

BUKTI KORESPONDENSI
ARTIKEL JURNAL NASIONAL SINTA 2

Judul Artikel : Sharia Fintech and Gen Z: The Mediating Role of Perceived Usefulness
Jurnal : Share: Jurnal Ekonomi dan Keuangan Islam, 2024, volume 13 (1),
322 – 346
Penulis : M. Arif Hakim, Agus Supriyanto

No.	Perihal	Tanggal
1.	Bukti konfirmasi submit artikel dan artikel yang disubmit	02 April 2024
2.	Bukti konfirmasi keputusan editor	29 April 2024
3.	Bukti konfirmasi hasil review dari reviewer ke-1 dan ke-2	29 April 2024
4.	Bukti konfirmasi author (tim penulis) dan artikel revisi yang di-resubmit	30 April 2024
5.	Bukti konfirmasi artikel diterima untuk dipublikasikan	07 Mei 2024
6.	Bukti konfirmasi submit artikel final untuk dipublikasikan	07 Juni 2024

**1. Bukti konfirmasi
submit artikel
dan artikel yang disubmit
(02 April 2024)**



[Home](#) > [User](#) > [Author](#) > [Submissions](#) > #22990 > **Summary**

#22990 Summary

[SUMMARY](#) [REVIEW](#) [EDITING](#)

Submission

Authors	M. Arif Hakim, Agus Supriyanto
Title	Sharia Fintech and Gen Z: The Mediating Role of Perceived Usefulness
Original file	22990-66021-1-SM.DOCX 2024-04-02
Supp. files	None
Submitter	M. Arif Hakim
Date submitted	April 2, 2024 - 11:50 AM
Section	Articles
Editor	Editor SHARE
Abstract Views	1420

Status

Status	Published Vol 13, No 1 (2024)
Initiated	2024-06-02
Last modified	2024-06-14

SUBMIT PAPER

[EDITORIAL BOARD](#)

[REVIEWERS](#)

[AIMS AND SCOPE](#)

[AUTHOR GUIDELINES](#)

[PEER REVIEW PROCESS](#)

[RETRACTION POLICY](#)

[CHARGES](#)

[INDEXING & ABSTRACTING](#)

[COPYRIGHT NOTICE](#)

[CONTACT](#)

[JOURNAL STATISTICS](#)

GENERATION Z'S BEHAVIORAL INTENTION IN ADOPTING ISLAMIC FINTECH: THE MEDIATING ROLE OF PERCEIVED USEFULNESS

M. Arif Hakim ^{1*}

Agus Supriyanto ^{2*}

^{1,2} Institut Agama Islam Negeri Kudus, Indonesia.

^{*2}Corresponding email: agussupriyanto@iainkudus.ac.id

ABSTRACT - This study aims to examine the mediating role of perceived usefulness on behavioral intention. The research sample consists of 155 respondents from Generation Z in Java Island who use Islamic fintech. Sampling technique used purposive sampling, and data analysis technique employed Structural Equation Modeling with the assistance of AMOS 25.0. The results indicate that perceived usefulness successfully mediates the influence of subjective norms and perceived ease of use on behavioral intention. The managerial implications of this research are that fintech managers gain deeper and more relevant insights into the importance of the perceived usefulness role. This will enable the development of more targeted services in line with market needs, particularly regarding the use of Sharia financial technology to attract customers from Generation Z. Islamic fintech companies can pay more attention to providing services that not only emphasize the usefulness of technology in the Sharia context but also ensure that the technology is user-friendly for potential users, thereby increasing technology adoption.

Keywords: Subyektif Norm, Perceived Usefulness, Perceived Ease of Use, Behavioral Intention.

ABSTRAK – Behavioral Intention Generasi Z Dalam Mengadopsi Fintech Syariah: Peran Mediasi Perceived Usefulness. Penelitian ini bertujuan untuk menguji peran mediasi *perceive usefulness* pada *behavioral intention*. Sampel penelitian adalah Generasi Z di Pulau Jawa yang menggunakan fintech syariah yang berjumlah 155 responden. Teknik pengambilan sampel menggunakan *purposive sampling*, teknik analisis data menggunakan *Structural Equation Modeling* dengan bantuan AMOS 25.0. Hasil penelitian menunjukkan bahwa *perceived usefulness* berhasil memediasi pengaruh *subjective norms* dan *perceived ease of use* terhadap *behavioral intention*. Implikasi manajerial pada penelitian ini adalah manajer fintech memperoleh wawasan yang lebih mendalam dan relevan akan pentingnya peran *perceive usefulness*. Hal ini akan memungkinkan pengembangan layanan yang lebih terarah dan sesuai dengan kebutuhan pasar, khususnya dalam hal penggunaan teknologi keuangan syariah oleh untuk mendapatkan pelanggan dari generasi Z. Perusahaan fintech syariah dapat lebih memperhatikan penyediaan layanan yang tidak hanya menekankan kegunaan teknologi dalam konteks syariah, tetapi juga memastikan bahwa teknologi tersebut mudah digunakan oleh pengguna potensial, yang pada gilirannya akan meningkatkan adopsi teknologi tersebut.

Kata Kunci: Subyektif Norm, Perceived Usefulness, Perceived Ease of Use, Behavioral Intention.

INTRODUCTION

The changing business landscape has impacted every field, affecting the development of economic transactions (Stafford and Kuiper 2021). Islamic Fintech combines IT innovation with existing financial products and services and technology to accelerate and facilitate business operations, transactions, investments, and money distribution in accordance with Sharia principles (Aziz, Lestari, and Furwanti 2020). Current technology facilitates economic transactions, enabling them to be conducted anytime, anywhere, and with just a touch of a finger using Fintech applications (Yang and Wang 2022). The financing of Sharia-compliant fintech in Indonesia is expected to increase from year to year (Nadya and Iqbal 2021). Indeed, the distribution networks of Islamic banks (BSI) and Syariah Rural Banks (BPR Syariah) for Syariah fintech could potentially reach more than Rp 2 trillion. Additionally, the growth of regional banks converting to Syariah is a key factor in the development of the Syariah fintech industry (Tobing and Adrian 2020). Investree Syariah has implemented various tactics, such as attracting institutional investors, to boost performance this year. Syariah fintech, as part of fintech adhering to Islamic Sharia principles, is also becoming increasingly popular among Generation Z who seek financial services alternatives that align with their beliefs (Singh and Sharma 2022).

The adoption of Sharia financial technology by Generation Z currently involves several influencing factors, including subjective norms, perceived ease of use, perceived usefulness, and behavioral intention (Baber and Billah 2022); (Nur 2022); dan (Almajali, Masa'Deh, and Dahalin 2022). Studying and understanding the influence of these variables is crucial to support the growth and acceptance of Sharia financial technology by Generation Z, while also opening opportunities to address potential barriers and challenges that may arise in the adoption and use of Sharia fintech (Usman, Mulia, et al. 2022).

Behavioral intention is the primary predictor in the Theory of Planned Behavior, which is used to understand human behavior in making decisions about a particular action or behavior (Khan et al. 2022). The expectations and hopes of Generation Z regarding Sharia fintech are critical factors in shaping subjective norms and behavioral intentions. Some barriers and challenges in the adoption of Sharia fintech by Generation Z include a lack of understanding of Sharia principles, concerns about security and data privacy, as well as a lack of awareness of the benefits and ease of use of Sharia financial technology (Haseeb, 2018). Identifying these barriers can assist Sharia fintech service providers in designing more effective solutions and campaigns to strengthen behavioral intentions and increase the adoption of Sharia fintech by Generation Z.

The adoption of Sharia fintech by Generation Z not only benefits individual users but also has the potential to contribute positively to the development of inclusive and sustainable economies (Zuhroh 2021). By understanding the factors influencing the adoption and usage of Sharia fintech, service providers and stakeholders can design appropriate strategies to strengthen behavioral intentions and optimize the benefits of Sharia fintech for Generation Z and society as a whole. The research gap in this study lies in the lack of research on Sharia fintech. Despite fintech being a common topic in consumer behavior and financial technology adoption research, studies specifically

focusing on Sharia fintech are limited. This research delves deeper into the use of Sharia fintech among Generation Z, whereas previous studies mainly focused on conventional fintech and were conducted on Millennials. Differences in the characteristics of Sharia fintech users, such as different religious values and ethical orientations, can influence the factors affecting behavioral intention, which is the focus of this study. Previous research on Sharia fintech tended to focus more on technological factors and economic benefits, with limited exploration of the influence of social norms or subjective norms. Identifying how social norms within specific religious communities influence behavioral intention in using Sharia fintech can provide valuable insights.

The novelty of this research lies in highlighting the role of perceived usefulness as a mediator in the context of Sharia fintech. Previous studies have not comprehensively examined the role of perceived usefulness or the perception of technology usefulness as a mediator in the relationship between subjective norms and behavioral intention. This research will fill this gap by explaining how social norms influence behavioral intention through perceptions of the usefulness of Sharia fintech. It will bring cultural and religious contexts into deeper consideration, providing a better understanding of how unique psychological and social factors in societies prioritizing Sharia finance can influence behavioral intention in using Sharia fintech. The hope is that this research can contribute to the development of Sharia fintech by providing valuable insights for developers and providers of Sharia fintech services. By understanding the factors influencing behavioral intention, authorities can design policies that encourage broader and sustainable adoption of Sharia financial technology.

LITERATURE REVIEW

This research examines the Theory of Planned Behavior (TPB), which is a social psychology theory used to understand human behavior in making decisions about a particular action or behavior. The theory was developed by Ajzen (1985), which is an extension of earlier attitude theories. TPB posits that individual behavior is influenced by their behavioral intentions, and these intentions are determined by three main factors: attitude. Attitude encompasses individuals' beliefs about the positive or negative consequences of a behavior.

The Influence of Subjective Norms and Perceived Ease of Use on Perceived Usefulness

Research conducted by (Abdullah et al. 2019) using a survey study of e-government users in Malaysia through a questionnaire. The results of this research found that subjective norms have a positive and significant influence on perceived usefulness. This means that individuals' perceptions of expectations and views of others regarding the use of e-government impact how useful the system is perceived by users. Research by (Wang et al. 2019) using survey methods and collecting data from social commerce users in China found that subjective norms have a positive and significant influence on perceived usefulness in the adoption of social commerce. Perceived ease of use influences perceived usefulness due to the psychological influence between the two concepts. Research by (Lu et al. 2022) states that perceived ease of use significantly influences perceived usefulness.

When users feel that a product or service is easy to use, they will exert less cognitive effort in understanding how to operate it.

Perceived ease of use is often closely related to positive user experience. Users who feel happy and satisfied with their product usage experience tend to prefer and perceive the product as more useful (Londa, Worang, and Arie 2022). By enhancing the perception of ease of use, a product or service can reduce barriers that may hinder users from trying or adopting the product. Perceived ease of use influences perceived usefulness (perceptions of usefulness) among Generation Z in using Sharia fintech due to the correlation between these two factors, which affect preferences, adoption, and usage of technology by Generation Z, who have specific characteristics (Putri et al. 2022).

Sharia fintech offers financial alternatives that align with the values and principles of Islamic Sharia. If Generation Z finds it easy to use Sharia fintech, they are more likely to feel that this service aligns with their values, thus enhancing their perception of its usefulness (Dawood et al. 2022). The views, support, and expectations of others in an individual's social environment can influence their perception of how useful a technology or information system is. This perception then contributes to the user's intention and behavior in adopting and using the technology. Perceived ease of use influences perceived usefulness among Generation Z because the ease of use of Sharia fintech increases the acceptance, adoption, and usage of this technology, which aligns with the specific characteristics of Generation Z.

H1a: Subjective norms significantly influence perceived usefulness.

H1b: Perceived ease of use significantly influences perceived usefulness.

The influence of subjective norms, perceived usefulness, and perceived ease of use on perceived behavioral intention

Subjective norms are a critical factor in the Theory of Planned Behavior (TPB), which has been widely used in the context of consumer behavior studies and technology acceptance. This concept refers to individuals' perceptions of the extent to which social norms, social pressure, or others' expectations influence behavioral intention, or individual behavior intentions (Wang and Tsai 2022). In the context of using Sharia fintech, subjective norms encompass individuals' views on whether their social environment, including family, friends, and the community, supports or opposes the use of Sharia financial technology. These norms can be positive or negative and play a role in shaping individuals' beliefs about whether the use of Sharia fintech is an expected behavior or considered as a favorable action (Baber and Billah 2022).

The perception of subjective norms is highly relevant for understanding behavioral intention in using Sharia fintech. If someone feels that their friends and family support the use of Sharia fintech, then the likelihood of their intention to use it will be higher (Majid and Nugraha 2022). In previous academic studies, subjective norms have been found to significantly influence behavioral intention in various contexts (Oladapo et al. 2022). Companies and service providers can develop more effective marketing and education strategies to encourage the adoption of this technology. Additionally, authorities and regulators can also use the results of this research to develop policies that support the wider and sustainable growth and development of Sharia fintech (Berakon, Aji, and Hafizi 2022).

Previous studies have found that subjective norms have a significant influence on behavioral intention in various contexts, including consumer behavior and technology adoption (Lavidas, Komis, and Achriani 2022). The findings of this research are significant as they demonstrate that social interactions and pressure from the social environment can influence an individual's intention to adopt or reject a behavior, including in the context of using Sharia fintech. The influence of subjective norms on behavioral intention in using Sharia fintech is also important to understand because it can provide insights into how social norms in societies prioritizing Sharia finance affect the adoption of this technology (Perwitasari 2022).

Perceived ease of use refers to the extent to which a user believes that using a technology or system will be easy. If someone perceives that using the technology is easy, they are likely to have a more positive attitude towards using that technology (Almajali, Masa'Deh, and Dahalin 2022). In this context, behavioral intention refers to an individual's intention to use Sharia fintech for financial transactions. Perceived ease of use is considered a factor influencing an individual's behavioral intention to use the technology (Lavidas, Komis, and Achriani 2022). In empirical research and practical applications, it has been found that perceived ease of use significantly influences behavioral intention to use technology. If users believe that the technology is easy to use, they are more likely to have a stronger intention to adopt and use the technology in their daily activities (Fatmawati et al. 2022).

H2a : Subjective norms significantly influence behavioral intentions.

H2b : Perceived usefulness significantly influences behavioral intentions.

H2c : Perceived ease of use significantly influences behavioral intentions.

The influence of subjective norms on behavioral intention is mediated by perceived usefulness

The influence of subjective norms on behavioral intention, mediated by perceived usefulness, is a model or concept that continues to be developed in the context of Sharia fintech adoption and acceptance. Perceived usefulness successfully mediates the influence of subjective norms on behavioral intention (Daragmeh, Lentner, and Sági 2021). Subjective norms do not directly influence behavioral intentions in using Sharia fintech (Sumiati, Widyastuti, and Takidah 2021). Perceived usefulness in using Sharia fintech is considered beneficial and can assist in fulfilling financial needs or achieving financial goals. This mediation process implies that subjective norms influence perceived usefulness, which then affects behavioral intentions. In other words, other people's views on the use of Sharia fintech influence individuals' perceptions of its benefits, which in turn shape their intention to use it.

Research exploring the influence of subjective norms on behavioral intention mediated by perceived usefulness in the context of Sharia fintech has several advantages and practical implications. This research can provide valuable information for authorities and regulators in developing educational campaigns and socialization about the benefits and security of using Sharia fintech. The findings of this research can also serve as input for authorities and regulators in designing policies that support the sustainable development of Sharia fintech. By understanding the factors influencing behavioral intention,

authorities can design policies that encourage wider adoption of Sharia financial technology in society (Al-masaeed et al. 2021).

H3: Subjective norms significantly influence behavioral intention, mediated by perceived usefulness

The influence of perceived ease of use on behavioral intention is mediated by perceived usefulness

Perceived ease of use refers to individuals' perceptions of how easy it is to use a particular technology, such as Sharia fintech in this case. If individuals feel that the technology is easy to use, they tend to have a positive perception of its usability. Perceived ease of use successfully acts as a mediating variable between perceived usefulness and behavioral intentions (Prastiawan, Aisjah, and Rofiaty 2021).

Mediation means that the perception of ease of use influences the perception of usefulness, which in turn affects an individual's intention to actually adopt and use the technology. Research on the influence of perceived ease of use on behavioral intention in the context of Sharia fintech has several important implications. By understanding the influence of perceived ease of use and perceived usefulness, Sharia fintech companies and service providers can optimize the design and user interface to enhance the user experience (Al-Gasawneh et al. 2022). The ease of use and clear benefits can enhance the acceptance of this technology by potential users. (Maryanto and Kaihatu 2021). A higher level of adoption and acceptance will drive the growth of this industry and spur innovation in the Islamic finance sector (Rabbani et al. 2021).

H4: The Perceived Ease of Use significantly influences Behavioral Intention, mediated by Perceived Usefulness

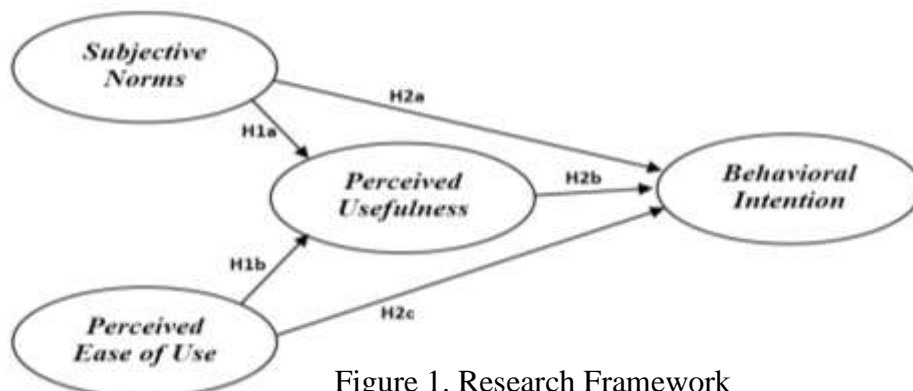


Figure 1. Research Framework

(Source: Daragmeh et al. 2021; Baber & Billah 2022; and Al-Gasawneh et al. 2022)

METHODOLOGY

The research population encompasses Generation Z individuals who utilize Shariah-compliant fintech in Java Island, Indonesia. This is chosen due to the island's dense population in Indonesia. Sampling from densely populated areas can provide a representative overview of Shariah-compliant fintech practices and the level of sustainability and challenges they face. The sampling method to be utilized in this research is purposive sampling. Purposive sampling is one of the non-random sampling

methods that allows researchers to deliberately select samples based on specific characteristics that align with the research objectives (Sekaran and Bougie 2016). In this study, hypothesis testing will be conducted using Structural Equation Modeling with the assistance of AMOS 25.0.

