

# Early Capital Market Education: Introduction to Smart Investment Concepts for Students of SDN 1 Kemantren Kec Jabung

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## ABSTRACT

### Keywords:

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Elementary School.

This community service activity aims to improve the financial literacy of elementary school students by introducing them to the concepts of capital markets and smart investing from an early age. The background for this activity is based on the low level of financial literacy among Indonesians, which is not yet balanced with the level of financial inclusion, as well as the lack of capital market education programs at the elementary school level. This program was implemented at SDN 1 Kemantren Jabung using an experiential learning approach that emphasizes learning through direct experience and interactive activities. The implementation methods included socialization using visual media such as animated videos and storytelling, educational game workshops, simulated fictitious stock transactions, and learning reflections to reinforce understanding of investment concepts. Preliminary results show a 75% increase in students' understanding of basic capital market concepts, 85% active participation in activities, and a 75% increase in interest in investing in the future. The experiential learning approach has proven effective in building conceptual understanding while fostering students' enthusiasm for financial literacy. This program not only introduces the basics of investing but also instills values of responsibility, discipline, and wise financial decision-making from an early age. This activity is expected to become a model for sustainable financial education development that can be replicated in other elementary schools in Indonesia.

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## I. INTRODUCTION

Financial literacy is an important aspect that individuals need to acquire from an early age. Based on the results of a national financial literacy survey conducted by the Financial Services Authority (OJK), it is known that the financial literacy index of the Indonesian people in 2022 has only reached

49.68 percent, while the financial inclusion index has reached 85.10 percent (OJK, 2022). Although there has been an increase from the previous year, this figure shows that there is still a gap between financial inclusion and the level of financial literacy among the public. This means that some people already have access to various financial services products, but this is not accompanied by adequate financial understanding.

One important element of financial literacy is understanding investment in the capital market. According to Haryono et al. (2021), knowledge about investment instilled from an early age can have a positive long-term effect on future financial management behavior. However, in reality, capital market education in Indonesia is currently mostly aimed at university students, workers, or the general public, while elementary school students rarely receive education on investment concepts, especially investment in the capital market (Pratiwi et al., 2022).

Financial literacy is one of the fundamental skills that every individual needs to have in the modern era (OECD, 2020). The importance of financial literacy is not only limited to the ability to manage personal finances, but also includes an understanding of various investment instruments, including the capital market. In Indonesia, attention to financial literacy has begun to increase in line with the rapid and

complex development of the financial sector (Financial Services Authority, 2022). Several studies show that financial education starting at an early age has a significant impact on financial behavior in adulthood (Mandell & Klein, 2009; Lusardi et al., 2010). This has prompted the need to develop financial education programs specifically designed for children, including an introduction to the concepts of investment and capital markets. However, the main challenge in implementing financial education for children lies in adapting the learning methods to the cognitive and psychological characteristics of elementary school students.

The experiential learning model developed by Kolb (1984) has been proven effective in learning for children. This model consists of four stages of a cycle: concrete experience, reflective observation, abstract conceptualization, and active experimentation. Chen and Heath (2021) in their research showed that the experiential learning approach in financial education for children resulted in a significant increase in understanding compared to conventional learning methods. Research conducted by Cannistrà et al. (2024) also confirmed the effectiveness of educational games and role-playing in increasing student engagement and understanding of financial concepts.

Furthermore, this education program also provides a new concept of "smart investment" based on moral and ethical values in investment, so that students not only learn about the concept of investment for profit, but also understand the values of responsibility, discipline, and the importance of sustainable investment for their future. This approach is based on the latest research results from Sudaryanti and Akbar (2023), which state that understanding smart investing from an early age can improve responsible investment behavior in the future. Thus, this community service activity provides relevant and up-to-date benefits, both in terms of the learning approach and its long-term goals, namely preparing a younger generation that is smarter and more responsible in making investment decisions.

This approach allows children to learn through simulations of real-life situations without facing actual financial risks. The program not only introduces the basics of investing but also instills values of responsibility, discipline, and wise financial decision-making from an early age. This activity is expected to become a model for sustainable financial education development that can be replicated in other elementary schools in Indonesia.

## II. ISSUES

The main issue faced by the community service partner, SDN 1 Kemantren Jabung, is the lack of a curriculum or learning program that specifically introduces the concepts of finance and investment to elementary school students. Based on observations and interviews with teachers at the school, it was found that learning at the elementary school level still focuses on general subjects without touching on financial literacy. In fact, financial literacy is an important basic skill for shaping healthy financial mindsets and habits from an early age. A lack of understanding about financial management, saving, and investing means that children are not aware of the importance of long-term financial planning. This phenomenon is in line with the findings of the Financial Services Authority (OJK) in 2022, which show that even though the national financial inclusion index has reached 85.10%, the level of financial literacy among the public is only 49.68%. This means that many individuals are already using financial products but do not yet understand how to use them wisely and responsibly.

