ABSTRACT

The level of Islamic financial inclusion in Indonesia is still relatively low compared to overall national financial inclusion. This situation is further complicated by the fact that the number of poor people in Indonesia remains quite high, while the lower-middle class and MSME players have not yet gained adequate access to financing. In Wonosobo Regency, limited access to formal Islamic financial institutions also poses a challenge in encouraging community participation in Islamic financial products and services. Amidst these conditions, KSPPS TAMZIS Bina Utama emerges as one of the solutions, as it has a wide service network in the Wonosobo region and is a rapidly growing Islamic cooperative that has expanded beyond the province.

This study uses a quantitative approach with Structural Equation Modeling-Partial Least Square (SEM-PLS) analysis method with the help of SmartPLS 3.2.9 software. The data used is primary data obtained through the distribution of questionnaires to 120 active TAMZIS members, both online through Google Forms and directly. The sampling technique uses the simple random sampling method.

The results of the study indicate that the three variables, namely religiosity, service quality, and Islamic financial literacy, have a positive and significant influence on members' decisions to use Islamic financial products at KSPPS TAMZIS Bina Utama Area Wonosobo.

Keywords: Decision to use, islamic financial literacy, islamic financial products, religiosity, service quality