Operational Definition of Variables

Subjective norms refer to concrete measurements or steps utilized in research to gauge or observe individuals' perceptions of social norms or social pressures that encourage or discourage the use of Shariah-compliant fintech. The subjective norms variable in this study is measured using a questionnaire adopted from (Hill, Mann, and Wearing 1996). Perceived ease of use is a concept in consumer behavior and technology adoption studies that refers to individuals' perceptions of how easy and simple it is to use a technology or service. The perceived ease of use variable is measured using a questionnaire adopted from (Kim et al. 2010). Perceived usefulness comprises concrete measures utilized in research to gauge or observe individuals' perceptions of the extent to which a technology or service is considered useful or beneficial in meeting needs or achieving specific goals. Perceived usefulness is measured using a questionnaire adopted from (Davis 1989).

Behavioral intention represents an individual's inclination or intention to engage in a specific behavior or action in the future. Behavioral intention serves as a crucial indicator in predicting actual behavior or actions that individuals will take. Such behavior or actions may include purchasing a product, subscribing to a service, enrolling in a program, or using a particular technology. In this study, behavioral intention is measured using a questionnaire adopted from (Kim et al. 2010). This research is measured using a Likert scale ranging from 1 to 5.

RESULT AND DISCUSSION

Validity Testing

The validity testing of the instruments has been conducted on the three main variables in this study: subjective norms, perceived ease of use, perceived usefulness, and behavioral intention.

Table I. KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.908
Bartlett's Test of Sphericity	Approx. Chi-Square	946.631
	df	105
	Sig.	.000

(Source: Research output, 2023)

The table indicates that from the analysis conducted using SPSS, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO-MSA) value is 0.831. The KMO-MSA value is above 0.5, and the Bartlett Test with significant Chi-square value at 0.000. Therefore, it can be concluded that the factor analysis testing can proceed.

Table 2. Results of Factor Analysis		
Variable	Questionnaire	Value

Subjective Norms	1. Important people in my life (such as family, friends, religious scholars, experts, etc.) believe I should use Shariah-compliant Fintech.	0.604
	2. People whose opinions I value prefer me to use Shariah-compliant Fintech.	0.560
	3. Important people in my life support the use of Shariah-compliant Fintech.	0.727
	4. Significant individuals recommend me to use Shariah-compliant Fintech.	0.722
	5. Important people in my life influence my decision to use Shariah-compliant Fintech.	0.587
Perceived Ease of Use.	1. Learning to use Shariah-compliant Fintech is easy for me.	0.721
	2. The procedures for using Shariah-compliant Fintech are clear and easy to understand.	0.742
	3. It is easy for me to become skilled in using Shariah-compliant Fintech.	0.838
Perceived Usefulness	1. Using Shariah-compliant Fintech enables faster financial transactions.	0.617
	2. Using Shariah-compliant Fintech makes it easier for me to conduct financial transactions.	0.702
	3. Using Shariah-compliant Fintech would be more advantageous than traditional transaction methods.	0.542
	4. In my opinion, transactions with Shariah-compliant Fintech are a useful alternative in financial transactions.	0.621
Behavioral Intention	1. When I have access to financial transactions with Shariah-compliant Fintech, I will use it.	0.632
	2. I will always try to use Shariah-compliant Fintech in my daily life.	0.537
	3. In the future, I intend to conduct transactions with Shariah-compliant Fintech.	0.669

(Source: Research output, 2023)

Based on the validity testing results involving 155 respondents, there is a strong indication that the Anti-image Matrix values indicate validity for all items. This conclusion is based on the fact that all information extracted from these instrument items is fully valid, with each factor loading value exceeding 0.5.

Reliability Testing

The results of instrument reliability testing were conducted to assess the consistency of the questions used in measuring a variable. A variable construct is considered reliable if its alpha value exceeds 0.60. This evaluation aims to ensure whether the questionnaire items used exhibit adequate consistency in measuring the same concept. The results of the instrument's reliability testing can be seen in the following table:

Table 3. Results of Reliability Test

Variabel	Cronbach's Alpha
Subjective Norms	0.865
Perceived Ease of Use.	0.860
Perceived Usefulness	0.821
Behavioral Intention	0.833

(Source: Research output, 2023)

The results of the reliability testing conducted on the instrument are presented in the table. From the calculations, it can be concluded that all variables under focus in this study are reliable, as each variable demonstrates a Cronbach's Alpha value exceeding 0.60, indicating consistency and reliability in measuring these variables.

Hypothesis Testing

Hypothesis testing in this research employs Structural Equation Modeling analysis using the AMOS 21.0 program. The theoretically explained model in the path diagram will be analyzed based on the data obtained in the study. Structural Equation Modeling analysis is conducted to evaluate the unidimensionality level of each indicator forming latent variables. After conducting the tests, the conclusion drawn is that the utilized model is acceptable. Analysis of measurement indices indicates that the Structural Equation Modeling (SEM) model fit test meets the Goodness of Fit requirements. This is evidenced by the adequacy of the Chi-Square, CFI, TLI, AGFI, RMSEA, and GFI values compared to the criteria outlined in the Goodness of Fit table. The results of the testing indicate that the calculations meet the criteria for Goodness of Fit.

Table 4. Hypothesis Testing Results

		Estimate	S.E.	C.R.	P	Keterangan
Subjective Norms	→ Perceived Usefulness	1,447	,146	9,901	***	Supported
Perceived Ease of Use	→ Perceived Usefulness	1,236	,132	9,373	***	Supported
Perceived Usefulness	→ Behavioral Intention	1,243	,131	9,485	***	Supported
Perceived Ease of Use	→ Behavioral Intention	.205	.506	.405	.685	Rejected
Subjective Norms	→ Behavioral Intention	1,527	,158	9,676	***	Supported

(Source: Research output, 2023)

Discussion of Analysis Results

The discussion of the analysis results is a crucial stage in the testing process after the selection and collection of research data. This involves interpreting the data with the aim of providing solutions to the research questions, which are the core of the study itself. One of the analysis methods used in this research is SEM, conducted using AMOS 25.0 software. SEM, which stands for Structural Equation Modeling, is a set of statistical techniques that allow testing a number of complex relationships simultaneously. This method enables researchers to analyze and test theoretical models involving various variables and relationships among variables within a single analytical framework.

The Influence of Subjective Norms and Perceived Ease of Use on Perceived Usefulness

The data processing results using SEM on **hypothesis 1a** indicate a significant influence between the subjective norms variable and perceived usefulness. This is evident from the analysis results in Table 4, where the Critical Ratio (CR) value is 9.901 with a P-value showing a very strong level of significance. As a result, since the CR value exceeds the

threshold of 2.0 and the P-value is less than 0.05, it can be concluded that the hypothesis associating subjective norms with perceived usefulness in this study is **supported**.

If Shariah-compliant fintech is perceived as easy to use, Generation Z is more likely to adopt the service as a practical solution in managing their finances, as it meets the need for ease and convenience in transactions. Furthermore, the research also highlights that perceived ease of use is often associated with positive user experiences. Overall, this previous research emphasizes the importance of considering factors such as subjective norms and ease of use in product or service development. Good integration between ease of use and perceived benefits will help increase user acceptance and satisfaction with technology. This strengthens the argument that technology that is easy to use with clear benefits will be more preferred by users, especially in the context of Generation Z, which has specific preferences regarding the ease of use of technology.

This research aligns with findings from (Abdullah et al, 2019), the research method employed was a survey of e-government users in Malaysia using a questionnaire. The research findings indicate that subjective norms have a positive and significant influence on perceived usefulness. On the other hand, the study conducted by (Wang et al., 2016) involved a survey of social commerce users in China. The research found that subjective norms have a positive and significant influence on perceived usefulness in social commerce adoption. Expectations and perceptions of individuals within their social environment affect how users perceive the benefits of using social commerce platforms. Another study by (Kim & Oh, 2014) gathered data from users of mobile social gaming services in South Korea using a survey method. The research findings showed that subjective norms have a positive and significant influence on perceived usefulness in the adoption of mobile social gaming services. Views and expectations from friends or family regarding the use of social gaming services also play a role in users' perceptions of their benefits.

The data processing results using SEM on **hypothesis 1b** indicate a significant influence between the perceived ease of use variable and perceived usefulness. From the analysis in Table 4, it is evident that the Critical Ratio (CR) value is -9.373 with a P-value showing a very strong level of significance. With the CR value exceeding the threshold of 2.0 and the P-value less than 0.05, it can be concluded that the hypothesis linking perceived ease of use with perceived usefulness in this study is **supported**. In the research context, this result emphasizes that the perception of the ease of using a technology, in this case, Shariah-compliant fintech, significantly influences how individuals perceive the usefulness or benefits of that technology (perceived usefulness). This means that the easier individuals feel using the technology, the higher the likelihood they will perceive the technology as beneficial or useful for their financial needs or activities. Perceived ease of use influences perceived usefulness because of the psychological linkage between these two concepts.

This study reinforces the research conducted by (Lu et al. 2022), stating that perceived ease of use has a significant influence on perceived usefulness. When users perceive a product or service as easy to use, they will experience less cognitive effort in understanding how to use it. This makes users faster and more efficient in using the product. Ease of use can also increase users' confidence in using the product or service.

The perception of ease of use is often closely related to positive user experiences. Users who feel happy with the experience of using a product tend to prefer and perceive the product as more useful (Londa et al. 2022). By enhancing the perception of ease of use, products or services can reduce barriers that may hinder users from trying or adopting them. Perceived ease of use plays an important role in the adoption of Shariah-compliant fintech by Generation Z because this generation has different preferences, adoption, and usage of technology (Putri et al. 2022).

Generation Z grew up in the digital era with extensive exposure to technology and has higher technological skills. The ease of use of Shariah-compliant fintech meets their need for ease and convenience in managing their finances. Shariah-compliant fintech offers financial alternatives in line with the values and principles of Islamic Shariah. If Generation Z feels that Shariah-compliant fintech is easy to use, they are likely to perceive this service as consistent with their values and find it more useful (Dawood et al. 2022). In conclusion, various studies show that subjective norms have a positive influence on perceived usefulness. Views, support, and expectations from an individual's social environment can affect their perception of the usefulness of a technology or information system. While perceived ease of use impacts perceived usefulness in Generation Z due to the ease of using technology that aligns with the specific characteristics of that generation.

The Influence of Subjective Norms, Perceived Usefulness, and Perceived Ease of Use on Behavioral Intention

The results of the analysis using Structural Equation Modeling (SEM) for **hypothesis 2a** indicate significant findings. The Critical Ratio (CR) value for testing the influence of subjective norms on behavioral intention, as represented in Table 4, is 9.485 with a highly significant P-value. This finding confirms previous research results by affirming the relationship between subjective norms and behavioral intention. The significance of the CR value exceeding 2.0 and the P-value less than 0.05 confirms that the hypothesis proposed in this study is **supported**.

This concept revolves around the influence of individuals' views and expectations from their social environment on their behavioral intentions to adopt a specific technology or behavior, as highlighted by researchers (Wang & Tsai, 2022). The views and expectations of the social environment are crucial in shaping individuals' mindsets regarding how they should act or use technology. This includes the influence and expectations of family, friends, and society on technology acceptance and how these perceptions affect individual decisions to adopt the debated behavior or technology. Thus, subjective norms not only reflect social expectations of individual behavior but also play a significant role in shaping individuals' behavioral intentions towards technology or behavior.

In the context of Shariah-compliant fintech, subjective norms are relevant because they consider individuals' views on the support or rejection from the social environment regarding the use of Shariah-compliant financial technology. Various studies have highlighted that perceptions from family, friends, and society play a significant role in influencing individuals' intentions to use Shariah-compliant fintech. If the environment provides support, the tendency to adopt this technology increases. Conversely, if there is rejection or disapproval from the environment, the intention to use Shariah-compliant fintech tends to decrease. This implies that attitudes and support from the social

environment are essential factors in shaping individuals' decisions to adopt financial technology.

Subjective norms play a crucial role in driving or inhibiting the adoption of Shariah-compliant fintech. Views and support from the social environment can exert significant pressure on individuals' decisions to use this financial technology. The results of data analysis using Structural Equation Modeling (SEM) for **hypothesis 2b** show significant results. The Critical Ratio (CR) value for testing the influence of perceived usefulness on behavioral intention, as recorded in Table 4, is 9.357 with a highly significant P-value. From these test results, the hypothesis proposed in this study receives **strong support**. The significance of the CR value exceeding the threshold of 2.0 and the P-value less than 0.05 indicate that the hypothesis in this study is supported by the SEM analysis. The conclusion of this study confirms that perceived usefulness has a strong influence on behavioral intention, confirming the influence between perceived usefulness and behavioral intention within the scope of the study. Previous research has emphasized that social norms influence behavioral intentions in various contexts, including the adoption of financial technology.

Social norms encompass individuals' views and expectations from their social environment regarding specific behaviors, and this plays a significant role in shaping individuals' decisions to adopt Shariah-compliant fintech. If an individual's environment is supportive, their willingness to adopt this technology increases. Conversely, if there is rejection or disapproval from the environment, the intention to use Shariah-compliant fintech will tend to decrease. Meanwhile, perceived ease of use, or the perception of ease of use, also plays a crucial role in shaping behavioral intention. This factor highlights the extent to which individuals feel that using a particular technology is easy. In the context of Shariah-compliant fintech, if users perceive this technology as easy to use, the intention to use it will significantly increase.

The perception of ease of use creates a positive tendency in adopting technology, especially in the growing market of Shariah-compliant fintech. In the context of regulations and policies, understanding the impact of social norms and perceptions of ease of use in adopting Shariah-compliant fintech can help authorities create regulations that support the growth and development of this financial technology more broadly and sustainably. Innovations in Shariah-compliant fintech are becoming increasingly important in providing financial services that align with Islamic principles and are accessible to the communities in need. Overall, further research and understanding of the factors influencing behavioral intentions in adopting Shariah-compliant fintech, especially through the lens of social norms and perceptions of ease of use, have significant implications for the development, market penetration, and acceptance.

The results of the data analysis using Structural Equation Modeling (SEM) on **hypothesis 2c** showed significant findings. The Critical Ratio (CR) value for testing the influence of perceived ease of use on behavioral intention, as recorded in Table 4, is 0.405 with a P-value of 0.685. From these test results, it can be concluded that the hypothesis proposed in the study. The significance of the CR value being less than the threshold of 2.0 and the P-value being greater than 0.05 indicate that the hypothesis in this study is **not supported or rejected**. The conclusion of this research confirms that perceived ease of use does not

have an influence on behavioral intention, thus undermining the understanding of the relationship between the perception of ease of use and behavioral intention within the scope of this study.

This study is in line with previous research conducted by (Lee et al. 2022), which suggests that perceived ease of use is not considered a factor influencing an individual's behavioral intention to use technology. A deeper understanding of subjective norms and perceived ease of use is not deemed crucial. This condition arises because there are still few users of Shariah-compliant fintech applications, and the ratings of these applications on the Google Play Store are not favorable. The subjectivity of social norms and perceptions of the ease of use of Shariah-compliant financial technology have not yet provided a basis for developing more effective marketing strategies, nor have they led to educational approaches that can enhance the adoption and acceptance of this technology among the public. Although environmental support for adopting this technology will increase, there is also resistance, leading to a decrease in the tendency to use it.

This creates challenges for companies to understand and respond to adoption patterns. Perceived ease of use refers to an individual's perception of how easy they believe the technology can be used. When individuals perceive the technology as easy to use, their intention to use it, in fact, does not become stronger. The focus on ensuring that the technology is easy to understand and use by potential users is key to increasing the adoption of Shariah-compliant fintech. By deepening the understanding of these factors, companies can direct more specific and relevant marketing and educational efforts. For example, if research shows that environmental rejection is one of the main obstacles, strategies focused on socialization and education in specific communities will be important. Likewise, if perceived ease of use is a challenge, developing simpler and more intuitive user interfaces becomes imperative. The role of regulators and government agencies is also crucial in understanding these factors. With a better understanding, policies can be formed to support the overall growth of Shariah-compliant fintech. This may include government-supported education campaigns, incentives, or regulations designed to reduce adoption barriers, and frameworks that lead to the development of products that better suit the needs of the public. Through a deeper understanding of perceived ease of use, both fintech companies and regulators can take smarter and more measured steps. This will help strengthen the Shariah-compliant fintech market, with the hope of providing a solid foundation for the sustainable adoption of Shariah-compliant financial technology among the public, especially among Generation Z.

The Influence of Subjective Norms on Behavioral Intention Mediated by Perceived Usefulness

This research successfully found that perceived usefulness mediates the relationship between subjective norms and behavioral intention, supporting hypothesis 3 in this study. The influence of subjective norms on behavioral intention mediated by perceived usefulness is a model currently being developed and extensively researched in the context of Shariah-compliant fintech adoption and acceptance.

These research findings reinforce previous studies conducted by (Daragmeh et al. 2021), showing that perceived usefulness effectively mediates the influence of subjective norms on behavioral intention. If individuals feel pressure from their social environment to use

fintech services because it is deemed appropriate or expected, it will affect their intention to actually adopt fintech. Another study by (Sumiati et al. 2021) showed that subjective norms do not directly influence behavioral intentions in using Shariah-compliant fintech. However, perceived usefulness mediates the relationship between these two variables. Perceived usefulness in using Shariah-compliant fintech is considered a beneficial factor in meeting financial needs or goals. This mediating process indicates that other people's views on the use of Shariah-compliant fintech influence individuals' perceptions of its benefits, which in turn shape their intention to use it.

Another study by (Sumiati et al. 2021) investigated the indirect influence of subjective norms on behavioral intentions in using Shariah-compliant fintech. However, the role of perceived usefulness in this study becomes crucial as a mediator. Perceived usefulness in the context of Shariah-compliant fintech is seen as a useful tool in meeting financial needs or achieving financial goals. Through the mediation process, subjective norms influence perceived usefulness, which subsequently affects behavioral intentions. The implications of this research not only impact consumer behavior understanding but also provide valuable insights for regulators and authorities. The information generated can assist in designing educational and awareness campaigns that emphasize the benefits and safety of using Shariah-compliant fintech. With a better understanding of the factors influencing behavioral intention, regulations and policies that encourage the adoption of Shariah-compliant financial technology can be designed more effectively and sustainably. Studies on the influence of subjective norms on behavioral intention mediated by perceived usefulness in the context of Shariah-compliant fintech are expected to make a significant contribution to supporting the development and widespread acceptance of Shariah-compliant financial technology in society, as well as strengthening understanding of the Shariah financial market.

