

The Intention to Pay Zakat Commercial: An Application of Revised Theory of Planned Behavior

Mohd Heikal, Muammar Khaddafi*, Falahuddin
Universitas Malikussaleh Lhokseumawe, Indonesia
*muammar_malikussaleh@yahoo.co.id

Abstract: Several researches have been carried out to predict the intention to pay zakat using the factors introduced by the Theory of Planned Behavior – developed by Ajzen & Fishbein (1980). Meanwhile, an addition of predicting past behavior factor on the intention to pay zakat has not been found in previous researches. The purpose of this research is to analyze the influence of attitude, subjective norms, perceived behavioral control and past behavior towards the intention of traders in the Lhokseumawe city to pay zakat commercial. The revised Theory of Planned Behavior was used in the research. This study aims to predict the intention of zakat payers. A total of 2,432 traders as the population of the research was identified and 150 of them were chosen as respondents determined using the purposive sampling technique. Using multiple linear regression models, it has found that the subjective norms, perceived behavioral control and past behavior partially have positive and significant influence towards the intention to pay zakat commercial. It also finds that past behavior variable has the most dominant impact towards the intention of zakat payers, while attitude has the least impact towards the intention. Finally, there is a simultaneously positive and significant influence towards the intention to pay zakat commercial.

Keyword: *Intention, Theory of Planned Behavior, Revised TPB, Zakat*

1. Introduction

The terms of zakat management are set out in Islam as a collection and disbursement by religious financial institutions, known as Baitul Maal. Qardawi (2004), as cited from several hadiths had asked the companions of the prophet to take alms from those who have been obliged, in the Baitul Maal. Furthermore, Qardawi (2004), concluded that the rules of zakat are not a private matter but it is a personal responsibility of Muslims and thus, it is the duty of the government to attract and distribute accordingly through applicable regulations. The management of zakat through money collection and distribution generally contains some wisdom, which is the means to maintain the obedience of the people. By raising charity, it will be able to provide support to the less fortunate more thoroughly. Meanwhile, the distribution of zakat by individuals is feared to gain some centralized attention by certain individuals, while there are still others who are more in need but are not made known to others. The zakat fund-raising through the agencies will form a substantial financial strength and would potentially create effective planning of a variety of related programs for the benefit of the people and the country. In short, a better management of zakat can potentially bring more values and make the money distribution more meaningful. At an international charity conference, it has been mentioned that the world has the potential to collect zakat funds of US\$ 600 billion or approximately Rp. 6,000 trillion by using the approach of calculating the consumption index indicator. Similarly, the potential of zakat in Indonesia, as one of the countries with the largest Muslim population in the world, could reach Rp. 300 trillion per year. However, out of the great potential, about US\$ 1.8 trillion per year was realized to be received (Bramasetia, 2012). These figures are accumulated from all types of zakat; zakat firah, zakat maal, zakat commercial, agricultural zakat and other types of zakat.

The small number of the zakat realization is due to a variety of factors, including the lack of knowledge about the zakat obligation among the Muslim community, lack of socialization by the Institute Amil Zakat (LAZ) as well as the intention of muzakki (Muslims who are made mandatory to pay zakat). With regards to the intention factor mentioned in the Theory of Planned Behavior developed by Ajzen (1991), it is influenced by attitudes, norms, behavior and past behavior. Many researchers believe that this theory and various variables in it are still relevant to be used as a foundation for examining human interest. Using the Theory of Reasoned

Action (TRA), Bidin et al. (2009) concluded that attitudes and subjective norms affect a person's intention in paying zakat for the income. Sapongi et al. (2011), using a variety of variables that exist in the TPB, also concluded that attitudes, subjective norms, and perceived behavioral control affect a person's intention to pay zakat. There are studies using the same theory conducted by Mastura (2011), Muafi (2011), Sihombing (2012), Burhanuddin (2010), Hidayar & Nugroho (2010), Machrus & Purwono (2010), Nathan et al. (2010) and Santosa (2007). The data of zakat collection by the Baitul Mal in Lhokseumawe city reach Rp. 45,787,000. About 58.8% of the zakat realization are collected from civil servants where the zakat is directly deducted by the treasurer. Only 1.3% of those collection are deposited by individuals. Meanwhile, some companies which are the local government's partners paid the zakat amounted to Rp. 15.306.000 or by 33.40% which were also deducted directly by the treasurer. Meanwhile, the banking services contribute up to Rp. 2.903.375 (6.30%).