On the other hand, literacy about the capital market as a form of smart investment is also barely touched upon at the elementary school level. Capital market education in Indonesia has so far been focused more on university students, workers, and the general public, while elementary school students have not been the main target. As a result, there is a significant gap in understanding in the aspect of investment management from an early age. In fact, introducing the capital market through learning methods appropriate for children's ages can help shape children's characters to be disciplined, responsible, and capable of making smart financial decisions.

In addition to the issue of learning content, SDN 1 Kemantren Jabung also faces technical challenges in terms of resources and learning support media. Teachers do not yet have effective guidelines, modules, or educational media to teach financial concepts in an approach that is interesting and easy for students to understand. Complex investment material is difficult to simplify into language that is communicative for children. Limited learning time in elementary school and a lack of interactive learning aids, such as animated videos, educational games, or simple capital market simulations, further narrow the opportunities for students

to understand this material well.

Given these conditions, intervention through community service activities that can provide innovative and applicable learning methods is needed. The experiential learning approach is a relevant solution because it provides direct learning experiences through fun practices, games, and simulations. Through this method, students not only understand the theory of investing, but also experience and feel the process in a safe and controlled learning environment. This approach is expected to overcome the financial literacy gap and foster a younger generation that is smarter and more responsible in managing finances from an early age.

### III. METHOD

#### Activity Designand Stages

To achieve the objectives of this community service activity, a systematic and structured activity stage was designed, starting from the preparation stage, implementation of education, to evaluation and reflection. This design was prepared by considering the characteristics of elementary school students, who need an educational approach that is interesting, simple, and interactive. Each stage is aimed at gradually building students' understanding of the basic concepts of the capital market and smart investing through an applicable and enjoyable experiential learning method. With these sequential stages, it is hoped that the knowledge transfer process can take place optimally and have a sustainable impact. Based on this, the following will be presented regarding the stages in the implementation of this community service:

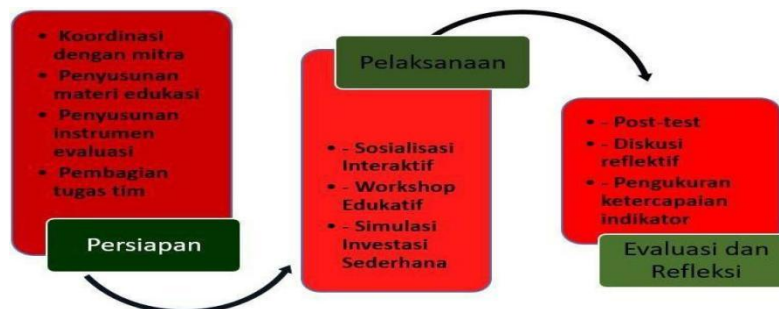


Figure 1. Activity Designand Stages

#### Activity Model Approach

The model used in this community service activity is Experiential Learning Chen, C., & Heath, J. (2021), which is a learning approach based on direct experience. This model is very suitable for elementary school children because it provides opportunities for students to learn through active involvement, exploration, and reflection on their experiences. Experiential Learning is considered more effective than conventional methods in transferring abstract concepts such as investment and capital markets to children (Kolb & Kolb, 2005). This model consists of four interconnected stages of the learning cycle, namely:

1. **Concrete Experience:** This stage is carried out through play activities and simple investment simulations that allow students to directly experience activities such as buying and selling fictitious stocks. In this activity, students act as young investors in a mini capital market.
2. **Reflective Observation:** After the simulation activity, students are invited to engage in a simple discussion about their experiences. They reflect on what happened when they bought shares, how they felt when they made a profit or a loss, and what they learned from the process.
3. **Abstract Conceptualization:** In this stage, students are given a conceptual understanding of what investment is, why it is important to invest early, and how the capital market works in real life. The material is delivered using attractive visual media to make it easy to understand.
4. **Active Experimentation:** Students are given the opportunity to try out their investment strategies based on their previous experiences and lessons learned. With the guidance of a facilitator, they conduct advanced simulations to apply the understanding they have gained.

In addition, this approach is enriched with the Fun Learning Method, which emphasizes a fun learning atmosphere that does not burden students. The material on investment is packaged in the form of stories,

educational games, and animated visualizations to maintain student enthusiasm and active engagement during the learning process.

This model is adaptive, as it can be tailored to different learning styles. Kinesthetic, visual, and auditory learners can still participate comfortably. The flexibility of this model also allows for collaboration between lecturers, students, and teachers in developing a variety of learning activities in elementary schools.