The Influence of Perceived Ease of Use on Behavioral Intention Mediated by Perceived Usefulness

The influence of perceived ease of use on behavioral intention mediated by perceived usefulness in hypothesis 4 of this study is fully supported (full mediation). Perceived ease of use refers to individuals' perceptions of how easy a technology, such as Shariah-compliant fintech, is to use. If individuals perceive the technology as easy to use, they are likely to have a positive view of its usability. On the other hand, perceived usefulness refers to the extent to which individuals see the technology as useful in meeting their financial needs or goals. This study supports previous research by (Prast et al. 2021), which found that perceived usefulness acts as a mediator between perceived ease of use and behavioral intentions.

This mediation indicates that perceptions of ease of use influence perceptions of the technology's usefulness, which ultimately affects individuals' intentions to actually adopt and use the technology. The ease of use and clear benefits of this technology can increase acceptance by potential users. This research is expected to identify barriers that potential users may face in adopting Shariah-compliant fintech. By reducing barriers and improving ease of use, the adoption rate of this technology can be increased. Improving potential users' understanding will help increase their behavioral intention to use this technology. With higher adoption and acceptance, it is expected to drive growth in the Shariah-compliant fintech industry and stimulate innovation in the Shariah finance sector.

Therefore, research on the influence of perceived ease of use on behavioral intention mediated by perceived usefulness in the context of Shariah-compliant fintech will provide valuable insights for stakeholders to understand consumer behavior and factors influencing the adoption of Shariah-compliant financial technology. Generation Z, known for their tech-savvy skills and tendency to use technology in their daily lives, is a critical user segment in technology innovation adoption, especially in the financial sector. Perceived ease of use refers to individuals' perceptions of how easy a technology can be used. In the context of Shariah-compliant fintech, how easy Generation Z perceives the use of Shariah-compliant financial platforms or services can influence their tendency to adopt such services.

Factors such as intuitive layout, easy navigation, and clarity and ease of use of the platform can influence Generation Z's interest in adopting Shariah-compliant fintech services. Perceived usefulness highlights how Generation Z perceives Shariah-compliant financial technology as a useful tool in achieving their financial goals. Perceived usefulness explores their perceptions of how effective and beneficial the technology is in meeting their financial needs. The information generated from this research will help them design platforms that are more attractive, easy to use, and effective in meeting the financial needs and desires of Generation Z in line with Shariah principles.

CONCLUSIONS

Based on the results of the hypothesis testing analysis, several conclusions can be drawn. Firstly, there is a significant influence of subjective norms and perceived ease of use factors on perceived usefulness. Subjective norms, reflecting individuals' perceptions of support or rejection from their social environment towards Shariah-compliant financial technology, significantly affect their perceptions of the usefulness of the technology. Perceived ease of use, which represents the perception of how easy the technology is to use, also significantly influences perceptions of technology usefulness. Secondly, factors such as subjective norms, perceived usefulness, and perceived ease of use have an impact on perceived behavioral intention. Subjective norms significantly influence behavioral intention, indicating that expectations from the social environment can influence individuals' intentions to use Shariah-compliant financial technology. Perceived usefulness also significantly influences behavioral intention, showing that individuals' beliefs about the usefulness of the technology affect their willingness to use it. However, perceived ease of use does not have a significant impact on behavioral intention in the studied population.

Furthermore, there is a mediating relationship between these factors. Subjective norms influence behavioral intention through perceived usefulness, indicating that perceptions and pressures from the social environment influence individuals' decisions to use Shariah-compliant fintech, and perceived usefulness mediates this relationship. Similarly, perceived ease of use influences behavioral intention through perceived usefulness. The limitation of this study is its focus solely on the adoption of Shariah-compliant fintech by Generation Z in Java Island, Indonesia. Recommendations for further research include

expanding the scope, including deeper analysis of the influence of subjective norms on perceived usefulness, and how this affects behavioral intention. Further studies can also focus on the differences between respondents' age ranges and their preferences for specific financial activities using Shariah-compliant fintech, to provide more detailed and relevant insights into consumer behavior, particularly Generation Z, in adopting Shariah-compliant fintech.

REFERENCES

- Al-Gasawneh, Jassim Ahmad, Batool Al Khoja, Marzouq Ayed Al-Qeed, Nawras M Nusairat, Qais Hammouri, and Marhana Mohamed Anuar. 2022. "Mobile-Customer Relationship Management and Its Effect on Post-Purchase Behavior: The Moderating of Perceived Ease of Use and Perceived Usefulness."
- Almajali, Dmaithan Abdelkarim, Ra'Ed Masa'Deh, and Zulkhairi Md Dahalin. 2022. "Factors Influencing the Adoption of Cryptocurrency in Jordan: An Application of the Extended TRA Model." *Cogent Social Sciences* 8 (1): 2103901.
- Berakon, Izra, Hendy Mustiko Aji, and Muhammad Riza Hafizi. 2022. "Impact of Digital Sharia Banking Systems on Cash-Waqf among Indonesian Muslim Youth." *Journal of Islamic Marketing* 13 (7): 1551–73.
- Daragmeh, Ahmad, Csaba Lentner, and Judit Sági. 2021. "FinTech Payments in the Era of COVID-19: Factors Influencing Behavioral Intentions of 'Generation X' in Hungary to Use Mobile Payment." *Journal of Behavioral and Experimental Finance* 32: 100574. <https://doi.org/10.1016/j.jbef.2021.100574>.
- Davis, Fred D. 1989. "Technology Acceptance Model: TAM." Al-Suqri, MN, Al-Aufi, AS: *Information Seeking Behavior and Technology Adoption*, 205–19.
- Fatmawati, Indah, Delvira Althaf Zulfanti, Nurul Aini, and Fadhilah Tsani. 2022. "Young Customers' Perception of Sharia Financial Services Mobile-Banking and Behavioral Intention Consequences." In *International Conference on Business and Technology*, 116–25. Springer.
- Hair Jr, Joseph F, G Tomas M Hult, Christian M Ringle, Marko Sarstedt, Nicholas P Danks, Soumya Ray, Joseph F Hair, G Tomas M Hult, Christian M Ringle, and Marko Sarstedt. 2021. "An Introduction to Structural Equation Modeling." *Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R: A Workbook*, 1–29.
- Hill, Matt, Leon Mann, and Alexander J Wearing. 1996. "The Effects of Attitude, Subjective Norm and Self-efficacy on Intention to Benchmark: A Comparison between Managers with Experience and No Experience in Benchmarking." *Journal of Organizational Behavior* 17 (4): 313–27.
- Khan, Mohammad Shahfaraz, Mustafa Raza Rabbani, Iqbal Thonse Hawaldar, and Abu Bashar. 2022. "Determinants of Behavioral Intentions to Use Islamic Financial Technology: An Empirical Assessment." *Risks* 10 (6): 114.

- Kim, Soo Hyun, SeungHyun Kim, Chang Huh, and Bonnie Knutson. 2010. "A Predictive Model of Behavioral Intention to Spa Visiting: An Extended Theory of Planned Behavior."
- Londa, Dominika R, Frederik G Worang, and Fitty V Arie. 2022. "The Influence of Perceived Credibility, Perceived Ease of Use, and Perceived Usefulness toward Customer Satisfaction in Using BSGtouch." *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi* 10 (4): 934–45.
- Maryanto, Rakha Hendra, and Thomas Stefanus Kaihatu. 2021. "Customer Loyalty as an Impact of Perceived Usefulness to Grab Users, Mediated by Customer Satisfaction and Moderated by Perceived Ease of Use." *Binus Business Review* 12 (1): 31–39.
- Oladapo, Ibrahim Abiodun, Manal Mohammed Hamoudah, Md Mahmudul Alam, Olawale Rafiu Olaopa, and Ruhaini Muda. 2022. "Customers' Perceptions of FinTech Adaptability in the Islamic Banking Sector: Comparative Study on Malaysia and Saudi Arabia." *Journal of Modelling in Management* 17 (4): 1241–61.
- Padli, M Syaiful. 2021. "Syariah Guna Mendukung Merger Bank Bumh Syariah Dan Kesejahteraan Sektor Pertanian Indonesia Era" 6. <https://doi.org/10.21154/muslimheritage.v6i2.2878>.
- Perwitasari, Astri Wening. 2022. "The Effect of Perceived Usefulness and Perceived Easiness towards Behavioral Intention to Use Fintech by Indonesian MSMEs." *The Winners* 23 (1): 1–9.
- Prastiawan, Denny Indra, Siti Aisjah, and Rofiaty Rofiaty. 2021. "The Effect of Perceived Usefulness, Perceived Ease of Use, and Social Influence on the Use of Mobile Banking through the Mediation of Attitude toward Use." *APMBA (Asia Pacific Management and Business Application)* 9 (3): 243–60.
- Putri, Debi Eka, Onita Sari Sinaga, Acai Sudirman, Fedianty Augustinah, and Edy Dharma. 2022. "Analysis of the Effect of Perceived Ease of Use, Perceived Usefulness, Trust, and Cashback Promotion on Intention to Use E-Wallet." *International Journal of Economics, Business and Management Research* 6 (11).
- Rabbani, Mustafa Raza, Abu Bashar, Nishad Nawaz, Sitara Karim, Mahmood Asad Mohd Ali, Habeeb Ur Rahiman, and Md Shabbir Alam. 2021. "Exploring the Role of Islamic Fintech in Combating the Aftershocks of Covid-19: The Open Social Innovation of the Islamic Financial System." *Journal of Open Innovation: Technology, Market, and Complexity* 7 (2): 136.
- Sekaran, Uma, and Roger Bougie. 2016. *Research Methods for Business: A Skill Building Approach*. John Wiley & Sons.

- Singh, Ashish Kumar, and Prayas Sharma. 2022. "A Study of Indian Gen X and Millennials Consumers' Intention to Use FinTech Payment Services during COVID-19 Pandemic." *Journal of Modelling in Management* 18 (4): 1177–1203.
- Stafford, Laura, and Kimberly Kuiper. 2021. "Social Exchange Theories: Calculating the Rewards and Costs of Personal Relationships." In *Engaging Theories in Interpersonal Communication*, 379–90. Routledge.
- Wang, Jieh-Jiuh, and Ning-Yu Tsai. 2022. "Factors Affecting Elementary and Junior High School Teachers' Behavioral Intentions to School Disaster Preparedness Based on the Theory of Planned Behavior." *International Journal of Disaster Risk Reduction* 69: 102757.
- Yang, Lihong, and Shixun Wang. 2022. "Do Fintech Applications Promote Regional Innovation Efficiency? Empirical Evidence from China." *Socio-Economic Planning Sciences* 83: 101258.

**2. Bukti konfirmasi
keputusan editor
(29 April 2024)**

Editor
2024-04-29 10:13 PM

Subject: [SHARE] Editor Decision - Revision Required

DELETE

Agus Supriyanto:

We have decision regarding your submission to Share: Jurnal Ekonomi dan Keuangan Islam, "GENERATION Z'S BEHAVIORAL INTENTION IN ADOPTING ISLAMIC FINTECH: THE MEDIATING ROLE OF PERCEIVED USEFULNESS". After considering the reviewers' feedback, and comments of the editor in charge, we decided to have your article be revised to improve its overall quality.

Please follow the reviewer/s comments and indicate your revisions by using track changes or highlighting them within the manuscript. We expect to receive your revised article within 15 days from this email.

Thank you.

Editor SHARE

Share: Jurnal Ekonomi dan Keuangan Islam
Universitas Islam Negeri Ar-Raniry Banda Aceh
jurnal.share@ar-raniry.ac.id

Share: Jurnal Ekonomi dan Keuangan Islam
Share: Journal of Islamic Economic and Finance
<http://jurnal.ar-raniry.ac.id/index.php/Share>

**3. Bukti konfirmasi hasil review
dari reviewer ke-1 dan ke-2
(29 April 2024)**

Dear author,

Thank you for submitting your research paper titled "GENERATION Z'S BEHAVIORAL INTENTION IN ADOPTING ISLAMIC FINTECH: THE MEDIATING ROLE OF PERCEIVED USEFULNESS" for review. After carefully evaluating the manuscript, I have several suggestions for improvement before the paper can be considered for publication.

Strengths:

1. The research topic is relevant and timely, as it addresses the important issue of Islamic fintech adoption among Generation Z.
2. The study uses a robust theoretical framework, incorporating the Theory of Planned Behavior and relevant constructs such as subjective norms, perceived ease of use, perceived usefulness, and behavioral intention.
3. The research methodology is clearly described, including the sampling technique, data analysis method (SEM), and the use of AMOS 25.0 software.

Weaknesses and suggestions for improvement:

1. The abstract could be more concise and focused. It should clearly state the research objectives, key findings, and implications without excessive detail.
2. The introduction would benefit from a more comprehensive discussion of the research gap and the study's novelty. Clearly articulate how this study contributes to the existing body of knowledge on Islamic fintech adoption.
3. The literature review section could be more critical and synthesized. Instead of simply listing previous studies, discuss how they relate to your research questions and hypotheses, and identify any inconsistencies or gaps in the literature that your study aims to address.
4. The hypotheses development could be strengthened by providing more theoretical justification for each proposed relationship. Clearly link each hypothesis to the relevant literature and explain the underlying reasoning.
5. In the methodology section, provide more details on the measurement scales used for each construct and their sources. Also, discuss the validity and reliability of these scales.
6. The results section should be reorganized to present the findings more clearly and logically. Begin with the measurement model assessment (e.g., factor loadings, reliability, and validity), followed by the structural model results (hypothesis testing). Use subheadings to guide the reader through the different parts of the analysis.
7. In the discussion section, interpret the findings in light of the existing literature and the Indonesian context. Discuss how your results support or contradict previous studies and offer possible explanations for any discrepancies. Also, consider the practical implications of your findings for Islamic fintech providers and policymakers.

8. The conclusion section should summarize the key findings, limitations, and future research directions. Avoid introducing new information or arguments in this section.
9. Throughout the paper, ensure consistency in terminology and formatting. For example, "subjective norms" is sometimes referred to as "subjective norm" or "subyektif norm."
10. Proofread the manuscript carefully to eliminate grammatical errors, typos, and awkward phrasing. Consider having a native English speaker or professional proofreading service review the paper.

Recommendation:

Based on the current state of the manuscript, I recommend a major revision before it can be considered for publication. The authors should address the weaknesses and suggestions for improvement outlined above to enhance the clarity, coherence, and contribution of the study. With careful revision, this paper has the potential to make a valuable contribution to the literature on Islamic fintech adoption among Generation Z.

1. Introduction and Background:

- The introduction sets a good context but could further emphasize the unique aspects of Generation Z that influence their adoption of fintech solutions, especially within the Islamic context.
- The research gap is identified, but it could be more sharply defined to highlight the novel contribution of the study more distinctly.

2. Literature Review:

- The literature review is extensive but occasionally reads more like an annotated bibliography rather than a cohesive synthesis of previous research. More effort should be made to integrate these studies into a narrative that leads logically to the research questions and hypotheses.
- The theoretical framework (TPB) is well explained, but the connection between TPB and the specific constructs of the study could be stronger.

3. Methodology:

- The methodology is detailed, providing clear information on the population, sampling method, and analysis. However, the justification for the choice of Generation Z and the specific regions within Java could be strengthened.
- More information on the questionnaire development and pre-testing would enhance the reader's understanding of the measures' validity and reliability in this specific context.

4. Results and Discussion:

- The results are well-presented with clear tables and figures. Each hypothesis test is followed by a discussion that relates findings back to the literature, which is good practice.
- However, the discussion could be deepened to better explore the implications of the findings, particularly unexpected results or variations from the literature.

5. Conclusions and Implications:

- The conclusions succinctly summarize the findings and their implications. The study's limitations are acknowledged, which is good, but could also include potential biases or the generalizability of the findings.
- Recommendations for future research are helpful, though somewhat generic. More specific suggestions based on the study's findings could be more useful for future researchers.

Recommendations for Publication

Given the relevance of the topic and the thorough methodology, the paper is a valuable contribution to the literature on Islamic fintech and Generation Z. However, I recommend accepting this paper **with minor revisions**. The authors should focus on enhancing the integration of the literature review, deepening the discussion of their results, and providing more specific future research directions.

**4. Bukti konfirmasi
author (tim penulis)
dan artikel revisi yang disubmit
(30 April 2024)**

Author
2024-04-30 05:48 PM

Subject: GENERATION Z'S BEHAVIORAL INTENTION IN ADOPTING ISLAMIC FINTECH: THE
MEDIATING ROLE OF PERCEIVED USEFULNESS DELETE

Assaamu 'alaikum warahmatullahi wabarakatuh.

Dear Editor of Share: Journal of Islamic Economics and Finance,

Thank you for providing a response and an opportunity for us, authors from IAIN Kudus, to publish in the journal under your management. We have revised the manuscript according to the reviewer's requests and have sent the revised version. To receive a prompt response, we kindly request that you inform us via email: agussupriyanto@iainkudus.ac.id or through WhatsApp at 081228473079, as we did not receive notifications via email in the previous instance.

We look forward to hearing positive news regarding the next steps. Thank you.

Agus Supriyanto, M.M.
IAIN Kudus

Share: Jurnal Ekonomi dan Keuangan Islam
Share: Journal of Islamic Economic and Finance
<http://jurnal.ar-raniry.ac.id/index.php/Share>

GENERATION Z'S BEHAVIORAL INTENTION IN ADOPTING ISLAMIC FINTECH: THE MEDIATING ROLE OF PERCEIVED USEFULNESS

M. Arif Hakim ^{1*}

Agus Supriyanto ^{2*}

^{1,2} Institut Agama Islam Negeri Kudus, Indonesia.

^{*2}Corresponding email: agussupriyanto@iainkudus.ac.id

ABSTRACT - This study aims to examine the mediating role of perceived usefulness in the adoption of Sharia fintech. The research sample consists of Generation Z individuals in Java Island who utilize Sharia fintech, totaling 155 respondents. Purposive sampling technique was employed for sample selection, while data analysis was conducted using Structural Equation Modeling with the assistance of AMOS 25.0. The results of the study indicate that perceived usefulness successfully mediates the influence of subjective norms on behavioral intention. Additionally, perceived usefulness fully mediates the influence of perceived ease of use on behavioral intention in this study. The managerial implications of this research suggest that fintech managers gain deeper and relevant insights. Service development should be targeted and aligned with market needs. Sharia fintech companies can pay more attention to providing services that emphasize the benefits of technology use to increase user interest in Sharia fintech adoption, especially considering that Indonesia has a predominantly Muslim population, thus ensuring that the technology is user-friendly is essential for these companies.

Keywords: Subyektif Norm, Perceived Usefulness, Perceived Ease of Use, Behavioral Intention.