The small contribution of the traders in paying their zakat raises a question on their intention to fulfill this individual obligation. Those traders in the city of Lhokseumawe may ignore their obligation to pay zakat. The low awareness/intention of the community, especially the traders to carry out their obligation to pay zakat may be influenced by several factors including; attitude, subjective norms, perceived behavioral control and past behavior. These may be the factors that influence their willingness to pay zakat, thus the formulation of the problem in this study is:

- Did the attitude factor affect the intention of the traders to pay the zakat commercial?
- Did the subjective norm factor affect the intention of the traders to pay the zakat commercial?
- Was the perceived behavioral control factor against the intention of the traders to pay the zakat commercial?
- Did the past behavior factor affect the intention of the traders to pay the zakat commercial?
- Which dominant factor affect the intention of the traders to pay the zakat commercial?

2.Literature Review

Zakat Commercial: Zakat is one of the pillars of Islam that must be implemented by all Muslims. The need to perform this zakat obligation is the same as the other pillars of Islam such as praying (performing solat) and fasting in Ramadhan. One type of zakat is the zakat commercial/trade. With some of the requirements that have been set, then zakat has to be paid. The provisions are contained in Al-quran (Al-Baqarah: 267) (Qardawi (2004). The zakat commercial is a portion of the zakat property. The source of wealth of the zakat commercial is the result of trading allowed by Islamic law and not from some prohibited operations or actions such as theft, fraud, looting and trading of commodities. Some of the principles of zakat commercial presented by Yasin (2011) are as follows:

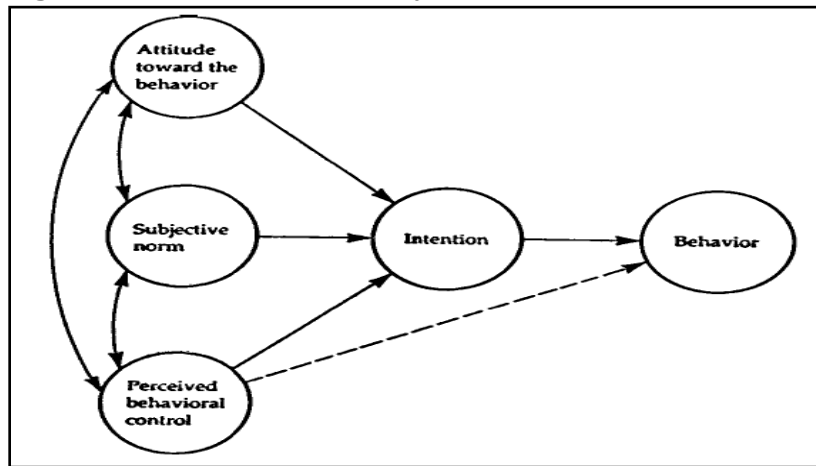
- The majority of Islamic jurists would agree on the nisab of zakat commerce which commensurates with the value of 85 grams of gold or 200 silver dirhams.
- The amount of zakat is calculated based on the *haul* or financial year.
- The rate of zakat is 1/40 of the value of assets that have reached the nisab or 2.5%.

In doing the calculation of zakat commercial, it should begin with an additional value of the merchandise inventory, cash and bank balance and value of the receivables. Then, this is followed with the total value of the asset that is to be reduced by the nominal debt and running taxes incurred. The difference in the value of the results of these calculations is the value that is multiplied by the zakat of 2.5%.

