

## **ABSTRACT**

*The rapid development of digital technology has transformed financial services, including Islamic banking. However, the adoption level of digital Islamic banking services among the public remains suboptimal. This study aims to analyze the factors influencing behavioral intention and actual use of digital Islamic banking services by employing the Unified Theory of Acceptance and Use of Technology 2 (UTAUT2) framework, which is modified by adding trust, Islamic financial literacy, and perceived risk variables.*

*This research applied a quantitative approach using a survey method. The sample consisted of 220 respondents from Semarang City, selected through non-probability sampling methods, namely purposive, proportional, and accidental sampling. Data were collected using an online questionnaire and analyzed with Partial Least Squares Structural Equation Modeling (PLS-SEM) using SmartPLS 3. The analysis covered outer model and inner model evaluation, including validity and reliability testing, R-square, Q-square, f-square, as well as hypothesis testing through the bootstrapping procedure.*

*The results of this study indicate that most independent variables have a significant effect on the intention and actual use of Islamic digital banking services. The variables habit and facilitating conditions were found to significantly influence both behavioral intention and actual use. In addition, performance expectancy, effort expectancy, hedonic motivation, price value, trust, and Islamic financial literacy significantly affect behavioral intention. Meanwhile, perceived risk has a negative effect on intention, while social influence shows no significant impact. Furthermore, behavioral intention acts as a mediating variable that significantly influences use behavior, implying that users' intentions play a crucial role in bridging psychological and functional factors with actual usage behavior. These findings highlight the importance of enhancing trust, Islamic financial literacy, and digital service quality in promoting Islamic financial inclusion through digital transformation.*

*Keywords: UTAUT2, digital Islamic banking, behavioral intention, use behavior, Islamic financial literacy, trust, perceived risk*