ABSTRAK – Behavioral Intention Generasi Z Dalam Mengadopsi Fintech Syariah: Peran Mediasi Perceived Usefulness. Penelitian ini bertujuan untuk menguji peran mediasi *perceive usefulness* dalam penggunaan fintech syariah. Sampel penelitian adalah Generasi Z di Pulau Jawa yang menggunakan fintech syariah, berjumlah 155 responden. Teknik pengambilan sampel menggunakan *Purposive sampling*, teknik analisis data menggunakan *Structural Equation Modeling* dengan bantuan AMOS 25.0. Hasil penelitian menunjukkan bahwa *perceived usefulness* berhasil memediasi pengaruh *subjective norms* terhadap *behavioral intention*. Pada penelitian ini *perceived usefulness* juga berhasil memediasi secara penuh (*full mediation*) pengaruh *perceived ease of use* terhadap *behavioral intention*. Implikasi manajerial pada penelitian ini adalah manajer fintech memperoleh wawasan yang lebih mendalam dan relevan. Pengembangan layanan harus terarah dan sesuai dengan kebutuhan pasar. Perusahaan fintech syariah dapat lebih memperhatikan penyediaan layanan dengan menekankan pada manfaat penggunaan teknologi untuk meningkatkan minat penggunaan fintech syariah karena Negara Indonesia memiliki masyarakat mayoritas beragama Islam, sehingga perusahaan penting untuk memastikan bahwa teknologi tersebut mudah digunakan.

Kata Kunci: Subyektif Norm, Perceived Usefulness, Perceived Ease of Use, Behavioral Intention.

INTRODUCTION

The changing business landscape has impacted every field, affecting the development of economic transactions (Stafford and Kuiper 2021). Islamic Fintech combines IT innovation with existing financial products and services and technology to accelerate and facilitate business operations, transactions, investments, and money distribution in accordance with Sharia principles (Aziz, Lestari, and Furwanti 2020). Current technology facilitates economic transactions, enabling them to be conducted anytime, anywhere, and with just a touch of a finger using Fintech applications (Yang and Wang 2022).

The financing of Sharia-compliant fintech in Indonesia is expected to increase from year to year (Nadya and Iqbal 2021). Indeed, the distribution networks of Islamic banks (BSI) and Shariah Rural Banks (BPR Syariah) for Shariah fintech could potentially reach more than Rp 2 trillion. Additionally, the growth of regional banks converting to Shariah is a key factor in the development of the Shariah fintech industry (Tobing and Adrian 2020). Investree Syariah has implemented various tactics, such as attracting institutional investors, to boost performance this year. Shariah fintech, as part of fintech adhering to Islamic Sharia principles, is also becoming increasingly popular among Generation Z who seek financial services alternatives that align with their beliefs (Singh and Sharma 2022). The adoption of Sharia financial technology by Generation Z currently involves several influencing factors, including subjective norms, perceived ease of use, perceived usefulness, and behavioral intention (Baber and Billah 2022); (Nur 2022); dan (Almajali, Masa'Deh, and Dahalin 2022). Studying and understanding the influence of these variables is crucial to support the growth and acceptance of Sharia financial technology by Generation Z, while also opening opportunities to address potential barriers and challenges that may arise in the adoption and use of Sharia fintech (Usman, Mulia, et al. 2022).

Behavioral intention is the primary predictor in the Theory of Planned Behavior, which is used to understand human behavior in making decisions about a particular action or behavior (Khan et al. 2022). The expectations and hopes of Generation Z regarding Sharia fintech are critical factors in shaping subjective norms and behavioral intentions. Some barriers and challenges in the adoption of Sharia fintech by Generation Z include a lack of understanding of Sharia principles, concerns about security and data privacy, as well as a lack of awareness of the benefits and ease of use of Sharia financial technology (Haseeb, 2018).

The adoption of Sharia fintech by Generation Z not only benefits individual users but also has the potential to contribute positively to the development of inclusive and sustainable economies (Zuhroh 2021). The research gap in this study lies in the lack of research on Sharia fintech. Despite fintech being a common topic in consumer behavior and financial technology adoption research, studies specifically focusing on Sharia fintech are limited. This research delves deeper into the use of Sharia fintech among Generation Z, whereas previous studies mainly focused on conventional fintech and were conducted on Millennials. Differences in the characteristics of Sharia fintech users, such as different religious values and ethical orientations, can influence the factors affecting behavioral intention, which is the focus of this study. Identifying how social norms within

specific religious communities influence behavioral intention in using Sharia fintech can provide valuable insights.

The novelty of this research lies in examining the role of perceived usefulness as a mediator in the context of Sharia fintech, a comprehensive investigation that has not been previously explored. Previous studies have not thoroughly examined the role of perceived usefulness or perceptions of technology usefulness as a mediator in the relationship between subjective norms and behavioral intention. This research aims to fill this gap by elucidating how social norms influence behavioral intention through perceptions of the usefulness of Sharia fintech. It will delve deeper into cultural and religious contexts, focusing specifically on the island of Java due to its highest number of users and the presence of headquarters of fintech companies in the region. The hope is that this research will contribute to the development of Sharia fintech by providing valuable insights for developers and providers of Sharia fintech services on a broader and sustainable scale.

LITERATURE REVIEW

This research examines the Theory of Planned Behavior (TPB), which is a social psychology theory used to understand human behavior in making decisions about a particular action or behavior. The theory was developed by Ajzen (1985), which is an extension of earlier attitude theories. TPB posits that individual behavior is influenced by their behavioral intentions, and these intentions are determined by three main factors: attitude. Attitude encompasses individuals' beliefs about the positive or negative consequences of a behavior. The Theory of Planned Behavior (TBP) is a framework used in various studies to understand human behavior, including in the context of technology adoption. Within the TBP framework, subjective norm is one of the key constructs that influence an individual's behavioral intention (Wang and Tsai 2022). Subjective norm refers to an individual's perception of the social pressure they feel from significant others to engage or not engage in a particular behavior. In the context of technology adoption, subjective norm reflects the extent to which individuals perceive pressure or support from those around them to adopt the technology (Lu et al. 2022).

Perceived usefulness and perceived ease of use are also important constructs in TBP that influence behavioral intention. Perceived usefulness refers to an individual's belief about how much a technology will enhance their performance or productivity in achieving specific goals. Meanwhile, perceived ease of use refers to an individual's belief about how easy or difficult it is to use the technology. In the context of technology adoption, both perceptions influence individuals' intention to adopt technology based on their evaluations of its usefulness and ease of use (Berakon, Aji, and Hafizi 2022). Behavioral intention is an individual's willingness to perform or not perform a behavior. In TBP, behavioral intention is considered a direct indicator of the likelihood that an individual will actually engage in a particular behavior. Behavioral intention is influenced by subjective norm, perceived usefulness, perceived ease of use, and other factors. In the context of technology adoption, behavioral intention reflects the extent to which

individuals intend to use or not use technology based on their evaluations of its benefits and the social pressure they perceive (Al-Gasawneh et al. 2022).

The Influence of Subjective Norms and Perceived Ease of Use on Perceived Usefulness

Research conducted by (Abdullah et al. 2019) using a survey study of e-government users in Malaysia through a questionnaire. The results of this research found that subjective norms have a positive and significant influence on perceived usefulness. This means that individuals' perceptions of expectations and views of others regarding the use of e-government impact how useful the system is perceived by users. Research by (Wang et al. 2019), using survey methods and collecting data from social commerce users in China found that subjective norms have a positive and significant influence on perceived usefulness in the adoption of social commerce. Perceived ease of use influences perceived usefulness due to the psychological influence between the two concepts. Research by (Lu et al. 2022) states that perceived ease of use significantly influences perceived usefulness. When users feel that a product or service is easy to use, they will exert less cognitive effort in understanding how to operate it. Perceived ease of use is often closely related to positive user experience. Users who feel happy and satisfied with their product usage experience tend to prefer and perceive the product as more useful (Londa, Worang, and Arie 2022). By enhancing the perception of ease of use, a product or service can reduce barriers that may hinder users from trying or adopting the product. Perceived ease of use influences perceived usefulness (perceptions of usefulness) among Generation Z in using Sharia fintech due to the correlation between these two factors, which affect preferences, adoption, and usage of technology by Generation Z, who have specific characteristics (Putri et al. 2022).

Sharia fintech offers financial alternatives that align with the values and principles of Islamic Sharia. If Generation Z finds it easy to use Sharia fintech, they are more likely to feel that this service aligns with their values, thus enhancing their perception of its usefulness (Dawood et al. 2022). The views, support, and expectations of others in an individual's social environment can influence their perception of how useful a technology or information system is. This perception then contributes to the user's intention and behavior in adopting and using the technology. Perceived ease of use influences perceived usefulness among Generation Z because the ease of use of Sharia fintech increases the acceptance, adoption, and usage of this technology, which aligns with the specific characteristics of Generation Z.

H1a: Subjective norms significantly influence perceived usefulness.

H1b: Perceived ease of use significantly influences perceived usefulness.

The influence of subjective norms, perceived usefulness, and perceived ease of use on perceived behavioral intention

Subjective norms are a critical factor in the Theory of Planned Behavior (TPB), which has been widely used in the context of consumer behavior studies and technology acceptance. This concept refers to individuals' perceptions of the extent to which social norms, social pressure, or others' expectations influence behavioral intention, or individual behavior intentions (Wang and Tsai 2022). These norms can be positive or negative and play a role in shaping individuals' beliefs about whether the use of Sharia fintech is an expected behavior as a favorable action (Baber and Billah 2022).

The perception of subjective norms is highly relevant for understanding behavioral intention in using Sharia fintech. If someone feels that their friends and family support the use of Sharia fintech, then the likelihood of their intention to use it will be higher (Majid and Nugraha 2022). In previous academic studies, subjective norms have been found to significantly influence behavioral intention in various contexts (Oladapo et al. 2022). Companies and service providers can develop more effective marketing and education strategies to encourage the adoption of this technology. Additionally, authorities and regulators can also use the results of this research to develop policies that support the wider and sustainable growth and development of Sharia fintech (Berakon, Aji, and Hafizi 2022).

Previous studies have found that subjective norms have a significant influence on behavioral intention in various contexts, including consumer behavior and technology adoption (Lavidas, Komis, and Achriani 2022). The influence of subjective norms on behavioral intention in using Sharia fintech is also important to understand because it can provide insights into how social norms in societies prioritizing Sharia finance affect the adoption of this technology (Perwitasari 2022). In this context, behavioral intention refers to an individual's intention to use Sharia fintech for financial transactions. Perceived ease of use is considered a factor influencing an individual's behavioral intention to use the technology (Lavidas, Komis, and Achriani 2022). In empirical research and practical applications, it has been found that perceived ease of use significantly influences behavioral intention to use technology. If users believe that the technology is easy to use, they are more likely to have a stronger intention to adopt and use the technology in their daily activities (Fatmawati et al. 2022).

H2a : Subjective norms significantly influence behavioral intentions.

H2b : Perceived usefulness significantly influences behavioral intentions.

H2c : Perceived ease of use significantly influences behavioral intentions.

The influence of subjective norms on behavioral intention is mediated by perceived usefulness

The influence of subjective norms on behavioral intention, mediated by perceived usefulness, is a model or concept that continues to be developed in the context of Sharia fintech adoption and acceptance. Perceived usefulness successfully mediates the influence of subjective norms on behavioral intention (Daragmeh, Lentner, and Sági 2021). Subjective norms do not directly influence behavioral intentions in using Sharia fintech (Sumiati, Widyastuti, and Takidah 2021). Perceived usefulness in using Sharia fintech is considered beneficial and can assist in fulfilling financial needs or achieving financial goals. Research exploring the influence of subjective norms on behavioral intention mediated by perceived usefulness in the context of Sharia fintech has several advantages and practical implications. This research can provide valuable information for authorities and regulators in developing educational campaigns and socialization about the benefits and security of using Sharia fintech. The findings of this research can also serve as input for authorities and regulators in designing policies that support the sustainable development of Sharia fintech. By understanding the factors influencing behavioral intention, authorities can design policies that encourage wider adoption of Sharia financial technology in society (Al-masaeed et al. 2021).

H3: Subjective norms significantly influence behavioral intention, mediated by perceived usefulness

The influence of perceived ease of use on behavioral intention is mediated by perceived usefulness

Perceived ease of use refers to individuals' perceptions of how easy it is to use a particular technology, such as Shariah fintech in this case. If individuals feel that the technology is easy to use, they tend to have a positive perception of its usability. Perceived ease of use successfully acts as a mediating variable between perceived usefulness and behavioral intentions (Prastiawan, Aisjah, and Rofiaty 2021). Mediation means that the perception of ease of use influences the perception of usefulness, which in turn affects an individual's intention to actually adopt and use the technology. By understanding the influence of perceived ease of use and perceived usefulness, Shariah fintech companies and service providers can optimize the design and user interface to enhance the user experience (Al-Gasawneh et al. 2022). The ease of use and clear benefits can enhance the acceptance of this technology by potential users. (Maryanto and Kaihatu 2021). A higher level of adoption and acceptance will drive the growth of this industry and spur innovation in the Islamic finance sector (Rabbani et al. 2021).

H4: The Perceived Ease of Use significantly influences Behavioral Intention, mediated by Perceived Usefulness

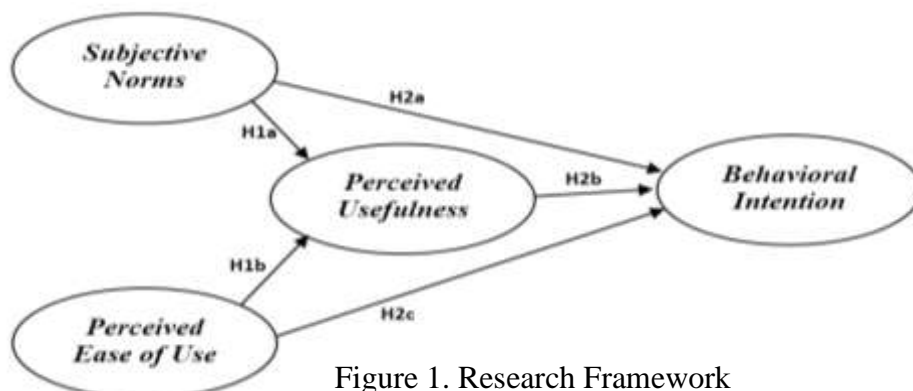


Figure 1. Research Framework

(Source: Daragmeh et al. 2021; Baber & Billah 2022; and Al-Gasawneh et al. 2022)

METHODOLOGY

The research population encompasses Generation Z individuals who utilize Shariah-compliant fintech in Java Island, Indonesia. This is chosen due to the island's dense population in Indonesia. This research focuses on Java Island due to its highest number of users and the presence of companies with headquarters in that area. Sampling from densely populated areas can provide a representative overview of Shariah-compliant fintech practices and the level of sustainability and challenges they face. The sampling method to be utilized in this research is purposive sampling. Purposive sampling is one of the non-random sampling methods that allows researchers to deliberately select samples based on specific characteristics that align with the research objectives (Sekaran and Bougie 2016). Hypothesis testing will be conducted using Structural Equation Modeling with the assistance of AMOS 25.0.

Operational Definition of Variables

Subjective norms refer to concrete measurements or steps utilized in research to gauge or observe individuals' perceptions of social norms or social pressures that encourage or discourage the use of Shariah-compliant fintech. The subjective norms variable in this study is measured using a questionnaire adopted from (Hill, Mann, and Wearing 1996). Perceived ease of use is a concept in consumer behavior and technology adoption studies that refers to individuals' perceptions of how easy and simple it is to use a technology or service. The perceived ease of use variable is measured using a questionnaire adopted from (Kim et al. 2010).

Perceived usefulness comprises concrete measures utilized in research to gauge or observe individuals' perceptions of the extent to which a technology or service is considered useful or beneficial in meeting needs or achieving specific goals. Perceived usefulness is measured using a questionnaire adopted from (Davis 1989). Behavioral intention represents an individual's inclination or intention to engage in a specific behavior or action in the future. Behavioral intention serves as a crucial indicator in predicting actual behavior or actions that individuals will take. Such behavior or actions may include purchasing a product, subscribing to a service, enrolling in a program, or using a particular technology. In this study, behavioral intention is measured using a questionnaire adopted from (Kim et al. 2010).

RESULT AND DISCUSSION

Validity Testing

The validity testing of the instruments has been conducted on the three main variables in this study: subjective norms, perceived ease of use, perceived usefulness, and behavioral intention. **This research is measured using a Likert scale ranging from 1 to 5, namely: strongly disagree, disagree, neutral, agree, and strongly agree.**

Table I. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.908
Bartlett's Test of Sphericity	Approx. Chi-Square	946.631
	df	105
	Sig.	.000

(Source: Research output, 2023)

The table indicates that from the analysis conducted using SPSS, the Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO-MSA) value is 0.831. The KMO-MSA value is above 0.5, and the Bartlett Test with significant Chi-square value at 0.000. Therefore, it can be concluded that the factor analysis testing can proceed.

Table 2. Results of Factor Analysis

Variable	Questionnaire	Value
Subjective Norms	6. Important people in my life (such as family, friends, religious scholars, experts, etc.) believe I should use Shariah-compliant Fintech.	0.604
	7. People whose opinions I value prefer me to use Shariah-compliant Fintech.	0.560
	8. Important people in my life support the use of Shariah-compliant Fintech.	0.727

	9. Significant individuals recommend me to use Shariah-compliant Fintech.	0.722
	10. Important people in my life influence my decision to use Shariah-compliant Fintech.	0.587
Perceived Ease of Use.	4. Learning to use Shariah-compliant Fintech is easy for me.	0.721
	5. The procedures for using Shariah-compliant Fintech are clear and easy to understand.	0.742
	6. It is easy for me to become skilled in using Shariah-compliant Fintech.	0.838
Perceived Usefulness	5. Using Shariah-compliant Fintech enables faster financial transactions.	0.617
	6. Using Shariah-compliant Fintech makes it easier for me to conduct financial transactions.	0.702
	7. Using Shariah-compliant Fintech would be more advantageous than traditional transaction methods.	0.542
	8. In my opinion, transactions with Shariah-compliant Fintech are a useful alternative in financial transactions.	0.621
Behavioral Intention	4. When I have access to financial transactions with Shariah-compliant Fintech, I will use it.	0.632
	5. I will always try to use Shariah-compliant Fintech in my daily life.	0.537
	6. In the future, I intend to conduct transactions with Shariah-compliant Fintech.	0.669

(Source: Research output, 2023)

Based on the validity testing results involving 155 respondents, there is a strong indication that the Anti-image Matrix values indicate validity for all items. This conclusion is based on the fact that all information extracted from these instrument items is fully valid, with each factor loading value exceeding 0.5.