Theory of Planned Behavior: This theory is often used in a variety of research related to psychology and subsequently used by the various disciplines of science, one of which is to predict consumer interest in a variety of marketing research. This theory is also used to look at a person's interest in various social associated-activities with the desire to share with other people such as taking part in a donation, blood donation and so on. The variables that affect the interest have been shown by various empirical studies with respect to the payment of zakat by Muslims. Some of them are made by Husna (2009), Mastura (2011) and Othman (2011). There are still a lot of evidence that suggests an empirical link on the variables of attitudes, subjective norms and perceived behavioral control which have been proposed in this TPB theory towards the

person's interest. However, other studies have found an additional variable into the framework in their studies, therefore the TPB theory continues to undergo revision from time to time. The development of this theory is known as the revised Theory of Planned Behavior.

Figure 1: Framework from Theory of Planned Behavior



Source: Ajzen (1991)

Revised Theory of Planned Behavior (RTPB): Some researchers who made the revision to this TPB like Smith & McSweeney (2007); Linden (2011) added moral and past behavior variables to predict intention. They found that both variables significantly influence a person's intention to donate.

Attitude: With regard to an attitude, it is one of the factors showing that it does affect a person's intention to do something, and in response to this, the researchers have examined various aspects that can shape the attitude. Among them is the belief and evaluation as described by Dharmesta (2008, in Muafi, 2011). The belief in something means to shape attitudes, as well as the results of the evaluation of a person on a thing or a product. According to Linden (2011), the attitudes to donate are measured using favorable indicators, similar to what is produced by the research conducted by Smith & McSweeney (2007), which also predicts a person's intention to make a donation. Regarding the attitudes to pay the zakat, Mastura (2011); Othman (2011); Husna (2009), measured this variable by asking various questions regarding the priorities, responsibilities, necessity, and knowledge.

Subjective Norm: According to Bidin et al. (2009), the subjective norm is associated with the belief that is conveyed by others, both by individuals and through the response of a group. The subjective norms can be understood as a reaction for someone to do something because of the pressure from others or a belief that becomes important when he does it. In a study conducted by Bidin et al. (2009) it is found that a person's interest to pay the zakat is significantly affected by the subjective norm. Messer et al. (2009), also concluded that subjective norms are related to the perception of others towards the perpetrator if he did certain acts. Perception, response or the pressure can either be positive or negative. To measure this variable of subjective norms, some question items relating to other people's responses will be important, whether or not someone is doing a particular activity. Parties are meant to be a parent, husband/wife, friend and teacher (Mastura, 2011). While Messer et al. (2009), had established the family, friends and important people to the list of questions related to subjective norms.

Perceived Behavioral Control (PBC): Linden (2011) concluded that behavioral control can only occur in a particular action. Another action is one that occurs as it is influenced by factors beyond control. He posited that the driving behavior is delayed by the engine problems. Another example is the addition of the rise and fall of blood pressure that is beyond one's control (Muafi, 2011). Several factors come into consideration to form the PBC's variables which are the ability, knowledge, awareness and willingness to pay zakat, as done by Husna (2009). Lu (2011), using indicators of the controllability and self-efficacy. Mastura (2011) in his

