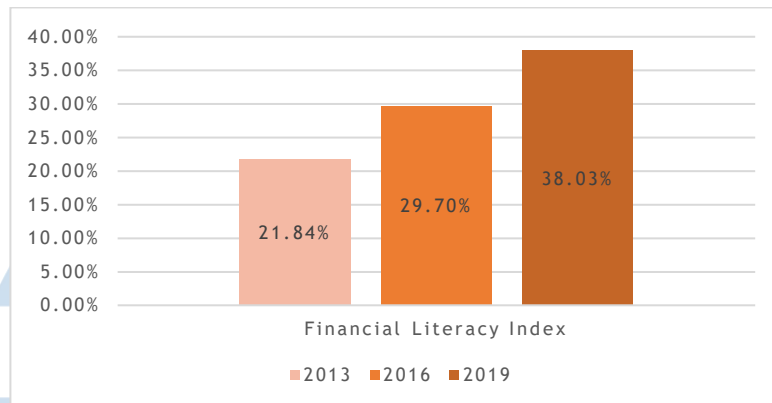
This correlates to Indonesia's financial inclusion as well as its financial literacy. The Financial Inclusion Index measures the availability of financial institutions, products, and services based on the needs and capabilities of the community in order to improve the welfare of the community. Financial literacy is a part of financial inclusion, which measures the level of knowledge, skills, and beliefs that influence attitude and behaviour to improve the quality of decision-making and financial management. (Otoritas Jasa Keuangan , 2020).

In 2016, financial institutions, services, and products were less accessible to the public than they are today, according to Financial Inclusion Index. By contrast, the figure stood at 67.8% in 2016 and increased to 76.19% in 2019 (Figure 1.5). Still, the results of the Financial Literacy Index for 2019 indicate that knowledge, skills, and beliefs are still far too low at 38.03% (Figure 1.6). The conclusion is that despite the fact that 76.19 % of institutions, services, and products are available to the public, it lacks the knowledge and skills associated with them.



Source: Otoritas Jasa Keuangan (OJK), 2019

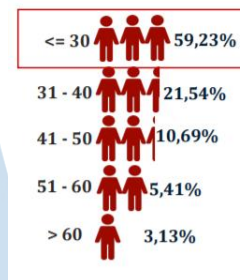
Figure 1.5 Financial Inclusion Index 2013, 2016, 2019



Source: Otoritas Jasa Keuangan (OJK), 2019

Figure 1.6 Financial Literacy Index 2013, 2016, 2019

Based on KSEI statistics, 59.23% of investors are under 30 years of age (Figure 1.7), which further indicates that Generation Z investors represent the majority of investors. The Generation Z tends to have short planning horizons, so long-term trends are rare. With social media, Generation Z has a sense of flow where everything changes quickly. They also perceive information only in short, visual bursts. Multitasking gives them a feeling of confidence, but focusing on finishing a task demands enormous effort (Matraeva, et al., 2019)



Source: KSEI, Statistik Pasar Modal, 2021

Figure 1.7 Investor's Demographic Information on Age

'Yuk Nabung Saham' has been launched by the Indonesian government to increase investment in the country since November 15th, 2015. The goal of this movement is to make society as knowledgeable as possible about the capital market as soon as possible, which is at age 17 (Ramadhani, 2021). Financial literacy programs are supported by the Ministry of Education and Culture, which promotes education about financial literacy since early stages.

OJK encourages investors to learn about a product's legality before investing in it. Furthermore, OJK uses online platforms to continue educating investors about the market. Gamification is defined as an approach to learning that uses video games to increase engagement and motivation (Alsawaier, 2018). The game culture is rapidly spreading throughout the world, making gamification an exciting innovation. Gamification can be related to stock market education by turning it into a game. By simulating and educating about the stock market through an interactive game, more people will learn about the capital market itself. Gamifying stock investment is expected to increase financial literacy, especially among Generation Z.

In order to increase financial literacy rate by understanding the traits of generation Z, *Universitas Multimedia Nusantara* (UMN) with the support of *Indonesia SIPF*, *Phillip Sekuritas Indonesia*, and KSPM UMN developed a mobile game based on the Android operating system called GASING for high school students, a significant demographic for the Generation Z. UMN under the Business Faculty then offered an internship in order to educate and spread awareness about the game and stock market education.

It is an excellent opportunity for the writer as a final year student to use the knowledge, skills, and also beliefs gained during college to apply for the internship. The writer hopes to increase investment awareness by collaborating with the other Investment Galleries in Indonesia.

1.2 Internship Purpose and Objective

1.2.1 Internship Purpose

The purpose of this internship is to meet the requirements for bachelor degree from Universitas Multimedia Nusantara, which is an internship course worth of 4 (four) credits. It is mandatory for students to do an internship of 60 (sixty) working days as part of their preparation for entering the working world.

The goal of the internship practice is for writer to apply the theories they have learned to the world of work. The writer also hopes to contribute to the implementation process and work dynamics of GASING.

1.2.2 Internship Objective

The objectives of this internship are as following:

1. To meet the requirements for the internship course at Universitas Multimedia Nusantara
2. To prepare for the business world by applying the theories taught during university learning
3. To build good relationship with affiliated parties such as *Phillip Sekuritas Indonesia, Indonesia SIPF and Bursa Efek Indonesia (BEI)*
4. To explore gamification as a method for learning stock investment

1.3 Internship Work Time and Procedure

1.3.1 Internship Work Time

The internship program in Business Faculty of Universitas Multimedia Nusantara are 60 (sixty) workdays long in accordance to its minimum requirements. The details of the program are as following:

Company Name : *Universitas Mutimedia Nusantara (UMN)*
Department : Business Faculty of UMN
Address : Jl. Scientia Boulevard, Curug Sangereng, Kec. Klp. Dua, Tangerang, Banten, 15810
Execution Time : September 1st. 2021 – November 23rd, 2021
Work Hours : Monday – Friday at 09.00 A.M – 17.00 A.M
(GMT +7)

Internship Position : Investment Educator

1.3.2 Internship Procedure

Before doing the internship, the writer must go through several procedures, which are as following:

1. The writer completes the application form (KM01) and requests for the signature of Mr. Mohammad Annas acting as the Head of Management Study Program which then proceeds as a submission to Mrs. Widya
2. The writer submits a temporary transcript of grades as a requirement to an internship cover letter (KM02)
3. The writer proceeds to submit the internship cover letter, Curriculum Vitae (CV), a copy of identity card and student identity card to the Human Resource (HR) department of UMN under the name Mr. Reno Barto Satria A. P.
4. The writer receives an internship acceptance letter from Mr Reno Barto Satria A. P.
5. The writer proceeds to sign the internship agreement letter from Mrs. Steffani Maria Rigez

1.4 Internship Report Systematic

The internship's report systematic entitled "Stock Gamification on Improving Financial Literacy for Generation Z in Universitas Multimedia Nusantara" is as following:

CHAPTER 1: INTRODUCTION

The writer will discuss about the internship work background, the purpose and objective of the internship work time and procedure.

CHAPTER 2: COMPANY PROFILE

The writer will describe about the company profile which will include the company history, vision and mission of the company, Faculty of Business' profile and company's organizational structure. Furthermore, the writer will also link theory related to the internship

CHAPTER 3: INTERNSHIP WORK

The writer will describe in details regarding the work done during the internship program, problems dealt and the solutions toward the problems

CHAPTER 4: CONCLUSION AND SUGGESTION

In the last chapter, the writer will conclude the internship work he has done according to the purposes in the first chapter.