Reliability Testing

The results of instrument reliability testing were conducted to assess the consistency of the questions used in measuring a variable. A variable construct is considered reliable if its alpha value exceeds 0.60. This evaluation aims to ensure whether the questionnaire items used exhibit adequate consistency in measuring the same concept. The results of the instrument's reliability testing can be seen in the following table:

Table 3. Results of Reliability Test	
Variabel	Cronbach's Alpha
Subjective Norms	0.865
Perceived Ease of Use.	0.860
Perceived Usefulness	0.821
Behavioral Intention	0.833

(Source: Research output, 2023)

The results of the reliability testing conducted on the instrument are presented in the table. From the calculations, it can be concluded that all variables under focus in this study are reliable, as each variable demonstrates a Cronbach's Alpha value exceeding 0.60, indicating consistency and reliability in measuring these variables.

Hypothesis Testing

Hypothesis testing in this research employs Structural Equation Modeling analysis using the AMOS 21.0 program. The theoretically explained model in the path diagram will be analyzed based on the data obtained in the study. Structural Equation Modeling analysis is conducted to evaluate the unidimensionality level of each indicator forming latent variables. After conducting the tests, the conclusion drawn is that the utilized model is acceptable. Analysis of measurement indices indicates that the Structural Equation Modeling (SEM) model fit test meets the Goodness of Fit requirements. This is evidenced by the adequacy of the Chi-Square, CFI, TLI, AGFI, RMSEA, and GFI values compared to the criteria outlined in the Goodness of Fit table. The results of the testing indicate that the calculations meet the criteria for Goodness of Fit.

Table 4. Hypothesis Testing Results

		Estimate	S.E.	C.R.	P	Keterangan
Subjective Norms	→ Perceived Usefulness	1,447	,146	9,901	***	Supported
Perceived Ease of Use	→ Perceived Usefulness	1,236	,132	9,373	***	Supported
Perceived Usefulness	→ Behavioral Intention	1,243	,131	9,485	***	Supported
Perceived Ease of Use	→ Behavioral Intention	.205	.506	.405	.685	Rejected
Subjective Norms	→ Behavioral Intention	1,527	,158	9,676	***	Supported

(Source: Research output, 2023)

Discussion of Analysis Results

The discussion of the analysis results is a crucial stage in the testing process after the selection and collection of research data. This involves interpreting the data with the aim of providing solutions to the research questions, which are the core of the study itself. One of the analysis methods used in this research is SEM, conducted using AMOS 25.0 software. SEM, which stands for Structural Equation Modeling, is a set of statistical techniques that allow testing a number of complex relationships simultaneously. This method enables researchers to analyze and test theoretical models involving various variables and relationships among variables within a single analytical framework.

The Influence of Subjective Norms and Perceived Ease of Use on Perceived Usefulness

The data processing results using SEM on **hypothesis 1a** indicate a significant influence between the subjective norms variable and perceived usefulness. This is evident from the analysis results in Table 4, where the Critical Ratio (CR) value is 9.901 with a P-value showing a very strong level of significance. As a result, since the CR value exceeds the threshold of 2.0 and the P-value is less than 0.05, it can be concluded that the hypothesis associating subjective norms with perceived usefulness in this study is **supported**.

If Shariah-compliant fintech is perceived as easy to use, Generation Z is more likely to adopt the service as a practical solution in managing their finances, as it meets the need for ease and convenience in transactions. Furthermore, the research also highlights that perceived ease of use is often associated with positive user experiences. Overall, this

previous research emphasizes the importance of considering factors such as subjective norms and ease of use in product or service development. Good integration between ease of use and perceived benefits will help increase user acceptance and satisfaction with technology. This strengthens the argument that technology that is easy to use with clear benefits will be more preferred by users, especially in the context of Generation Z, which has specific preferences regarding the ease of use of technology.

This research aligns with findings from (Abdullah et al, 2019), the research method employed was a survey of e-government users in Malaysia using a questionnaire. The research findings indicate that subjective norms have a positive and significant influence on perceived usefulness. On the other hand, the study conducted by (Wang et al., 2016) involved a survey of social commerce users in China. The research found that subjective norms have a positive and significant influence on perceived usefulness in social commerce adoption. Expectations and perceptions of individuals within their social environment affect how users perceive the benefits of using social commerce platforms. Another study by (Kim & Oh, 2014) gathered data from users of mobile social gaming services in South Korea using a survey method. The research findings showed that subjective norms have a positive and significant influence on perceived usefulness in the adoption of mobile social gaming services. Views and expectations from friends or family regarding the use of social gaming services also play a role in users' perceptions of their benefits.

The data processing results using SEM on **hypothesis 1b** indicate a significant influence between the perceived ease of use variable and perceived usefulness. From the analysis in Table 4, it is evident that the Critical Ratio (CR) value is -9.373 with a P-value showing a very strong level of significance. With the CR value exceeding the threshold of 2.0 and the P-value less than 0.05, it can be concluded that the hypothesis linking perceived ease of use with perceived usefulness in this study is **supported**. In the research context, this result emphasizes that the perception of the ease of using a technology, in this case, Shariah-compliant fintech, significantly influences how individuals perceive the usefulness or benefits of that technology (perceived usefulness). This means that the easier individuals feel using the technology, the higher the likelihood they will perceive the technology as beneficial or useful for their financial needs or activities. Perceived ease of use influences perceived usefulness because of the psychological linkage between these two concepts.

This study reinforces the research conducted by (Lu et al. 2022), stating that perceived ease of use has a significant influence on perceived usefulness. When users perceive a product or service as easy to use, they will experience less cognitive effort in understanding how to use it. This makes users faster and more efficient in using the product. Ease of use can also increase users' confidence in using the product or service. The perception of ease of use is often closely related to positive user experiences. Users who feel happy with the experience of using a product tend to prefer and perceive the product as more useful (Londa et al. 2022). By enhancing the perception of ease of use, products or services can reduce barriers that may hinder users from trying or adopting them. Perceived ease of use plays an important role in the adoption of Shariah-compliant fintech by Generation Z because this generation has different preferences, adoption, and usage of technology (Putri et al. 2022).

Generation Z grew up in the digital era with extensive exposure to technology and has higher technological skills. The ease of use of Shariah-compliant fintech meets their need for ease and convenience in managing their finances. Shariah-compliant fintech offers financial alternatives in line with the values and principles of Islamic Shariah. If Generation Z feels that Shariah-compliant fintech is easy to use, they are likely to perceive this service as consistent with their values and find it more useful (Dawood et al. 2022). In conclusion, various studies show that subjective norms have a positive influence on perceived usefulness. Views, support, and expectations from an individual's social environment can affect their perception of the usefulness of a technology or information system. While perceived ease of use impacts perceived usefulness in Generation Z due to the ease of using technology that aligns with the specific characteristics of that generation.

The Influence of Subjective Norms, Perceived Usefulness, and Perceived Ease of Use on Behavioral Intention

The results of the analysis using Structural Equation Modeling (SEM) for **hypothesis 2a** indicate significant findings. The Critical Ratio (CR) value for testing the influence of subjective norms on behavioral intention, as represented in Table 4, is 9.485 with a highly significant P-value. This finding confirms previous research results by affirming the relationship between subjective norms and behavioral intention. The significance of the CR value exceeding 2.0 and the P-value less than 0.05 confirms that the hypothesis proposed in this study is **supported**.

This concept revolves around the influence of individuals' views and expectations from their social environment on their behavioral intentions to adopt a specific technology or behavior, as highlighted by researchers (Wang & Tsai, 2022). The views and expectations of the social environment are crucial in shaping individuals' mindsets regarding how they should act or use technology. This includes the influence and expectations of family, friends, and society on technology acceptance and how these perceptions affect individual decisions to adopt the debated behavior or technology. Thus, subjective norms not only reflect social expectations of individual behavior but also play a significant role in shaping individuals' behavioral intentions towards technology or behavior.

In the context of Shariah-compliant fintech, subjective norms are relevant because they consider individuals' views on the support or rejection from the social environment regarding the use of Shariah-compliant financial technology. Various studies have highlighted that perceptions from family, friends, and society play a significant role in influencing individuals' intentions to use Shariah-compliant fintech. If the environment provides support, the tendency to adopt this technology increases. This implies that attitudes and support from the social environment are essential factors in shaping individuals' decisions to adopt financial technology.

Subjective norms play a crucial role in driving or inhibiting the adoption of Shariah-compliant fintech. Views and support from the social environment can exert significant pressure on individuals' decisions to use this financial technology. The results of data analysis using Structural Equation Modeling (SEM) for **hypothesis 2b** show significant results. The Critical Ratio (CR) value for testing the influence of perceived usefulness on behavioral intention, as recorded in Table 4, is 9.357 with a highly significant P-value.

From these test results, the hypothesis proposed in this study receives **strong support**. The significance of the CR value exceeding the threshold of 2.0 and the P-value less than 0.05 indicate that the hypothesis in this study is supported by the SEM analysis. The conclusion of this study confirms that perceived usefulness has a strong influence on behavioral intention, confirming the influence between perceived usefulness and behavioral intention within the scope of the study. Previous research has emphasized that social norms influence behavioral intentions in various contexts, including the adoption of financial technology.

Social norms encompass individuals' views and expectations from their social environment regarding specific behaviors, and this plays a significant role in shaping individuals' decisions to adopt Shariah-compliant fintech. If an individual's environment is supportive, their willingness to adopt this technology increases. Conversely, if there is rejection or disapproval from the environment, the intention to use Shariah-compliant fintech will tend to decrease. Meanwhile, perceived ease of use, or the perception of ease of use, also plays a crucial role in shaping behavioral intention. This factor highlights the extent to which individuals feel that using a particular technology is easy. In the context of Shariah-compliant fintech, if users perceive this technology as easy to use, the intention to use it will significantly increase.

The perception of ease of use creates a positive tendency in adopting technology, especially in the growing market of Shariah-compliant fintech. In the context of regulations and policies, understanding the impact of social norms and perceptions of ease of use in adopting Shariah-compliant fintech can help authorities create regulations that support the growth and development of this financial technology more broadly and sustainably. Innovations in Shariah-compliant fintech are becoming increasingly important in providing financial services that align with Islamic principles and are accessible to the communities in need. Overall, further research and understanding of the factors influencing behavioral intentions in adopting Shariah-compliant fintech, especially through the lens of social norms and perceptions of ease of use, have significant implications for the development, market penetration, and acceptance.

The results of the data analysis using Structural Equation Modeling (SEM) on **hypothesis 2c** showed significant findings. The Critical Ratio (CR) value for testing the influence of perceived ease of use on behavioral intention, as recorded in Table 4, is 0.405 with a P-value of 0.685. From these test results, it can be concluded that the hypothesis proposed in the study. The significance of the CR value being less than the threshold of 2.0 and the P-value being greater than 0.05 indicate that the hypothesis in this study is **not supported or rejected**. The conclusion of this research confirms that perceived ease of use does not have an influence on behavioral intention, thus undermining the understanding of the relationship between the perception of ease of use and behavioral intention within the scope of this study.

This study is in line with previous research conducted by (Lee et al. 2022), which suggests that perceived ease of use is not considered a factor influencing an individual's behavioral intention to use technology. A deeper understanding of subjective norms and perceived ease of use is not deemed crucial. This condition arises because there are still few users of Shariah-compliant fintech applications, and the ratings of these applications on the

Google Play Store are not favorable. The subjectivity of social norms and perceptions of the ease of use of Shariah-compliant financial technology have not yet provided a basis for developing more effective marketing strategies, nor have they led to educational approaches that can enhance the adoption and acceptance of this technology among the public. Although environmental support for adopting this technology will increase, there is also resistance, leading to a decrease in the tendency to use it.

This creates challenges for companies to understand and respond to adoption patterns. Perceived ease of use refers to an individual's perception of how easy they believe the technology can be used. When individuals perceive the technology as easy to use, their intention to use it, in fact, does not become stronger. The focus on ensuring that the technology is easy to understand and use by potential users is key to increasing the adoption of Shariah-compliant fintech. By deepening the understanding of these factors, companies can direct more specific and relevant marketing and educational efforts. For example, if research shows that environmental rejection is one of the main obstacles, strategies focused on socialization and education in specific communities will be important. Likewise, if perceived ease of use is a challenge, developing simpler and more intuitive user interfaces becomes imperative. The role of regulators and government agencies is also crucial in understanding these factors. With a better understanding, policies can be formed to support the overall growth of Shariah-compliant fintech. This may include government-supported education campaigns, incentives, or regulations designed to reduce adoption barriers, and frameworks that lead to the development of products that better suit the needs of the public. Through a deeper understanding of perceived ease of use, both fintech companies and regulators can take smarter and more measured steps. This will help strengthen the Shariah-compliant fintech market, with the hope of providing a solid foundation for the sustainable adoption of Shariah-compliant financial technology among the public, especially among Generation Z.

The Influence of Subjective Norms on Behavioral Intention Mediated by Perceived Usefulness

This research successfully found that perceived usefulness mediates the relationship between subjective norms and behavioral intention, supporting hypothesis 3 in this study. The influence of subjective norms on behavioral intention mediated by perceived usefulness is a model currently being developed and extensively researched in the context of Shariah-compliant fintech adoption and acceptance.

These research findings reinforce previous studies conducted by (Daragmeh et al. 2021), showing that perceived usefulness effectively mediates the influence of subjective norms on behavioral intention. If individuals feel pressure from their social environment to use fintech services because it is deemed appropriate or expected, it will affect their intention to actually adopt fintech. Another study by (Sumiati et al. 2021) showed that subjective norms do not directly influence behavioral intentions in using Shariah-compliant fintech. However, perceived usefulness mediates the relationship between these two variables. Perceived usefulness in using Shariah-compliant fintech is considered a beneficial factor in meeting financial needs or goals. This mediating process indicates that other people's views on the use of Shariah-compliant fintech influence individuals' perceptions of its benefits, which in turn shape their intention to use it.

Another study by (Sumiati et al. 2021) investigated the indirect influence of subjective norms on behavioral intentions in using Shariah-compliant fintech. However, the role of perceived usefulness in this study becomes crucial as a mediator. Perceived usefulness in the context of Shariah-compliant fintech is seen as a useful tool in meeting financial needs or achieving financial goals. Through the mediation process, subjective norms influence perceived usefulness, which subsequently affects behavioral intentions. The implications of this research not only impact consumer behavior understanding but also provide valuable insights for regulators and authorities. The information generated can assist in designing educational and awareness campaigns that emphasize the benefits and safety of using Shariah-compliant fintech. With a better understanding of the factors influencing behavioral intention, regulations and policies that encourage the adoption of Shariah-compliant financial technology can be designed more effectively and sustainably. Studies on the influence of subjective norms on behavioral intention mediated by perceived usefulness in the context of Shariah-compliant fintech are expected to make a significant contribution to supporting the development and widespread acceptance of Shariah-compliant financial technology in society, as well as strengthening understanding of the Shariah financial market.

The Influence of Perceived Ease of Use on Behavioral Intention Mediated by Perceived Usefulness

The influence of perceived ease of use on behavioral intention mediated by perceived usefulness in hypothesis 4 of this study is fully supported (full mediation). Perceived ease of use refers to individuals' perceptions of how easy a technology, such as Shariah-compliant fintech, is to use. If individuals perceive the technology as easy to use, they are likely to have a positive view of its usability. On the other hand, perceived usefulness refers to the extent to which individuals see the technology as useful in meeting their financial needs or goals. This study supports previous research by (Prast et al. 2021), which found that perceived usefulness acts as a mediator between perceived ease of use and behavioral intentions.

This mediation indicates that perceptions of ease of use influence perceptions of the technology's usefulness, which ultimately affects individuals' intentions to actually adopt and use the technology. The ease of use and clear benefits of this technology can increase acceptance by potential users. This research is expected to identify barriers that potential users may face in adopting Shariah-compliant fintech. By reducing barriers and improving ease of use, the adoption rate of this technology can be increased. Improving potential users' understanding will help increase their behavioral intention to use this technology. With higher adoption and acceptance, it is expected to drive growth in the Shariah-compliant fintech industry and stimulate innovation in the Shariah finance sector.

Therefore, research on the influence of perceived ease of use on behavioral intention mediated by perceived usefulness in the context of Shariah-compliant fintech will provide valuable insights for stakeholders to understand consumer behavior and factors influencing the adoption of Shariah-compliant financial technology. Perceived ease of use refers to individuals' perceptions of how easy a technology can be used. In the context of Shariah-compliant fintech, how easy Generation Z perceives the use of Shariah-compliant financial platforms or services can influence their tendency to adopt such services. Factors such as intuitive layout, easy navigation, and clarity and ease of use of the platform can influence. Perceived usefulness highlights how Generation Z perceives

Shariah-compliant financial technology as a useful tool in achieving their financial goals. Perceived usefulness explores their perceptions of how effective and beneficial the technology is in meeting their financial needs. The information generated from this research will help them design platforms that are more attractive, easy to use, and effective in meeting the financial needs and desires of Generation Z in line with Shariah principles.

CONCLUSIONS

Based on the results of the hypothesis testing analysis conducted, several conclusions can be drawn. Firstly, there is a significant influence of subjective norms and perceived ease of use on perceived usefulness. Subjective norms reflect individuals' views on the support or rejection from the social environment towards Sharia financial technology, significantly affecting their views on the usefulness of the technology. Perceived ease of use, which is the perception of how easy the technology is to use, also significantly influences views on the usefulness of the technology. Subjective norms, perceived usefulness, and perceived ease of use have an impact on perceived behavioral intention. Subjective norms have a significant influence on behavioral intention, indicating that expectations from the social environment can influence individuals' intentions to use Sharia financial technology. Perceived usefulness also significantly influences behavioral intention, showing that individuals' beliefs about the usefulness of the technology affect their desire to use it. However, perceived ease of use does not have a significant influence on behavioral intention in the studied population.

Subjective norms influence behavioral intention through perceived usefulness, indicating that views and pressure from the social environment affect individuals' decisions to use Sharia fintech, and perceived usefulness mediates this relationship. The same goes for perceived ease of use, which influences behavioral intention through perceived usefulness. The limitation of this research is its focus only on Generation Z users of Sharia fintech in Java Island, Indonesia. Recommendations for further research include expanding the scope, including a deeper analysis of the influence of subjective norms on perceived usefulness, and how this affects behavioral intention by conducting research with a broader sample based on education level, age, and occupation. It is important to include other variables such as service provision and support when issues arise during the use of applications owned by Sharia fintech-based companies.