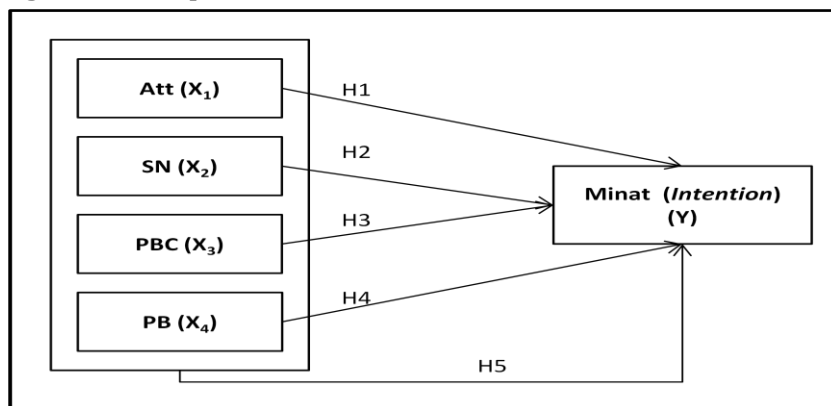
research employed indicator capabilities, resources, knowledge, challenge and control variables to assess the PBC.

Past Behavior: A study of an intention to participate in the volunteer tourist program conducted by Lee (2011) concluded that past behavior variable that moderates the predictors exist in the TPB. Ajzen & Fishbein (1980) mentioned that in some cases, the behavior often done in the past can be an indicator of the formation of a habit (Linden, 2011). An action taken by customs can be helped by a heightened awareness. Furthermore, Smith & McSweeney (2007) found that the more often a person made a donation in his past, the greater intention he had to do so again in the future. This leads to them adding a variable of past behavior as well as the subsequent need to revise the Theory of Planned Behavior. To determine the past behavior, Smith & McSweeney (2007) used several indicators, namely; the frequency of making a donation, the willingness to become regular donors and consistency. Those indicators were implied in statements that had been submitted to the respondents in their study.

Intention: The Theory of Planned Behavior, developed by Ajzen (1991), tried to examine human behavior by using intention as an intermediary (proxy) and concluded that the intention will directly shape human behavior. Research relating to the intention to donate had been done in many countries, mainly surrounding blood donation, money and volunteer labor. Similarly, several studies have also been carried out on the intention of Muslims to pay zakat. Mastura (2011) indicated an intention to pay zakat from savings with indicators consisting of the implementation, sustainability, the place to pay and increase in revenue. Husna (2009), and Othman (2011), added an indicator for interest, that is the increase in payments and technical payment.

Framework and Hypotheses: With reference to the results of research that have been described above, this study will use all existing variables in the TPB with an additional variable from the revised TPB to see its effect on the intention of the merchants to pay zakat of their trade in the city of Lhokseumawe. The variables that will be used are; (1) attitudes; (2) subjective norms, (3) perceived behavioral control, (4) past behavior. All variables in this study are reflected in the following conceptual framework:

Figure 2: Conceptual Framework of the Research



Notes; Att : Attitudes
 SN : Subjective Norm
 PBC : Perceived Behavioral Control
 PB : Past Behavior

Based on various previous backgrounds and theories, the development of the research framework is set as follows:

- H1: The attitude affects positively and significantly the intention to pay zakat commercial by traders.
- H2: The subjective norm affects positively and significantly the intention to pay zakat commercial by traders.
- H3: The perceived behavioral control affects positively and significantly the intention to pay zakat commercial by traders.

H4: The past behavioral affects positively and significantly the intention to pay zakat commercial by traders.
 H5: The attitude, subjective norms, perceived behavioral control and past behavioral affect simultaneously and significantly the intention to pay zakat commercial by traders.

3. Methodology

Population dan Sample: The population in this study includes all merchants/traders in the city of Lhokseumawe with a total of 2,432 as published by the Central Bureau of Statistics (2011). In determining the sample size, the purposive sampling method is used and a sample of 150 respondents is selected. There are characteristics of respondents that had been set up, namely; (i) having shop premises; either owned or rental; (ii) paying zakat commercial; (iii) location of business in Lhokseumawe city.

Instrument Measurement: The research instrument is tested against reliability by using a statistical technique which consists of; validity and reliability test.

Data Analysis: The data collected will be analyzed with the multiple linear regression analysis. In multiple linear regression analysis, there are three criteria for accuracy or goodness of fit, i.e. t test, F test, and the coefficient of determination. Before running the multiple linear regression analysis, the tests of classical assumption of multicollinearity, heteroscedasticity and autocorrelation are conducted.

