

ABSTRACT

Sharia fintech has the opportunity to push Indonesia to become a global Islamic economic and financial center by 2024. The presence of Islamic fintech is expected to facilitate the public to carry out various financial transactions without violating sharia principles. It can be seen that the majority of fintech users come from millennials who live on the island of Java. This study aims to explore what factors determine the behavioral intention to use Islamic fintech in the Muslim millennial generation in Java, including payment, lending, and digital financial innovation (wealth tech), both simultaneously and in each type of Islamic fintech. A quantitative approach with Structural Equation Modeling – Partial Least Square analysis is used in this study using the SmartPLS 3.2.9 program. Purposive sampling technique was used for data collection which was done by filling out online questionnaires by 261 respondents.

The results of the study show that Planned Behavior (PB), Acceptance Model (AM), Technology's Use Model (TU), and Sharia Compliance (SC) have a positive and significant effect on the Behavioral Intention (BI) of the Muslim millennial generation in using sharia fintech. However, in fintech digital financial innovation (wealth tech), Technology's Use Model (TU) does not show a significant effect in predicting Behavioral Intention (BI). This research provides new information that the millennial Muslim community in Java Island is very concerned about sharia principles that are adhered to or implemented by sharia fintech. This study also concludes that millennial characteristics who are familiar with technology play an important role in the use of Islamic fintech. The hope is that these circles can become the main mover or catalyst for the growth of Islamic fintech in Indonesia.

Keywords: Sharia Fintech, Millennials, Sharia Compliance, Digital Financial Innovation, PLS-SEM

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