REFERENCES

- Al-Gasawneh, Jassim Ahmad, Batool Al Khoja, Marzouq Ayed Al-Qeed, Nawras M Nusairat, Qais Hammouri, and Marhana Mohamed Anuar. 2022. "Mobile-Customer Relationship Management and Its Effect on Post-Purchase Behavior: The Moderating of Perceived Ease of Use and Perceived Usefulness."
- Almajali, Dmaithan Abdelkarim, Ra'Ed Masa'Deh, and Zulkhairi Md Dahalin. 2022. "Factors Influencing the Adoption of Cryptocurrency in Jordan: An Application of the Extended TRA Model." *Cogent Social Sciences* 8 (1): 2103901.

- Berakon, Izra, Hendy Mustiko Aji, and Muhammad Riza Hafizi. 2022. "Impact of Digital Sharia Banking Systems on Cash-Waqf among Indonesian Muslim Youth." *Journal of Islamic Marketing* 13 (7): 1551–73.
- Daragmeh, Ahmad, Csaba Lentner, and Judit Sági. 2021. "FinTech Payments in the Era of COVID-19: Factors Influencing Behavioral Intentions of 'Generation X' in Hungary to Use Mobile Payment." *Journal of Behavioral and Experimental Finance* 32: 100574. <https://doi.org/10.1016/j.jbef.2021.100574>.
- Davis, Fred D. 1989. "Technology Acceptance Model: TAM." Al-Suqri, MN, Al-Aufi, AS: *Information Seeking Behavior and Technology Adoption*, 205–19.
- Fatmawati, Indah, Delvira Althaf Zulfanti, Nurul Aini, and Fadhilah Tsani. 2022. "Young Customers' Perception of Sharia Financial Services Mobile-Banking and Behavioral Intention Consequences." In *International Conference on Business and Technology*, 116–25. Springer.
- Hair Jr, Joseph F, G Tomas M Hult, Christian M Ringle, Marko Sarstedt, Nicholas P Danks, Soumya Ray, Joseph F Hair, G Tomas M Hult, Christian M Ringle, and Marko Sarstedt. 2021. "An Introduction to Structural Equation Modeling." *Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R: A Workbook*, 1–29.
- Hill, Matt, Leon Mann, and Alexander J Wearing. 1996. "The Effects of Attitude, Subjective Norm and Self-efficacy on Intention to Benchmark: A Comparison between Managers with Experience and No Experience in Benchmarking." *Journal of Organizational Behavior* 17 (4): 313–27.
- Khan, Mohammad Shahfaraz, Mustafa Raza Rabbani, Iqbal Thonse Hawaldar, and Abu Bashar. 2022. "Determinants of Behavioral Intentions to Use Islamic Financial Technology: An Empirical Assessment." *Risks* 10 (6): 114.
- Kim, Soo Hyun, SeungHyun Kim, Chang Huh, and Bonnie Knutson. 2010. "A Predictive Model of Behavioral Intention to Spa Visiting: An Extended Theory of Planned Behavior."
- Londa, Dominika R, Frederik G Worang, and Fitty V Arie. 2022. "The Influence of Perceived Credibility, Perceived Ease of Use, and Perceived Usefulness toward Customer Satisfaction in Using BSGtouch." *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi* 10 (4): 934–45.
- Maryanto, Rakha Hendra, and Thomas Stefanus Kaihatu. 2021. "Customer Loyalty as an Impact of Perceived Usefulness to Grab Users, Mediated by Customer Satisfaction and Moderated by Perceived Ease of Use." *Binus Business Review* 12 (1): 31–39.
- Oladapo, Ibrahim Abiodun, Manal Mohammed Hamoudah, Md Mahmudul Alam, Olawale Rafiu Olaopa, and Ruhaini Muda. 2022. "Customers' Perceptions of FinTech Adaptability in the Islamic Banking Sector: Comparative Study on

Malaysia and Saudi Arabia.” *Journal of Modelling in Management* 17 (4): 1241–61.

Padli, M Syaiful. 2021. “Syariah Guna Mendukung Merger Bank Bumh Syariah Dan Kesejahteraan Sektor Pertanian Indonesia Era” 6. <https://doi.org/10.21154/muslimheritage.v6i2.2878>.

Perwitasari, Astri Wening. 2022. “The Effect of Perceived Usefulness and Perceived Easiness towards Behavioral Intention to Use Fintech by Indonesian MSMEs.” *The Winners* 23 (1): 1–9.

Prastiawan, Denny Indra, Siti Aisjah, and Rofiaty Rofiaty. 2021. “The Effect of Perceived Usefulness, Perceived Ease of Use, and Social Influence on the Use of Mobile Banking through the Mediation of Attitude toward Use.” *APMBA (Asia Pacific Management and Business Application)* 9 (3): 243–60.

Putri, Debi Eka, Onita Sari Sinaga, Acai Sudirman, Fedianty Augustinah, and Edy Dharma. 2022. “Analysis of the Effect of Perceived Ease of Use, Perceived Usefulness, Trust, and Cashback Promotion on Intention to Use E-Wallet.” *International Journal of Economics, Business and Management Research* 6 (11).

Rabbani, Mustafa Raza, Abu Bashar, Nishad Nawaz, Sitara Karim, Mahmood Asad Mohd Ali, Habeeb Ur Rahiman, and Md Shabbir Alam. 2021. “Exploring the Role of Islamic Fintech in Combating the Aftershocks of Covid-19: The Open Social Innovation of the Islamic Financial System.” *Journal of Open Innovation: Technology, Market, and Complexity* 7 (2): 136.

Sekaran, Uma, and Roger Bougie. 2016. *Research Methods for Business: A Skill Building Approach*. John Wiley & Sons.

Singh, Ashish Kumar, and Prayas Sharma. 2022. “A Study of Indian Gen X and Millennials Consumers’ Intention to Use FinTech Payment Services during COVID-19 Pandemic.” *Journal of Modelling in Management* 18 (4): 1177–1203.

Stafford, Laura, and Kimberly Kuiper. 2021. “Social Exchange Theories: Calculating the Rewards and Costs of Personal Relationships.” In *Engaging Theories in Interpersonal Communication*, 379–90. Routledge.

Wang, Jieh-Jiuh, and Ning-Yu Tsai. 2022. “Factors Affecting Elementary and Junior High School Teachers’ Behavioral Intentions to School Disaster Preparedness Based on the Theory of Planned Behavior.” *International Journal of Disaster Risk Reduction* 69: 102757.

Yang, Lihong, and Shixun Wang. 2022. “Do Fintech Applications Promote Regional Innovation Efficiency? Empirical Evidence from China.” *Socio-Economic Planning Sciences* 83: 101258.

**5. Bukti konfirmasi
artikel diterima
untuk dipublikasikan
(07 Mei 2024)**

Dear Agus Supriyanto:

We have reached a decision regarding your submission to Share: Jurnal Ekonomi dan Keuangan Islam, "GENERATION Z'S BEHAVIORAL INTENTION IN ADOPTING ISLAMIC FINTECH: THE MEDIATING ROLE OF PERCEIVED USEFULNESS".

The article is academically sound but needs more actionable recommendations for Sharia fintech providers, a deeper discussion of its limitations, a comparison with conventional fintech, the inclusion of recent studies in the literature review, and some language edits for clarity and readability.

We will engage an expert editor to refine the article according to the suggestions mentioned above. The cost of this service would be borne by the author. Based on the feedback, you need to undertake the following actions:

1. Please ensure to use a reference manager, i.e., Mendeley, Endnote, etc., in managing your reference.
2. Please make a total payment of IDR2,650,000,- (IDR1,000,000,- for the publication fee and IDR1,650,000,- for the quality improvement fee), as stated in our charge policy: <https://jurnal.ar-raniry.ac.id/index.php/Share/about/submissions#authorFees>.

Please submit your final revision and the proof of payment no later than 14 days from this email. Please attach your proof of payment to the journal's email: jurnal.share@ar-raniry.ac.id.

Thank you.

Editor SHARE
Share: Jurnal Ekonomi dan Keuangan Islam
Universitas Islam Negeri Ar-Raniry Banda Aceh
jurnal.share@ar-raniry.ac.id

Share: Jurnal Ekonomi dan Keuangan Islam
Share: Journal of Islamic Economic and Finance
<http://jurnal.ar-raniry.ac.id/index.php/Share>

**6. Bukti konfirmasi
submit artikel final
untuk dipublikasikan
(07 Juni 2024)**

SHARIA FINTECH AND GEN Z: THE MEDIATING ROLE OF PERCEIVED USEFULNESS

M. Arif Hakim¹

Agus Supriyanto^{2*}

^{1,2} Institut Agama Islam Negeri Kudus, Indonesia.

^{*2}Corresponding Email: agussupriyanto@iainkudus.ac.id

ABSTRACT – This study investigates the mediating role of perceived usefulness in the adoption of Sharia fintech among Generation Z individuals in Java Island, Indonesia. A sample of 155 respondents, selected through purposive sampling, participated in the research. Data analysis was conducted using Structural Equation Modeling (SEM) with AMOS 25.0. The findings reveal that perceived usefulness successfully mediates the influence of subjective norms on behavioral intention. Furthermore, perceived usefulness fully mediates the impact of perceived ease of use on behavioral intention. These results underscore the importance of fintech managers gaining deeper insights and aligning service development with market needs. Sharia fintech companies should emphasize the benefits of technology use to enhance user interest in fintech adoption. Given Indonesia's predominantly Muslim population, ensuring user-friendly technology is crucial. This study contributes to the understanding of the factors driving the adoption of Sharia fintech and offers practical implications for fintech service providers.

Keywords: Subjective Norms, Perceived Usefulness, Perceived Ease of Use, Behavioral Intention, Sharia Fintech, Generation Z

ABSTRAK – Fintech Syariah dan Generasi Z: Peran Mediasi Perceived Usefulness. Penelitian ini mengkaji peran mediasi *perceived usefulness* dalam adopsi fintech syariah di kalangan Generasi Z di Pulau Jawa, Indonesia. Data dikumpulkan melalui kuesioner dari 155 responden yang dipilih dengan metode *purposive sampling*. Hasil analisis data menggunakan *Structural Equation Modeling* (SEM) dengan AMOS 25.0, menunjukkan bahwa *perceived usefulness* dapat memediasi pengaruh norma subjektif terhadap niat perilaku. Lebih lanjut, *perceived usefulness* memediasi secara penuh dampak persepsi kemudahan penggunaan terhadap niat perilaku. Hasil ini menunjukkan pentingnya wawasan mendalam bagi pengelola fintech untuk dapat menyelaraskan pengembangan layanan dengan kebutuhan pasar. Perusahaan fintech syariah harus menekankan manfaat penggunaan teknologi yang *user friendly* untuk meningkatkan minat pengguna dalam adopsi fintech. Hal ini berkaitan dengan ajaran Islam yang dipercayai oleh mayoritas penduduk Indonesia. Penelitian ini berkontribusi dalam memberikan pemahaman akan faktor-faktor yang mendorong adopsi fintech syariah dan menawarkan implikasi praktis bagi penyedia layanan fintech.

Kata Kunci: Norma Subjektif, Persepsi Kegunaan, Persepsi Kemudahan Penggunaan, Niat Perilaku, Fintech Syariah, Generasi Z

INTRODUCTION

The rapid evolution of the business landscape has profoundly impacted all sectors, significantly influencing the development of economic transactions (Stafford & Kuiper, 2021). Islamic Fintech, an emerging field at the intersection of technology and Islamic finance, integrates IT innovation with existing financial products and services. This integration aims to accelerate and facilitate business operations, transactions, investments, and money distribution in strict accordance with Sharia principles (Aziz, Lestari, & Furwanti, 2020). Contemporary technological advancements, particularly the proliferation of Fintech applications, have further revolutionized economic transactions, enabling individuals to conduct financial activities with unprecedented ease and accessibility – anytime, anywhere, at their fingertips (Yang & Wang, 2022).

In Indonesia, the growth trajectory of Sharia-compliant fintech is particularly noteworthy, with financing projected to increase annually (Nadya & Iqbal, 2021). The extensive distribution networks of Islamic banks (BSI) and Shariah Rural Banks (BPR Syariah) have the potential to reach over Rp 2 trillion in Shariah fintech distribution. The increasing number of regional banks transitioning to Shariah compliance further underscores the burgeoning growth of the Shariah fintech industry (Tobing & Adrian, 2020). Companies like Investree Syariah exemplify this growth, implementing strategies like attracting institutional investors to bolster their performance. Significantly, Shariah fintech, as a subset of fintech adhering to Islamic Sharia principles, is rapidly gaining popularity among Generation Z, who seek financial services that align with their values and beliefs (Singh & Sharma, 2022). Several factors influence the adoption of Sharia financial technology by Generation Z, including subjective norms, perceived ease of use, perceived usefulness, and behavioral intention (Baber & Billah, 2022; Nur, 2022; Almajali, Masa'Deh, & Dahalin, 2022). Understanding these variables is crucial to support the growth and acceptance of Sharia financial technology among Generation Z while also addressing potential barriers and challenges that may hinder adoption and use (Usman et al., 2022).

Behavioral intention, a key concept within the Theory of Planned Behavior, is considered the primary predictor of human behavior when making decisions about a particular action (Khan et al., 2022; Ibrahim, et al., 2023). The expectations and aspirations of Generation Z regarding Sharia fintech are



critical in shaping subjective norms and influencing behavioral intentions. However, despite its potential, several barriers impede the widespread adoption of Sharia fintech among this demographic. These include a limited understanding of Sharia principles, concerns regarding security and data privacy, and a lack of awareness regarding the benefits and user-friendliness of Sharia financial technology (Haseeb, 2018).

Despite the growing body of research on fintech within the broader fields of consumer behavior and financial technology adoption, there remains a significant gap in studies specifically focused on Sharia fintech. Existing research has primarily concentrated on conventional fintech and has often focused on Millennials, overlooking the unique characteristics and needs of Generation Z. This study aims to address this gap by delving deeper into the use of Sharia fintech among Generation Z, recognizing that the distinct characteristics of Sharia fintech users, such as their religious values and ethical orientations, can significantly influence the factors affecting behavioral intention.

The novelty of this research lies in its examination of the mediating role of perceived usefulness within the context of Sharia fintech, a relationship that remains largely unexplored in existing literature. Previous studies have not thoroughly investigated the influence of perceived usefulness, or perceptions of technology usefulness, as a mediator between subjective norms and behavioral intention in this specific context. This research aims to bridge this gap by elucidating how social norms influence behavioral intention through perceptions of the usefulness of Sharia fintech.

The adoption of Sharia fintech by Generation Z holds significant implications, not only benefiting individual users but also potentially contributing to the development of more inclusive and sustainable economies (Zuhroh, 2021). By focusing on the cultural and religious contexts of Java, which has the highest concentration of Sharia fintech users and major fintech company headquarters, this research can contribute to the broader and more sustainable development of Sharia fintech in a region with significant growth potential. The findings of this study aim to provide valuable insights for developers and providers of Sharia fintech services, ultimately promoting its growth on a broader and more sustainable scale.



LITERATURE REVIEW

Theory of Planned Behavior

This research examines the Theory of Planned Behavior (TPB), a social psychology theory used to understand human behavior in making decisions about a particular action or behavior. The theory, developed by Ajzen (1985), is an extension of earlier attitude theories. TPB posits that individual behavior is influenced by their behavioral intentions, which are determined by three main factors: attitude, subjective norms, and perceived behavioral control. Attitude encompasses individuals' beliefs about the positive or negative consequences of a behavior.

The TPB is a framework used in various studies to understand human behavior, including in the context of technology adoption. Within the TPB framework, subjective norm is one of the key constructs that influence an individual's behavioral intention (Wang & Tsai, 2022). Subjective norm refers to an individual's perception of the social pressure they feel from significant others to engage or not engage in a particular behavior. In the context of technology adoption, subjective norm reflects the extent to which individuals perceive pressure or support from those around them to adopt the technology (Lu et al., 2022).

Perceived Usefulness and Perceived Ease of Use

Perceived usefulness and perceived ease of use are also important constructs in TPB that influence behavioral intention. Perceived usefulness refers to an individual's belief about how much a technology will enhance their performance or productivity in achieving specific goals. Meanwhile, perceived ease of use refers to an individual's belief about how easy or difficult it is to use the technology. In the context of technology adoption, both perceptions influence individuals' intention to adopt technology based on their evaluations of its usefulness and ease of use (Berakon et al., 2022).

Behavioral Intention

Behavioral intention is an individual's willingness to perform or not perform a behavior. In TPB, behavioral intention is considered a direct indicator of the likelihood that an individual will actually engage in a particular behavior. Behavioral intention is influenced by subjective norm, perceived usefulness,



perceived ease of use, and other factors. In the context of technology adoption, behavioral intention reflects the extent to which individuals intend to use or not use technology based on their evaluations of its benefits and the social pressure they perceive (Al-Gasawneh et al., 2022).

The Influence of Subjective Norms and Perceived Ease of Use on Perceived Usefulness

Research conducted by Abdullah et al. (2019) using a survey study of e-government users in Malaysia found that subjective norms have a positive and significant influence on perceived usefulness. This means that individuals' perceptions of expectations and views of others regarding the use of e-government impact how useful the system is perceived by users. Similarly, research by Wang et al. (2019), using survey methods and collecting data from social commerce users in China, found that subjective norms have a positive and significant influence on perceived usefulness in the adoption of social commerce.

Perceived ease of use influences perceived usefulness due to the psychological influence between the two concepts. Research by Lu et al. (2022) states that perceived ease of use significantly influences perceived usefulness. When users feel that a product or service is easy to use, they will exert less cognitive effort in understanding how to operate it. Perceived ease of use is often closely related to positive user experience. Users who feel happy and satisfied with their product usage experience tend to prefer and perceive the product as more useful (Londa et al., 2022; Muzirwan et al., 2023). By enhancing the perception of ease of use, a product or service can reduce barriers that may hinder users from trying or adopting the product.

Perceived ease of use influences perceived usefulness (perceptions of usefulness) among Generation Z in using Sharia fintech due to the correlation between these two factors, which affect preferences, adoption, and usage of technology by Generation Z, who have specific characteristics (Putri et al., 2022). Sharia fintech offers financial alternatives that align with the values and principles of Islamic Sharia. If Generation Z finds it easy to use Sharia fintech, they are more likely to feel that this service aligns with their values, thus enhancing their perception of its usefulness (Dawood et al., 2022).

The views, support, and expectations of others in an individual's social environment can influence their perception of how useful a technology or



information system is. This perception then contributes to the user's intention and behavior in adopting and using the technology. Perceived ease of use influences perceived usefulness among Generation Z because the ease of use of Sharia fintech increases the acceptance, adoption, and usage of this technology, which aligns with the specific characteristics of Generation Z.