### Observed/Measured Variables

To determine the effectiveness of this community service activity, it is necessary to measure several relevant variables. The description of the variables, the measuring instruments used, and the measurement time are described in the following table:

No	Peubah	Deskripsi	Alat Ukur	Waktu Pengukuran
1	Pemahaman Investasi	Tingkat pengetahuan siswa terhadap konsep dasar pasar modal dan investasi	Pre-test dan post-test menggunakan soal bergambar	Sebelum dan sesudah edukasi
2	Keterlibatan Siswa	Tingkat partisipasi aktif siswa dalam kegiatan workshop dan simulasi	Lembar observasi aktivitas siswa (checklist partisipatif)	Selama pelaksanaan kegiatan
3	Minat Investasi Masa Depan	Keterarikan siswa untuk mulai menabung dan berinvestasi sejak dini	Kuesioner sederhana berbasis skala Likert 1-4 (versi anak-anak)	Setelah seluruh rangkaian kegiatan selesai

The table shows that the first variable, investment understanding, is measured to see the increase in students' knowledge about the capital market. The measurement is carried out through pre-tests and post-tests using interesting and age-appropriate picture questions. The second variable, student engagement, is observed directly by the community service team through activity observation sheets. Students who actively asked questions, answered, or participated in simulations were recorded as indicators of the success of the interactive approach. Meanwhile, the third variable, future investment interest, was measured using a simple questionnaire developed with a visual approach and short sentences. This questionnaire helped identify whether the activity was able to generate students' initial interest in responsible and sustainable investment.

## IV. RESULTS AND DISCUSSION

The community service activity carried out at SDN 1 Kemantren Jabung aimed to improve students' financial literacy, particularly regarding their understanding of the capital market and smart investing. Preliminary results from the implementation of this program show a significant impact on students' understanding of basic investment concepts. The process began with initial socialization using interactive educational media, such as animated videos and storytelling. Through this approach, students were able to understand topics that are rarely introduced at the elementary school level, namely capital market investment, in an interesting and easy-to-understand manner.

Furthermore, workshop activities involving educational games such as role-playing, where students act as young investors, provide first-hand experience on how stock transactions are carried out. This activity not only teaches the basic concepts of the capital market, but also invites students to experience the impact of the investment decisions they make, whether in the form of profits or losses. In this simulation stage, students are also given simulation sheets containing instructions for making investment decisions, so they can directly experience the consequences of their decisions in a safe and controlled environment.

This experiential learning approach has proven effective in increasing student engagement and providing practical experience on how to manage investments. The results of the evaluation through pre-tests and post-tests showed a significant increase in students' understanding of the capital market, as evidenced by higher test scores after participating in the activity. In addition, through direct observation, it was found that the majority of students showed high interest and actively participated in each stage of the

activity, including in the post-simulation reflective discussion held to explore their experiences.

Meanwhile, to measure long-term investment interest, students were given a simple questionnaire using pictures and short sentences appropriate for their age. The results showed that most students expressed interest in continuing their knowledge of investment and applying responsible investment principles in their daily lives. In addition, educational visual media such as posters and infographics provided in this activity also reinforced students' understanding of the material they had learned, making it easier to remember in the long term.

Overall, this community service activity has succeeded in having a positive impact on students' understanding and involvement in capital market literacy. The experiential learning method applied allows students to not only understand theoretical concepts, but also internalize important values in investing that they can apply in their future lives. Through evaluation and reflection, this activity shows great potential to be continued and developed further, given the importance of financial education from an early age.



Figure 2. Activity documentation

## V. CONCLUSION

The community service activity carried out at SDN 1 Kemantren Jabung with the theme "Early Capital Market Education: Introduction to Smart Investment Concepts for Elementary School Students" has had a positive impact on improving the financial literacy of early childhood. Through an experiential learning approach and interactive learning methods, students were able to understand the basic concepts of investment and the capital market in a fun and applicable way. Activities such as workshops, role-playing games, and simulated fictitious stock transactions successfully fostered enthusiasm, active involvement, and interest in the world of investment among students. Evaluations conducted through pre-tests, post-tests, and observations showed an increase in student understanding of more than 70%, indicating the program's success in achieving its learning objectives.

In addition to improving students' knowledge, this activity also encouraged good collaboration between the community service team, teachers, and students involved, resulting in an effective and sustainable education model. Although there are still several obstacles, such as limited time and learning media, this program has proven that capital market education can be integrated early on with an approach that is appropriate and relevant to the characteristics of children. It is hoped that this activity can serve as a model for other elementary schools to instill financial literacy and smart investment as preparation for the younger generation in facing future economic challenges.

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