4. Findings and Discussion

Respondent's Characteristics: With an area of 181.06 km², Lhokseumawe City has 68 villages spread in 9 (nine) sections and 4 (four) districts. The population in 2011 recorded as many as 175,082 people comprising of 87,392 men and 87,690 women. As much as ± 40% of the 70,000 residents were between the ages of 20-40 years. Some public facilities can be found such as health, education, religious and community support. 60.7% of the population had completed their high school education or equivalent and 15.3% were undergraduates, while others attended the junior high and elementary education. In terms of the marital status of the respondents, 86% are married, 12% are not married and the rest has never been married.

Instruments Test: The result of the validity of test for items used in this study indicates that a Pearson correlation value is greater than the value r_{table} . The lowest correlation value is in the construct of X23 with the statement "My family gives the support to pay the zakat commercial" by 0.58. This value is larger than the value r_{table} (0.16). Thus, all items used in this study are valid. The results of the reliability testing, the indicator for each variables entirely indicate above 0.60. This shows that the instruments used to collect the data in this study are reliable. The indicators for perceived behavioral control variable with alpha value of 0.79 indicate a reliable value. While the lowest value is subjective norm variable with 0.61, however, the figure shows that the value is at an acceptable range. These results of the reliability test are in accordance with those suggested by several authors namely, Malhotra (1996, in Nurdiansyah, 2013), Anwar (2010, in Nurdiansyah), Bland & Altmand (1997), Tavakol and Dennick (2011). The respondents' responses on each variable in the study are as follows:

Table 1: Respondent's Response towards Research Variables

No.	Variable	Average Values	Standard Deviation	Minimum Value	Maximum Value
1	Attitudes (X ₁)	4,442	0,530	3,333	5,000
2	Subjective Norm (X ₂)	4,056	0,481	3,000	5,000
3	Perceived Behavioral Control (X ₃)	4,211	0,469	3,000	5,000
4	Past Behavior (X ₄)	4,187	0,623	2,667	5,000
5	Intention (Y)	3,702	0,496	2,333	5,000

Classical Assumption Tests: The normality test aims to see whether the dependent and independent variables in the regression model are both distributed normally or otherwise. There is a likelihood that the data output is normally distributed. It is likewise for the results of the heteroscedasticity test. The diagram shows that the points are spread randomly, that they do not form a specific and clear pattern which also spreads both above and below the number 0 on the y-axis, thus it concludes that there is no heteroscedasticity in the model. Furthermore, the results of the multicollinearity test (Table 2) show that the tolerance values of all variables are above 0.10, which means that no correlation was found between the independent variables in this study. Similarly, the VIF values for all variables are well below 10, and this indicates that there is no collinearity within the data in the study.

Table 2: Multicollinearity Test

Variable	Collinearity Statistics	
	Tolerance	VIF
Attitude (X ₁)	0,515	1.944
Subjective Norm (X ₂)	0,901	1.110
Perceived Behavioral Control (X ₃)	0,405	2.468
Past Behavior (X ₄)	0,442	2.263

Source: Data Output, 2013

Hypothesis Test Result: The hypothesis test has been established in this study using multiple linear regression analysis methods, which will see the relationship between the independent variables; attitude (X₁), subjective norm (X₂), perceived behavioral control (X₃) and past behavior (X₄) against the Intention (Y) of traders in Lhokseumawe city to pay their zakat commercial. Partially, the relationship between variables was tested by comparing the value of t with t_{table}. The results of this analysis will conclude hypotheses H1, H2, H3 and H4 to be accepted or rejected. Meanwhile, the association of independent variables and the dependent variable is simultaneously tested by comparing the values of F and F_{table}, and the results of this analysis will conclude hypothesis H5.