H1a: Subjective norms significantly influence perceived usefulness.

H1b: Perceived ease of use significantly influences perceived usefulness.

The Influence of Subjective Norms, Perceived Usefulness, and Perceived Ease of Use on Behavioral Intention

Subjective norms are a critical factor in the TPB, which has been widely used in the context of consumer behavior studies and technology acceptance. This concept refers to individuals' perceptions of the extent to which social norms, social pressure, or others' expectations influence behavioral intention, or individual behavior intentions (Wang & Tsai, 2022). These norms can be positive or negative and play a role in shaping individuals' beliefs about whether the use of Sharia fintech is an expected behavior as a favorable action (Baber & Billah, 2022).

The perception of subjective norms is highly relevant for understanding behavioral intention in using Sharia fintech. If someone feels that their friends and family support the use of Sharia fintech, then the likelihood of their intention to use it will be higher (Majid & Nugraha, 2022). In previous academic studies, subjective norms have been found to significantly influence behavioral intention in various contexts (Oladapo et al., 2022). Companies and service providers can develop more effective marketing and education strategies to encourage the adoption of this technology. Additionally, authorities and regulators can also use the results of this research to develop policies that support the wider and sustainable growth and development of Sharia fintech (Berakon et al., 2022).

Previous studies have found that subjective norms have a significant influence on behavioral intention in various contexts, including consumer behavior and technology adoption (Lavidas et al., 2022). The influence of subjective norms on behavioral intention in using Sharia fintech is also important to understand because it can provide insights into how social norms in societies prioritizing Sharia finance affect the adoption of this technology (Perwitasari, 2022).



In this context, behavioral intention refers to an individual's intention to use Sharia fintech for financial transactions. Perceived ease of use is considered a factor influencing an individual's behavioral intention to use the technology (Lavidas et al., 2022). In empirical research and practical applications, it has been found that perceived ease of use significantly influences behavioral intention to use technology. If users believe that the technology is easy to use, they are more likely to have a stronger intention to adopt and use the technology in their daily activities (Fatmawati et al., 2022).

H2a: Subjective norms significantly influence behavioral intentions.

H2b: Perceived usefulness significantly influences behavioral intentions.

H2c: Perceived ease of use significantly influences behavioral intentions.

The Influence of Subjective Norms on Behavioral Intention, Mediated by Perceived Usefulness

The influence of subjective norms on behavioral intention, mediated by perceived usefulness, is a model or concept that continues to be developed in the context of Sharia fintech adoption and acceptance. Perceived usefulness successfully mediates the influence of subjective norms on behavioral intention (Daragmeh et al., 2021). Subjective norms do not directly influence behavioral intentions in using Sharia fintech (Sumiati et al., 2021). Perceived usefulness in using Sharia fintech is considered beneficial and can assist in fulfilling financial needs or achieving financial goals.

Research exploring the influence of subjective norms on behavioral intention mediated by perceived usefulness in the context of Sharia fintech has several advantages and practical implications. This research can provide valuable information for authorities and regulators in developing educational campaigns and socialization about the benefits and security of using Sharia fintech. The findings of this research can also serve as input for authorities and regulators in designing policies that support the sustainable development of Sharia fintech. By understanding the factors influencing behavioral intention, authorities can design policies that encourage wider adoption of Sharia financial technology in society (Al-masaeed et al., 2021).

H3: Subjective norms significantly influence behavioral intention, mediated by perceived usefulness.



The Influence of Perceived Ease of Use on Behavioral Intention, Mediated by Perceived Usefulness

Perceived ease of use refers to individuals' perceptions of how easy it is to use a particular technology, such as Sharia fintech in this case. If individuals feel that the technology is easy to use, they tend to have a positive perception of its usability. Perceived ease of use successfully acts as a mediating variable between perceived usefulness and behavioral intentions (Prastiawan et al., 2021). Mediation means that the perception of ease of use influences the perception of usefulness, which in turn affects an individual's intention to actually adopt and use the technology.

By understanding the influence of perceived ease of use and perceived usefulness, Sharia fintech companies and service providers can optimize the design and user interface to enhance the user experience (Al-Gasawneh et al., 2022). The ease of use and clear benefits can enhance the acceptance of this technology by potential users (Maryanto & Kaihatu, 2021). A higher level of adoption and acceptance will drive the growth of this industry and spur innovation in the Islamic finance sector (Rabbani et al., 2021).

H4: Perceived ease of use significantly influences behavioral intention, mediated by perceived usefulness.

Research Framework

The research framework, as shown in Figure 1, illustrates the relationships between the key constructs of the study, including subjective norms, perceived ease of use, perceived usefulness, and behavioral intention. The framework is based on the works of Daragmeh et al. (2021), Baber and Billah (2022), and Al-Gasawneh et al. (2022).



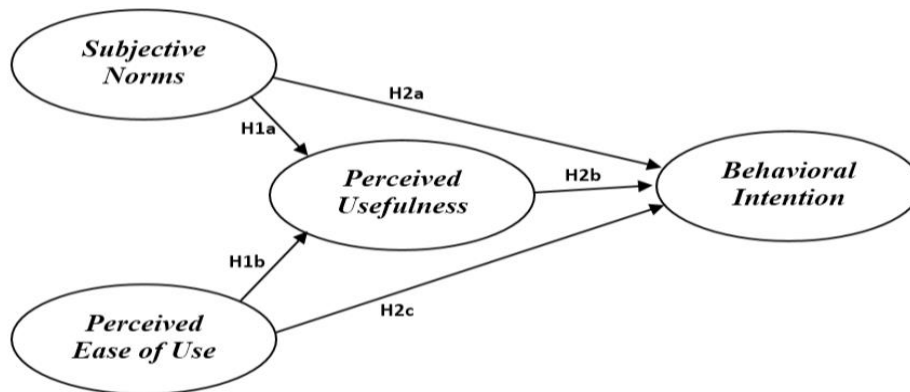


Figure 1. Research Framework

(Source: Daragmeh et al., 2021; Baber & Billah, 2022; and Al-Gasawneh et al., 2022)

METHODOLOGY

Research Design and Sampling

This study employs a quantitative research design to examine the factors influencing the adoption of Shariah-compliant fintech among Generation Z in Java Island, Indonesia. Java Island is chosen as the research focus due to its high population density and the presence of numerous fintech company headquarters in the region. By sampling from this densely populated area, the study aims to provide a representative overview of Shariah-compliant fintech practices, sustainability levels, and challenges faced.

The research population consists of Generation Z individuals who utilize Shariah-compliant fintech in Java Island. To ensure the sample aligns with the research objectives, a purposive sampling method is employed. Purposive sampling is a non-random sampling technique that allows researchers to deliberately select participants based on specific characteristics (Sekaran & Bougie, 2016). In this study, the selection criteria include being a member of Generation Z (born between 1997 and 2012) and having experience using Shariah-compliant fintech services.

Data Collection and Analysis

Data will be collected using an online survey questionnaire. The questionnaire will be designed based on validated scales adapted from previous studies to measure the key constructs of the research model, including subjective norms,



perceived ease of use, perceived usefulness, and behavioral intention. A pilot study will be conducted to assess the reliability and validity of the questionnaire before the main data collection.

The collected data will be analyzed using Structural Equation Modeling (SEM) with the assistance of AMOS 25.0 software. SEM is a multivariate statistical technique that allows for the simultaneous examination of multiple relationships among variables, making it suitable for testing the hypothesized relationships in the research model. The two-step approach recommended by Anderson and Gerbing (1988) will be followed, which involves assessing the measurement model's validity and reliability before testing the structural model.

Operational Definition and Measurement of Variables

‘Subjective norms’ refers to the perceived social pressure to engage or not engage in using Shariah-compliant fintech. It will be measured using a scale adapted from Hill, Mann, and Wearing (1996). ‘Perceived ease of use’ refers to the degree to which an individual believes that using Shariah-compliant fintech will be free of effort. It will be measured using a scale adapted from Kim et al. (2010). ‘Perceived Usefulness’ refers to the degree to which an individual believes that using Shariah-compliant fintech will enhance their performance or productivity. It will be measured using a scale adapted from Davis (1989). Lastly, the variable of ‘Behavioral Intention’ refers to an individual's willingness or intention to use Shariah-compliant fintech in the future. It will be measured using a scale adapted from Kim et al. (2010). All variables will be measured using a 5-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

RESULTS AND DISCUSSION

Validity Testing

The validity testing of the instruments was conducted on the four main variables in this study: subjective norms, perceived ease of use, perceived usefulness, and behavioral intention. The research employed a 5-point Likert scale ranging from strongly disagree to strongly agree. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO-MSA) value of 0.831 and the significant Bartlett's Test of Sphericity ($p < 0.001$) indicated that the factor analysis could proceed (Table 1).



Table 1. KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.908
Bartlett's Test of Sphericity	Approx. Chi-Square	946.631
	df	105
	Sig.	.000

(Source: Research output, 2023)

The validity testing results involving 155 respondents showed strong evidence of validity for all items, with each factor loading value exceeding 0.5 (Table 2). This suggests that the instrument items effectively measured the intended constructs.

Table 2. Results of Factor Analysis

Variable	Questionnaire	Value
Subjective Norms	1. Important people in my life (such as family, friends, religious scholars, experts, etc.) believe I should use Shariah-compliant Fintech.	0.604
	2. People whose opinions I value prefer me to use Shariah-compliant Fintech.	0.560
	3. Important people in my life support the use of Shariah-compliant Fintech.	0.727
	4. Significant individuals recommend me to use Shariah-compliant Fintech.	0.722
	5. Important people in my life influence my decision to use Shariah-compliant Fintech.	0.587
Perceived Ease of Use.	1. Learning to use Shariah-compliant Fintech is easy for me.	0.721
	2. The procedures for using Shariah-compliant Fintech are clear and easy to understand.	0.742
	3. It is easy for me to become skilled in using Shariah-compliant Fintech.	0.838
Perceived Usefulness	1. Using Shariah-compliant Fintech enables faster financial transactions.	0.617
	2. Using Shariah-compliant Fintech makes it easier for me to conduct financial transactions.	0.702
	3. Using Shariah-compliant Fintech would be more advantageous than traditional transaction methods.	0.542
	4. In my opinion, transactions with Shariah-compliant Fintech are a useful alternative in financial transactions.	0.621
Behavioral Intention	1. When I have access to financial transactions with Shariah-compliant Fintech, I will use it.	0.632
	2. I will always try to use Shariah-compliant Fintech in my daily life.	0.537
	3. In the future, I intend to conduct transactions with Shariah-compliant Fintech.	0.669



Reliability Testing

The reliability testing assessed the consistency of the questions used in measuring each variable. A construct is considered reliable if its Cronbach's alpha value exceeds 0.60. The results showed that all variables in this study were reliable, with Cronbach's alpha values ranging from 0.821 to 0.865 (Table 3). This indicates that the questionnaire items exhibited adequate consistency in measuring the respective variables.

Table 3. Results of Reliability Test

Variabel	Cronbach's Alpha
Subjective Norms	0.865
Perceived Ease of Use.	0.860
Perceived Usefulness	0.821
Behavioral Intention	0.833

(Source: Research output, 2023)

Hypothesis Testing

Structural Equation Modeling (SEM) analysis using AMOS 21.0 was employed for hypothesis testing. The model fit indices, including Chi-Square, CFI, TLI, AGFI, RMSEA, and GFI, met the required criteria, indicating an acceptable model fit (Table 4). The hypothesis testing results are discussed below.

Table 4. Hypothesis Testing Results

		Estimate	S.E.	C.R.	P	Remark
Subjective Norms	→ Perceived Usefulness	1.447	.146	9.901	***	Supported
Perceived Ease of Use	→ Perceived Usefulness	1.236	.132	9.373	***	Supported
Perceived Usefulness	→ Behavioral Intention	1.243	.131	9.485	***	Supported
Perceived Ease of Use	→ Behavioral Intention	.205	.506	.405	.685	Rejected
Subjective Norms	→ Behavioral Intention	1.527	.158	9.676	***	Supported

(Source: Research output, 2023)

The statistical analysis confirmed several hypotheses. Social pressure (subjective norms) significantly influences how useful people perceive something (perceived usefulness). Similarly, people tend to find something more useful if they believe it is easy to use (perceived ease of use). Furthermore,



social pressure and perceived usefulness both independently influence a person's intention to engage in a certain behavior (behavioral intention). However, perceived ease of use did not have a significant effect on behavioral intention. Details of the results will be discussed as follows:

The Influence of Subjective Norms and Perceived Ease of Use on Perceived Usefulness

The data processing results using SEM on hypothesis 1a indicate a significant influence between the subjective norms variable and perceived usefulness. This is evident from the analysis results in Table 4, where the Critical Ratio (CR) value is 9.901 with a P-value showing a very strong level of significance. Since the CR value exceeds the threshold of 2.0 and the P-value is less than 0.05, it can be concluded that the hypothesis associating subjective norms with perceived usefulness in this study is supported.

Previous research has consistently shown the positive influence of subjective norms on perceived usefulness across various contexts. Abdullah et al. (2019) conducted a survey of e-government users in Malaysia and found that subjective norms have a positive and significant influence on perceived usefulness. Similarly, Wang et al. (2016) surveyed social commerce users in China and found that subjective norms positively and significantly influence perceived usefulness in social commerce adoption. Expectations and perceptions of individuals within their social environment affect how users perceive the benefits of using social commerce platforms. Kim and Oh (2014) also gathered data from users of mobile social gaming services in South Korea and found that subjective norms have a positive and significant influence on perceived usefulness in the adoption of mobile social gaming services. Views and expectations from friends or family regarding the use of social gaming services play a role in users' perceptions of their benefits.

The data processing results using SEM on hypothesis 1b indicate a significant influence between the perceived ease of use variable and perceived usefulness. From the analysis in Table 4, it is evident that the Critical Ratio (CR) value is 9.373 with a P-value showing a very strong level of significance. With the CR value exceeding the threshold of 2.0 and the P-value less than 0.05, it can be concluded that the hypothesis linking perceived ease of use with perceived usefulness in this study is supported. This result emphasizes that the perception of the ease of using Shariah-compliant fintech significantly influences how



individuals perceive the usefulness or benefits of that technology (perceived usefulness). The easier individuals feel using the technology, the higher the likelihood they will perceive the technology as beneficial or useful for their financial needs or activities.

This finding is consistent with the study of Lu et al. (2022), stating that perceived ease of use has a significant influence on perceived usefulness. When users perceive a product or service as easy to use, they experience less cognitive effort in understanding how to use it, making them faster and more efficient in using the product. Ease of use can also increase users' confidence in using the product or service. Londa et al. (2022) highlight that the perception of ease of use is often closely related to positive user experiences, and users who feel happy with the experience of using a product tend to prefer and perceive the product as more useful.

Perceived ease of use plays a particularly important role in the adoption of Shariah-compliant fintech by Generation Z because this generation has different preferences, adoption, and usage of technology compared to other generations (Putri et al., 2022; Rahmati & Ibrahim, 2022). Generation Z grew up in the digital era with extensive exposure to technology and has higher technological skills. If Generation Z feels that Shariah-compliant fintech is easy to use, they are likely to perceive this service as consistent with their values and find it more useful (Dawood et al., 2022).

The results demonstrates that subjective norms have a positive influence on perceived usefulness. Views, support, and expectations from an individual's social environment can affect their perception of the usefulness of a technology or information system. Additionally, perceived ease of use also impacts perceived usefulness, particularly in the context of Generation Z, due to the ease of using technology that aligns with the specific characteristics of that generation. Good integration between ease of use and perceived benefits will help increase user acceptance and satisfaction with technology, especially for Generation Z, which has specific preferences regarding the ease of use of technology. These findings have important implications for the development and marketing of Shariah-compliant fintech, highlighting the need to consider social influences and user-friendly design to drive adoption and perceived value among the target audience.



The Influence of Subjective Norms, Perceived Usefulness, and Perceived Ease of Use on Behavioral Intention

The results of the analysis using Structural Equation Modeling (SEM) for hypothesis 2a indicate significant findings. The Critical Ratio (CR) value for testing the influence of subjective norms on behavioral intention, as represented in Table 4, is 9.485 with a highly significant P-value. This finding confirms previous research results by affirming the relationship between subjective norms and behavioral intention. The significance of the CR value exceeding 2.0 and the P-value less than 0.05 confirms that the hypothesis proposed in this study is supported.

Subjective norms revolve around the influence of individuals' views and expectations from their social environment on their behavioral intentions to adopt a specific technology or behavior, as highlighted Wang and Tsai (2022). The views and expectations of the social environment are crucial in shaping individuals' mindsets regarding how they should act or use technology. This includes the influence and expectations of family, friends, and society on technology acceptance and how these perceptions affect individual decisions to adopt the debated behavior or technology. Thus, subjective norms not only reflect social expectations of individual behavior but also play a significant role in shaping individuals' behavioral intentions towards technology or behavior.

In the context of Shariah-compliant fintech, subjective norms are relevant because they consider individuals' views on the support or rejection from the social environment regarding the use of Shariah-compliant financial technology. Various studies have highlighted that perceptions from family, friends, and society play a significant role in influencing individuals' intentions to use Shariah-compliant fintech. If the environment provides support, the tendency to adopt this technology increases. This implies that attitudes and support from the social environment are essential factors in shaping individuals' decisions to adopt financial technology.

The results of data analysis using SEM for hypothesis 2b show significant results. The Critical Ratio (CR) value for testing the influence of perceived usefulness on behavioral intention, as recorded in Table 4, is 9.357 with a highly significant P-value. From these test results, the hypothesis proposed in this study receives strong support. The significance of the CR value exceeding the threshold of 2.0 and the P-value less than 0.05 indicate that the hypothesis



in this study is supported by the SEM analysis. The conclusion of this study confirms that perceived usefulness has a strong influence on behavioral intention, confirming the influence between perceived usefulness and behavioral intention within the scope of the study.

Previous research has emphasized that social norms influence behavioral intentions in various contexts, including the adoption of financial technology. Social norms encompass individuals' views and expectations from their social environment regarding specific behaviors, and this plays a significant role in shaping individuals' decisions to adopt Shariah-compliant fintech. If an individual's environment is supportive, their willingness to adopt this technology increases. Conversely, if there is rejection or disapproval from the environment, the intention to use Shariah-compliant fintech will tend to decrease.

Meanwhile, perceived ease of use, or the perception of ease of use, also plays a crucial role in shaping behavioral intention. This factor highlights the extent to which individuals feel that using a particular technology is easy. In the context of Shariah-compliant fintech, if users perceive this technology as easy to use, the intention to use it will significantly increase. The perception of ease of use creates a positive tendency in adopting technology, especially in the growing market of Shariah-compliant fintech.

