

ABSTRACT

Indonesia has experienced a significant increase in internet penetration over the last decade. In 2019-2020 internet penetration as measured by the percentage of internet users from the total population increased by 14.90% or 62.60% of the total population. The implications of increasing internet penetration have an impact on business patterns in various industry lines. One of them is the financial industry which is an important part in the development of the digital economy in Indonesia. Financial technology (fintech) is evidence of the implementation of a financial system with the delivery of more efficient financial services. Fintech has an important role in financial intermediation and help the daily life of almost all people in the world. Fintech has changed the way consumers conduct financial transactions. The fast growing fintech business is the implication of increasing internet penetration in Indonesia. However, the number of Indonesians who are predominantly Muslim is not comparable to sharia fintech business growth. The growth of Islamic fintech is still far from conventional fintech.

This study aims to find out what factors underlie behavioral intentions to use Islamic fintech productive age Muslims. This study uses a combination of existing technology adoption theory by accommodating new variables, namely digital literacy and Islamic financial literacy (sharia financial literacy. The method used in this study is SEM-PLS using the Smart-Pls application to see how the influence of exogenous variables on endogenous variables both simultaneously and in comparison to four types of sharia fintech (fintech payment), loans or peer to peer (P2P) (fintech lending), fintech social crowdfunding and fintech risk and sharia management. Exogenous (independent) variables in this study are Planned behavior (PB), Acceptance Model (AM), Use of Technology (UT), Digital literacy (DL)), Sharia Financial Literacy (SFL) and Behavior Intention (BI) as endogenous variables (dependent).

All dependent variables have a positive and significant relationship in influencing behavioral intentions to use Islamic finance. Meanwhile, Acceptance Model (AM), Digital literacy (DL), Sharia Financial Literacy (SFL) are latent variables that are very important when compared to Planned behavior. (PB) and Use of Technology (UT) in influencing the behavioral intention or Behavior Intention (BI) of productive age Muslims using Islamic fintech. However, in fintech Crowdfunding the Use of Technology (UT) variable does not show a significant influence. On fintech risk and management sharia variable Planned behavior (PB) is proven to have no significant effect in predicting the behavioral intention or Behavior Intention (BI) of productive Muslims.

Keywords: behavior intention, digital literacy, Islamic fintech, sharia financial literacy, technology adoption