

Modeling Adoption Behavior toward Islamic Microfinance: A Comparative Study Between Malaysia and Indonesia

Nur Liyana Zainal Abidin^{a*}, Dwi Suhartanto^b, Dian Imanina Burhany^c

^{a,c}Department of Accounting, Politeknik Negeri Bandung, Indonesia

^bDepartment of Business Administration, Politeknik Negeri Bandung, Indonesia

Received 23 July 2023; accepted 29 September 2023

ABSTRACT

This study probes the focal factors influencing the intention of young SME leaders to adopt Islamic microfinance. The researchers merged the existing model together with new variables, such as the perception of financial benefits and the perception of financial cost along with awareness, religiosity, and knowledge behind TPB through attitude in order to construct the aid to amplify the predictive efficacy and examine its effects on young SME leaders' willingness to adopt Islamic microfinance. The research questionnaire was distributed using Google Forms to young SME leaders in Malaysia and Indonesia with a total sample of 300 respondents. Data obtained were then analyzed using partial least squares (PLS) by employing SmartPLS. This study reveals that perceived behavioral control and subjective norms have a positive significant impact on young SME leaders' intention to adopt Islamic microfinance. The findings underscore the importance of these two elements toward the intention, awareness, and religiosity toward the intention through attitude.

KEYWORDS

Islamic Microfinance
Young SME Leader
Theory of Planned Behavior
Malaysia
Indonesia

INTRODUCTION

The relationship between poverty, SMEs, and Islamic microfinance is as close as two coats of paint. According to the Indonesia Bureau of Statistics (2023), there was approximately 9.57 percent of the total population of this country living under the poverty line in September 2022, vaguely inclined to 3 percent of the population in March 2022. This means that the number of poverty is still rising albeit slightly. In addition, the number of unemployed people in Indonesia remained high in 2020, compared to the previous year with an increase of 37.49% (Indonesia Bureau of Statistics, 2017). Hence, how can poverty be alleviated? In consonance with Khalid & Kalsom (2014), SMEs are one of the pivotal options for reducing poverty, and it is a must to acquaint their financing methods and willingness as they serve as the foundation for quickening economic growth. Asmy et al. (2020) affirmed that Islamic microfinance methods are finer suited to gratifying the financial needs of SMEs.

*Corresponding Author: liyananazainal@gmail.com; doi: 10.35313/ijabr.v6i01.382

The burgeoning interest in Islamic financing among young SME leaders stems from the alignment with evolving technological advancements, contemporary business paradigms, and the imperative to enhance trade systems adhering to Islamic principles in Muslim-majority nations. Technological progress has facilitated efficient access to Sharia-compliant financial instruments, addressing the unique needs of modern businesses. In fact, younger generations tend to be more tech-savvy and digitally fluent (OECD, 2021) as they possess aggrandized familiarity with nascent technologies, web-based platforms, and strategies pertaining to digital marketing. Concurrently, the shift in business structures towards innovation-driven models finds resonance in the ethical foundations of Islamic finance. As demands escalate for trading systems compliant with Islamic law, the synergy between youth entrepreneurship, technology, and Islamic financing emerges as a pivotal phenomenon shaping the economic landscape. Thus, it is essential for Islamic financial institutions to comprehend the behavioral patterns of young SME leaders with regard to adopting Islamic microfinance since this understanding is crucial for attracting and retaining them as consumers.

Despite numerous studies exploring general consumer behavior in relation to the adoption of Islamic products (Panggi et al., 2022; Fisol et al., 2017) as well as research on Islamic microfinance (Maulana et al., 2018; Purwanto et al., 2022), there is a paucity of investigations into the attitudes and adoption behavior of young towards Islamic microfinance because it relates to the demands for insight that is increasingly needed. Indeed, notwithstanding the utilization of a congruent theoretical framework (i.e., TPB), discernible disparities in outcomes arise within the research endeavors of Maulana et al. (2018), wherein the constructs of attitudes and subjective norms evince negligible influence upon individual intentions. This stands in marked contrast to the findings advanced by Ibrahim et al. (2017), Panggi et al. (2022), and Purwanto et al. (2022), whose investigative pursuits yield converse outcomes that exhibit a discernibly consequential sway. Addressing these gaps, this study seeks to examine the drivers that influence the intention of young SME leaders to embrace the incorporation of Islamic microfinance.

The global financial landscape has witnessed the ascendance of Islamic finance as an alternative economic model based on ethical and Shariah-compliant principles. The fact that Southeast Asia has emerged as an important hub for the development and proliferation of Islamic financial practices as the region includes the world's largest Muslim population, particularly in Indonesia and Malaysia, encourages this study to compare the two countries since they have made significant strides in developing Islamic banking and finance sectors. Malaysia has positioned itself as a global hub for Islamic finance, implementing comprehensive regulatory frameworks and attracting international investments (Abdullah, 2017). On the other hand, Indonesia has focused more on developing Islamic finance to cater to its large domestic market. Among those mixed similarities and dissimilarities, this study aims to examine the factors that may influence the intention and shape the behavior of young SME leaders toward Islamic financial products and services in each country.