However, the results of the data analysis using SEM on hypothesis 2c showed non-significant findings. The Critical Ratio (CR) value for testing the influence of perceived ease of use on behavioral intention, as recorded in Table 4, is 0.405 with a P-value of 0.685. From these test results, it can be concluded that the hypothesis proposed in the study is not supported or rejected. The significance of the CR value being less than the threshold of 2.0 and the P-value being greater than 0.05 indicate that the hypothesis in this study is not supported. The conclusion of this research confirms that perceived ease of use does not have an influence on behavioral intention, thus undermining the understanding of the relationship between the perception of ease of use and behavioral intention within the scope of this study.

This study is in line with previous research conducted by Lee et al. (2022), which suggests that perceived ease of use is not considered a factor influencing an individual's behavioral intention to use technology. A deeper understanding of subjective norms and perceived ease of use is not deemed crucial. This



condition arises because there are still few users of Shariah-compliant fintech applications, and the ratings of these applications on the Google Play Store are not favorable.

The subjectivity of social norms and perceptions of the ease of use of Shariah-compliant financial technology have not yet provided a basis for developing more effective marketing strategies, nor have they led to educational approaches that can enhance the adoption and acceptance of this technology among the public. Although environmental support for adopting this technology will increase, there is also resistance, leading to a decrease in the tendency to use it. This creates challenges for companies to understand and respond to adoption patterns.

Perceived ease of use refers to an individual's perception of how easy they believe the technology can be used. When individuals perceive the technology as easy to use, their intention to use it, in fact, does not become stronger. The focus on ensuring that the technology is easy to understand and use by potential users is key to increasing the adoption of Shariah-compliant fintech. By deepening the understanding of these factors, companies can direct more specific and relevant marketing and educational efforts. For example, if research shows that environmental rejection is one of the main obstacles, strategies focused on socialization and education in specific communities will be important. Likewise, if perceived ease of use is a challenge, developing simpler and more intuitive user interfaces becomes imperative.

The role of regulators and government agencies is also crucial in understanding these factors. With a better understanding, policies can be formed to support the overall growth of Shariah-compliant fintech. This may include government-supported education campaigns, incentives, or regulations designed to reduce adoption barriers, and frameworks that lead to the development of products that better suit the needs of the public (Kamri et al., (2014). Through a deeper understanding of perceived ease of use, both fintech companies and regulators can take smarter and more measured steps. This will help strengthen the Shariah-compliant fintech market, with the hope of providing a solid foundation for the sustainable adoption of Shariah-compliant financial technology among the public, especially among Generation Z.

In the context of regulations and policies, understanding the impact of social norms and perceptions of ease of use in adopting Shariah-compliant fintech can



help authorities create regulations that support the growth and development of this financial technology more broadly and sustainably. Innovations in Shariah-compliant fintech are becoming increasingly important in providing financial services that align with Islamic principles and are accessible to the communities in need. Overall, further research and understanding of the factors influencing behavioral intentions in adopting Shariah-compliant fintech, especially through the lens of social norms and perceptions of ease of use, have significant implications for the development, market penetration, and acceptance of this technology.

The Influence of Subjective Norms on Behavioral Intention Mediated by Perceived Usefulness

This research successfully found that perceived usefulness mediates the relationship between subjective norms and behavioral intention, supporting hypothesis 3 in this study. The influence of subjective norms on behavioral intention mediated by perceived usefulness is a model currently being developed and extensively researched in the context of Shariah-compliant fintech adoption and acceptance.

Previous studies have investigated the role of perceived usefulness as a mediator between subjective norms and behavioral intention. Daragmeh et al. (2021) found that perceived usefulness effectively mediates the influence of subjective norms on behavioral intention. If individuals feel pressure from their social environment to use fintech services because it is deemed appropriate or expected, it will affect their intention to actually adopt fintech. This mediating process indicates that other people's views on the use of Shariah-compliant fintech influence individuals' perceptions of its benefits, which in turn shape their intention to use it.

Similarly, Sumiati et al. (2021) showed that subjective norms do not directly influence behavioral intentions in using Shariah-compliant fintech. However, they found that perceived usefulness mediates the relationship between these two variables. Perceived usefulness in using Shariah-compliant fintech is considered a beneficial factor in meeting financial needs or goals. Through the mediation process, subjective norms influence perceived usefulness, which subsequently affects behavioral intentions.

The implications of this research extend beyond consumer behavior understanding and provide valuable insights for regulators and authorities. The



information generated can assist in designing educational and awareness campaigns that emphasize the benefits and safety of using Shariah-compliant fintech. With a better understanding of the factors influencing behavioral intention, regulations and policies that encourage the adoption of Shariah-compliant financial technology can be designed more effectively and sustainably.

Studies on the influence of subjective norms on behavioral intention mediated by perceived usefulness in the context of Shariah-compliant fintech are expected to make a significant contribution to supporting the development and widespread acceptance of Shariah-compliant financial technology in society, as well as strengthening understanding of the Shariah financial market. The role of perceived usefulness as a mediator highlights the importance of communicating the benefits and value proposition of Shariah-compliant fintech to potential users.

For fintech companies, this research emphasizes the need to focus on developing and marketing products that align with the perceived usefulness of their target audience. By understanding the specific needs and expectations of their users, companies can tailor their offerings to maximize perceived usefulness and, consequently, drive adoption.

Regulators and policymakers can also benefit from this research by creating an environment that fosters the growth of Shariah-compliant fintech. This may involve initiatives such as promoting financial literacy, providing incentives for fintech companies, and establishing clear guidelines and regulations that ensure the integrity and stability of the Shariah-compliant fintech ecosystem.

The Influence of Perceived Ease of Use on Behavioral Intention Mediated by Perceived Usefulness

This study supports hypothesis 4, which proposes that perceived usefulness fully mediates the relationship between perceived ease of use and behavioral intention in the context of Shariah-compliant fintech adoption. Perceived ease of use refers to individuals' perceptions of how easy a technology, such as Shariah-compliant fintech, is to use. If individuals perceive the technology as easy to use, they are likely to have a positive view of its usability. On the other hand, perceived usefulness refers to the extent to which individuals see the technology as useful in meeting their financial needs or goals.



This research aligns with previous findings by Prastiawan et al. (2021), who found that perceived usefulness acts as a mediator between perceived ease of use and behavioral intentions. The mediation indicates that perceptions of ease of use influence perceptions of the technology's usefulness, which ultimately affects individuals' intentions to actually adopt and use the technology. The ease of use and clear benefits of this technology can increase acceptance by potential users.

By identifying barriers that potential users may face in adopting Shariah-compliant fintech, this research can contribute to reducing these barriers and improving ease of use, thereby increasing the adoption rate of this technology. Improving potential users' understanding will help increase their behavioral intention to use this technology. With higher adoption and acceptance, it is expected to drive growth in the Shariah-compliant fintech industry and stimulate innovation in the Shariah finance sector.

Research on the influence of perceived ease of use on behavioral intention mediated by perceived usefulness in the context of Shariah-compliant fintech will provide valuable insights for stakeholders to understand consumer behavior and factors influencing the adoption of Shariah-compliant financial technology. In the context of Shariah-compliant fintech, how easy Generation Z perceives the use of Shariah-compliant financial platforms or services can influence their tendency to adopt such services. Factors such as intuitive layout, easy navigation, and clarity and ease of use of the platform can influence this perception.

Perceived usefulness highlights how Generation Z perceives Shariah-compliant financial technology as a useful tool in achieving their financial goals. It explores their perceptions of how effective and beneficial the technology is in meeting their financial needs. The information generated from this research will help fintech companies design platforms that are more attractive, easy to use, and effective in meeting the financial needs and desires of Generation Z in line with Shariah principles.

For fintech companies, this result emphasizes the importance of developing user-friendly interfaces and clear communication of the benefits of Shariah-compliant fintech. By focusing on enhancing perceived ease of use and perceived usefulness, companies can increase the likelihood of adoption and continued use of their products and services. Regulators and policymakers can



also benefit from this study by creating an environment that supports the growth of Shariah-compliant fintech while ensuring consumer protection. This may involve initiatives such as promoting financial literacy, providing guidelines for user-friendly design, and establishing clear regulations that foster trust and confidence in Shariah-compliant fintech.

Implications and Future Research

The findings of this study provide valuable insights for Shariah-compliant fintech companies, regulators, and policymakers. By understanding the factors influencing the adoption of Shariah-compliant fintech, companies can optimize the design and user interface to enhance the user experience and align with the preferences of Generation Z (Al-Gasawneh et al., 2022; Maryanto & Kaihatu, 2021). Regulators and government agencies can develop policies and educational campaigns to support the growth and sustainable development of the Shariah-compliant fintech industry (Rabbani et al., 2021).

Future research could explore the role of other factors, such as trust, security, and religious beliefs, in the adoption of Shariah-compliant fintech. Additionally, comparative studies across different geographical regions and demographic groups could provide a more comprehensive understanding of the factors influencing the adoption of Shariah-compliant fintech.

CONCLUSION

The hypothesis testing analysis using Structural Equation Modeling (SEM) reveals several key findings regarding the factors influencing the adoption of Shariah-compliant fintech among Generation Z in Java Island, Indonesia: (1) subjective norms and perceived ease of use significantly influence perceived usefulness, with individuals' views on social support or rejection towards Shariah-compliant fintech and their perception of its ease of use affecting their perceptions of the technology's usefulness; (2) subjective norms and perceived usefulness have a significant impact on behavioral intention, with social expectations and beliefs about the usefulness of the technology shaping individuals' desire to adopt it, while perceived ease of use does not have a significant direct influence on behavioral intention; and (3) subjective norms and perceived ease of use influence behavioral intention through the mediating role of perceived usefulness, with social pressure and the perception of ease of use indirectly affecting the decision to use Shariah-compliant fintech by shaping the perception of its usefulness.



The findings of this study have important implications for various stakeholders in the Shariah-compliant fintech ecosystem. Fintech companies should focus on enhancing the perceived usefulness of their products and services while considering the influence of social norms, and strive to create user-friendly interfaces and provide adequate support. Policymakers and regulators can use the insights to create a supportive environment for the growth and development of Shariah-compliant fintech through initiatives such as financial literacy programs, incentives, and regulations. Researchers can further investigate the adoption of Shariah-compliant fintech by expanding the scope and exploring additional variables.

While this study provides valuable insights into the adoption of Shariah-compliant fintech among Generation Z users in Java Island, Indonesia, its narrow focus on a specific demographic and geographical context may limit the generalizability of the findings. Future research should consider broadening the sample by conducting studies with a more diverse sample based on education level, age, and occupation, undertaking a deeper analysis of the influence of subjective norms on perceived usefulness and how this relationship affects behavioral intention, and exploring additional variables such as service provision and support to understand how these factors influence user experience and adoption. Despite these limitations, this study makes a significant contribution to the growing body of knowledge on the adoption of Shariah-compliant fintech, emphasizing the need for a holistic approach in promoting the growth and acceptance of this innovative financial technology.

REFERENCES

- Al-Gasawneh, J. A., Al Khoja, B., Al-Qeed, M. A., Nusairat, N. M., Hammouri, Q., & Anuar, M. M. (2022). Mobile-customer relationship management and its effect on post-purchase behavior: The moderating role of perceived ease of use and perceived usefulness. *International Journal of Data and Network Science*, 6, 439-448. <https://doi.org/10.5267/j.ijdns.2021.12.010>
- Almajali, D. A., Masa'deh, R., & Dahalin, Z. M. (2022). Factors influencing the adoption of cryptocurrency in Jordan: An application of the extended TRA model. *Cogent Social Sciences*, 8(1), 2103901. <https://doi.org/10.1080/23311886.2022.2103901>
- Berakon, I., Mustiko Aji, H., & Riza Hafizi, M. (2022). Impact of digital Sharia banking systems on cash-waqf among Indonesian Muslim youth. *Journal*



- of Islamic Marketing*, 13(7), 1551-1573. <https://doi.org/10.1108/JIMA-03-2020-0071>
- Daragmeh, A., Lentner, C., & Sági, J. (2021). FinTech payments in the era of COVID-19: Factors influencing behavioral intentions of ‘Generation X’ in Hungary to use mobile payment. *Journal of Behavioral and Experimental Finance*, 32, 100574. <https://doi.org/10.1016/j.jbef.2021.100574>
- Davis, F. D. (1989). Technology acceptance model: TAM. In M. N. Al-Suqri & A. S. Al-Aufi (Eds.), *Information Seeking Behavior and Technology Adoption* (pp. 205-219).
- Fatmawati, I., Zulfanti, D. A., Aini, N., & Tsani, F. (2022). Young customers’ perception of Sharia financial services mobile-banking and behavioral intention consequences. In *International Conference on Business and Technology* (pp. 116-125). Springer. https://doi.org/10.1007/978-3-030-89974-1_12
- Hair Jr, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). An introduction to structural equation modeling. In J. F. Hair Jr, G. T. M. Hult, C. M. Ringle, & M. Sarstedt (Eds.), *Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R: A Workbook* (pp. 1-29). Springer. https://doi.org/10.1007/978-3-030-80519-3_1
- Hill, M., Mann, L., & Wearing, A. J. (1996). The effects of attitude, subjective norm and self-efficacy on intention to benchmark: A comparison between managers with experience and no experience in benchmarking. *Journal of Organizational Behavior*, 17(4), 313-327. [https://doi.org/10.1002/\(SICI\)1099-1379\(199607\)17:4<313::AID-JOB751>3.0.CO;2-2](https://doi.org/10.1002/(SICI)1099-1379(199607)17:4<313::AID-JOB751>3.0.CO;2-2)
- Ibrahim, A., Fitria, A., & Majid, M. S. A. (2022). Do distributive and procedural justice matter for job satisfaction? The case of state Islamic higher education institutions in Indonesia. *International Journal of Management in Education*, 16(3), 291-316.
- Kamri, N. A., Ramlan, S. F., & Ibrahim, A. (2014). Qur’anic Work Ethics. *Journal of Usuluddin*, 40(-), 135-172.
- Khan, M. S., Rabbani, M. R., Hawaldar, I. T., & Bashar, A. (2022). Determinants of behavioral intentions to use Islamic financial technology: An empirical assessment. *Risks*, 10(6), 114. <https://doi.org/10.3390/risks10060114>



- Kim, S. H., Kim, S., Huh, C., & Knutson, B. (2010). A predictive model of behavioral intention to spa visiting: An extended theory of planned behavior. In *International CHRIE Conference-Refereed Track* (p. 30). Retrieved from https://scholarworks.umass.edu/refereed/CHRIE_2010/Friday/30
- Londa, D. R., Worang, F. G., & Arie, F. V. (2022). The influence of perceived credibility, perceived ease of use, and perceived usefulness toward customer satisfaction in using BSGtouch. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi*, 10(4), 934-945. <https://doi.org/10.35794/emba.v10i4.42353>
- Maryanto, R. H., & Kaihatu, T. S. (2021). Customer loyalty as an impact of perceived usefulness to Grab users, mediated by customer satisfaction and moderated by perceived ease of use. *Binus Business Review*, 12(1), 31-39. <https://doi.org/10.21512/bbr.v12i1.6695>
- Muzirwan, M., Ibrahim, A., & Badri, K. (2023). Financial Freedom in PAYTREN Multi Level Marketing Practice. *KULMINASI: Journal of Falak and Sharia*, 1(2), 85-106.
- Oladapo, I. A., Hamoudah, M. M., Alam, M. M., Olaopa, O. R., & Muda, R. (2022). Customers' perceptions of FinTech adaptability in the Islamic banking sector: Comparative study on Malaysia and Saudi Arabia. *Journal of Modelling in Management*, 17(4), 1241-1261. <https://doi.org/10.1108/JM2-03-2021-0082>
- Padli, M. S. (2021). Syariah guna mendukung merger bank Bumh syariah dan kesejahteraan sektor pertanian Indonesia era 6. <https://doi.org/10.21154/muslimheritage.v6i2.2878>
- Perwitasari, A. W. (2022). The effect of perceived usefulness and perceived easiness towards behavioral intention to use fintech by Indonesian MSMEs. *The Winners*, 23(1), 1-9. <https://doi.org/10.21512/tw.v23i1.7533>
- Prastiawan, D. I., Aisjah, S., & Rofiaty, R. (2021). The effect of perceived usefulness, perceived ease of use, and social influence on the use of mobile banking through the mediation of attitude toward use. *APMBA (Asia Pacific Management and Business Application)*, 9(3), 243-260. <https://doi.org/10.21776/ub.apmba.2021.009.03.4>
- Putri, D. E., Sinaga, O. S., Sudirman, A., Augustinah, F., & Dharma, E. (2022). Analysis of the effect of perceived ease of use, perceived usefulness,



- trust, and cashback promotion on intention to use e-wallet. *International Journal of Economics, Business and Management Research*, 6(11), 1-12.
- Rabbani, M. R., Bashar, A., Nawaz, N., Karim, S., Ali, M. A. M., Rahiman, H. U., & Alam, M. S. (2021). Exploring the role of Islamic FinTech in combating the aftershocks of COVID-19: The open social innovation of the Islamic financial system. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(2), 136. <https://doi.org/10.3390/joitmc7020136>
- Rahmati, A., & Ibrahim, A. (2022). Strategi Pengembangan Perbankan Syariah dalam Menghadapi Financial Technology. *Istinbath*, 21(1), 125-141.
- Sekaran, U., & Bougie, R. (2016). *Research methods for business: A skill building approach*. Chichester, West Sussex, UK: John Wiley & Sons.
- Singh, A. K., & Sharma, P. (2022). A study of Indian Gen X and Millennials consumers' intention to use FinTech payment services during COVID-19 pandemic. *Journal of Modelling in Management*, 18(4), 1177-1203. <https://doi.org/10.1108/JM2-06-2021-0140>
- Stafford, L., & Kuiper, K. (2021). Social exchange theories: Calculating the rewards and costs of personal relationships. In D. O. Braithwaite & P. Schrodtt (Eds.), *Engaging Theories in Interpersonal Communication* (pp. 379-390). Routledge.
- Wang, J. J., & Tsai, N. Y. (2022). Factors affecting elementary and junior high school teachers' behavioral intentions to school disaster preparedness based on the theory of planned behavior. *International Journal of Disaster Risk Reduction*, 69, 102757. <https://doi.org/10.1016/j.ijdr.2021.102757>
- Yang, L., & Wang, S. (2022). Do FinTech applications promote regional innovation efficiency? Empirical evidence from China. *Socio-Economic Planning Sciences*, 83, 101258. <https://doi.org/10.1016/j.seps.2022.101258>