Table 3: Multiple Regression Analysis

Variable	B	SE	Beta (β)	t	Sig.
Constant	0.067	0.313		0.215	0.830
Attitude (X ₁)	0.168	0.073	0.180	2.292	0.023
Subjective Norm (X ₂)	0.181	0.061	0.176	2.962	0.004
Perceived Behavioral Control (X ₃)	0.235	0.094	0.222	2.510	0.013
Past Behavior (X ₄)	0.278	0.067	0.349	4.123	0.000
R	0.735				
R ²	0.541				
Adjusted R ²	0.528				
SEE	0.341				
F	42.670				
F _{table}	2.434				
t _{table}	1.976				
Sig. F	0,000				

The Result of Multiple Linear Regression Analysis: In regard of the value of t_{table} and F_{table} of this study, with a confidence interval of 95% or alpha value of 0.05, then the value of t_{table} is 1.976 and F_{table} value is 2.434. Table 2 illustrates the results of data analysis using multiple linear regression that gives an overview of the extent of the influence of each independent variable on the dependent variable which produces the following regression equation:

$$Y = 0.067 + 0.180X_1 + 0.176X_2 + 0.222X_3 + 0.349X_4 + e.$$

5. Conclusion

Reviewing the results and discussion of the study, several points could be concluded as follows:

- The partial test result on variables of attitude (X1), subjective norm (X2), perceived behavioral control (X3) and past behavior (X4) influence significantly and positively on the intention of muzakki to pay zakat commercial among the traders in Lhokseumawe city.
- A significant influence that is also found between all independent variables on the dependent variable uses simultaneous testing.
- The past behavior variable is found to be most dominant in influencing the intention of the muzakki to pay zakat commercial among traders in Lhokseumawe city.

This research proposes several suggestions for certain parties as follows:

- Those stakeholders such as policy makers, managers (*amil*) of zakat institutions seek to improve the community's intention through the enhancement of understanding the benefits of paying the zakat. The socialization efforts are evident through the conduct of regular lectures, public discussions, seminars and other banners. Furthermore, it needs to design a zakat fund raising mechanism to be more effective and efficient as well as to ensure that a better distribution process can be done. Moreover, the zakat management should be trusted, transparent and comply with *Sharia*.
- For the academicians, one suggestion is for them to do more research related to the intention to pay zakat and general consumer interest. Furthermore, the results of research are to be presented to the parties concerned, with the zakat management that can be done more effectively and efficiently.

The study examines only a limited number of existing phenomena with respect to the interest to pay zakat; it was not comprehensively done and therefore it cannot answer all the zakat problems faced by all parties. Furthermore, there are variables that need to be adopted which discuss the person's intention such as the levels of trust toward the zakat institutions, the growth/increase in income upon paying the zakat, as well as the terms of *mustahik*.

References

- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behavior and Human Decision Processes*, 50, 179-211.
- Ajzen, I. & Fishbein, M. (1980). Understanding attitudes and predicting social behavior. Englewood Cliffs, NJ: Prentice-Hall.
- Central Bureau of Statistics. (2011). Lhokseumawe Dalam Angka Tahun 2011. Lhokseumawe, Aceh.
- Bidin, Z., Idris, M. K., Shamsudin, M. & Faridahwati, L. (2009). Predicting Compliance Intention on Zakah on Employment Income in Malaysia: An Application of Reasoned Action Theory. *Jurnal Pengurusan*, 28, 85-102.
- Bland, J. & Altman, D. (1997). Statistics notes: Cronbach's alpha. *BMJ*, 7, 314-375.
- Bramasetia, A. S. (2012). Potensi Zakat Bisa Capai Rp 300T Per Tahun. Retrieved on 19 October, at: www.voaindonesia.com/content/potensi-zakat-bisa-capai-rp-300t-per-tahun/1455819.html.
- Burhanuddin, L. (2010). Theory Of Planned Behavior: Aplikasi Pada Niat Konsumen Untuk Berlangganan Surat Kabar Harian Kedaulatan Rakyat Di Desa Donotirto, Kecamatan Kretek, Kabupaten Bantul. *AKMENIKA UPY*, 5.
- Hidayar, M. & Nugroho, K. (2010). Studi Emperis Theory of Planned Behaviour dan Pengaruh kewajiban Moral pada Perilaku Ketidapatuhan Pajak Wajib Pajak Orang Pribadi. *Jurnal Akuntansi dan Keuangan*, 12(2).

