ABSTRACT

Islamic banking in Indonesia had a significant role in affecting national exonomic growth during Covid-19 pandemic because it was resilient and even achieved success in increasing assets, third-party funds, and financing. However, this condition is not in line with Islamic financial literacy and the inclusion of Islamic finance in Indonesia, which still lags far behind conventional banking. It is not enough to compete with conventional banking, in the era of digital disruption, the presence of fintech has the potential to become a competitor to Islamic banking. Therefore, it is necessary to innovate in terms of products and improve the quality of services in sharia banking. This study xnalyses the factors that influence the intention to use in using the Islamic digital banking application "Hijra Bank" among millennials and Gen Z in Central Java. Primary data collection was conducted by distributing questionnaires online using a purposive sampling approach, namely Muslim millennials and Z-generation in Central Java who have experience and currently use mobile banking services and know the promotional content of Hijra Bank.

The collected data were measured using a Likert scale and analyzed using Partial Least Square (PLS-SEM) method with SmartPLS 3.0 software. The results showed that there was a positive and significant influence of all variables, namely flexibility, product features, social media influencers, perceived risk, and digital lifestyle. With a moderate level of influence on the intention to use the Islamic digital banking application of Hijra Bank. The test results concluded that the social media influencer variable can be used as a main reference in product development so that Hijra Bank can more specifically curate social media influencers who have a large influence with high account engagement and of course have a good image and are enthusiastic about the Islamic lifestyle.

***Keywords**:Islamic digital bank, flexibility, product features, social media influencers, perceived risk, digital lifestyle.*