- Husna, I. (2009). Intention to Pay Zakah on Employment Income among Manufacturing Employees in Penang. Tesis MBA in College of Business, UUM.
- Lee, J. S. (2011). Volunteer Tourists' Intended Participation: Using the Revised Theory of Planned Behavior. PhD Dissertation, Virginia Polytechnic Institute and State University, Virginia, USA.
- Van der Linden, S. (2011). Charitable Intent: A Moral or Social Construct? A Revised Theory of Planned Behavior Model. *Current Psychology*, 30(4), 355-374.
- Lu, J. (2010). Predicting Blood Donation among College Students as a Strategy to Design Voluntary Blood Donation Campaigns in China. Ph.D Dissertation. Florida State University, USA.
- Machrus, H. & Purwono, U. (2010). Pengukuran Perilaku berdasarkan Theory of Planned Behaviour. *Journal INSAN*, 12(1).
- Messer, B. M., White, K. M., Terry, D. J. & Hyde, M. K. (2009). Predicting Blood donation intention and behavior among Australian blood donors: testing an extended theory of planned behavior model. *Transfusion*, 42(1).
- Mastura, F. (2011). Zakat Compliance Intention Behaviour on Saving Among University Utara Malaysia's staff. Tesis MBA in College of Business, UUM.
- Muafi, L. (2011). Perilaku Knowledge Sharing Pada Perawat Rumah Sakit. *Journal of Manajemen & Bisnis*, 10(1).
- Nathan, D. M., Erin, L., O'Connor, C. & Katherine, M. W. (2010). Psychosocial Predictors of the use of enhanced podcasting in student learning. *Computer in Human Behaviour*, 26(3).
- Nurdiansyah, D. (2013). Uji Asumsi Klasik Regresi Linier. Retrieved from: <http://statsdata.blogspot.com/2011/12/uji-asumsi-klasik-regresi-linier.html>
- Othman, S. M. (2011). Zakah Compliance Intention Behaviour on Government Servants in Kelantan. Tesis MBA in College of Business, UUM.
- Qardawi, Y. (2004). Hukum Zakat (Salman Harun, Didin Hafidhuddin & Hasanuddin; translator), Bogor: Pustaka Litera AntarNusa.
- Santosa, J. (2007). Analisis Faktor-Faktor yang Mempengaruhi Strategi Integrasi untuk Meningkatkan Kinerja Pemasaran. Tesis Magister Manajemen, Universitas Diponegoro.
- Sapingi, R., Ahmad, N. & Mohamad, M. (2011). A Study on Zakah of Employment Income: Factors that Influence Academics' Intention to Pay Zakah. Proceeding Paper on 2nd International Conference on Business and Economic Research.
- Sihombing, O. S. (2012). Comparing Entrepreneurship Intention: A multigroup Structural Equation Modelling Approach. *International Research Journal of Business Studies*, 5(1).
- Smith, J. R. & McSweeney, A. (2007). Charitable giving: The effectiveness of a revised Theory of Planned Behaviour model in predicting donating intentions and donating behavior. *Journal of Community and Applied Social Psychology*, 17, 363-386.
- Tavakol, M. & Dennick R. (2011). Making sense of Cronbach's Alpha. *International Journal of Medical Education*, 2, 53-55.
- Yasin, H. A. (2011). Panduan Zakat Praktis. Retrieved at www.dompethuafa.org.