The Theory of Planned Behavior (TPB) is prominently posited within this study's theoretical framework due to its appropriate alignment with the intricate sociocultural and psychological nuances that underpin the adoption dynamics. Also, the preference for extending the TPB is rooted in its capacity to accommodate the idiosyncrasies of Islamic financial contexts. Thus, this study merges the TPB posited by Ajzen (1991), wherein he emphasized that human conduct manifests through potent inclinations or volition, with new variables, including the perception of financial benefits (Aigbovo & Idolor, 2022; Kristanto HC, 2022) and perceived financial cost (Amini et al., 2020; Fauzi et al., 2020) along with awareness (Aviva & Kusuma, 2021; Pantari & Aji, 2020), religiosity, and knowledge (Maryam et al., 2019) behind TPB towards attitude in order to construct the aid to amplify the predictive efficacy. Taking into consideration these factors, the outcomes acquired are expected to offer practicality to Islamic financial institutions in the endeavor to formulate more effective marketing strategies for Islamic microfinance offerings. Consequently, this

would ultimately augment the market viability of Islamic microfinance by bolstering the inclination to adopt such products which also help researchers develop a nuanced understanding of the industry.

LITERATURE REVIEW

The Theory of Planned Behavior (TPB)

TPB is a further development of the Theory of Reasoned Action (Fishbein & Ajzen, 1975) which offers a robust framework to comprehend human volitional behavior. By integrating attitudes, subjective norms, and perceived behavioral control, TPB posits that these determinants collectively shape one's intention, subsequently influencing behavior. Numerous scholars have employed TPB across diverse academic domains, particularly within the realm of Islamic finance and banking (Aviva & Kusuma, 2021; Awn & Azam, 2020; Darmansyah et al., 2020; Muslichah & Sanusi, 2019) and Islamic microfinance (Purwanto et al., 2022) since TPB is a modest and general theory for predicting and describing purchasing decisions (Ajzen, 1991).

TPB provides a broad understanding of behavioral intentions; however, it does not offer specific insights into the complexities of Islamic microfinance adoption where there are factors that specifically affect Islamic microfinance (i.e., financial benefits and costs). Therefore, TPB cannot stand alone for this research, yet the implementation of TPB as a grand theory to explore the features that influence the intention of young SME leaders to embrace the incorporation of Islamic microfinance is deemed appropriate. The novel constructs are the perceived financial benefits as suggested by Aigbovo & Idolor (2022) and Kristanto (2022) and perceived financial cost (Amini et al., 2020; Fauzi et al., 2020), in conjunction with awareness (Aviva & Kusuma, 2021; Pantari & Aji, 2020), religiosity, and knowledge (Maryam et al., 2019) underpinning the TPB towards attitude to construct the aid to amplify the predictive efficacy.

H₁: Intention to adopt Islamic microfinance has a positive effect on the adoption of Islamic microfinance.

Subjective Norms

The subjective norm is a state of the environment of an individual who accepts or does not accept a certain behavior (Ajzen, 1991). Krueger et al. (2000) revealed that the subjective norm is unrelated to individuals' intentions to start their own firms; hence, this study advocates for supplementary research and development of the measurements used. Ajzen (1991) explained this by stating that personal variables, like attitudes and perceived behavioral control, strongly impact intentions. The restrictive conceptualization of the subjective norm variable leads to a poor connection between normative views and intentions (Armitage & Conner, 2001). Amin (2013), Maulana et al. (2018) and Purwanto et al. (2022) discovered that subjective norms are able to influence the intention to adopt Islamic microfinance.

H₂: Subjective norm has a positive effect on the intention to adopt Islamic microfinance.

Attitude toward Islamic Microfinance

Attitude is the total of a person's feelings to accept or repudiate an item or conduct and is assessed by a process that sets the individual on a two-pole evaluative scale, such as good or bad (Jogiyanto, 2007). It has been established that the relationship between attitude and intention surpasses the relationship between intention and actual behavior. Empirical studies have shown the importance of this variable toward the intention to adopt Islamic microfinance (Ahmed et al., 2019; Awn & Azam, 2020; Ibrahim et al., 2017; Jogiyanto, 2007; Purwanto et al., 2022; Utama & Rochman, 2013). Purwanto et al. (2022), for instance, found that attitude has a significant impact on the intention to adopt Islamic microfinance.

H₃: Attitude toward Islamic microfinance has a positive effect on the intention to adopt Islamic microfinance.

Perceived Behavioral Control

Perceived behavioral control (PBC) holds paramount significance within the realm of social psychology and behavioral theories. Anchored in the TPB, PBC reflects an individual's perception of his ability to execute a particular behavior (Ajzen, 1991). This construct amalgamates notions of self-efficacy and controllability, delineating a cognitive framework through which intentions are translated into actions. Insufficient access to resources or requisite information concerning Islamic microfinance curtails an individual's propensity to embrace said financial modality. Drawing from a multitude of scholarly sources, scholars have documented the importance of this variable in their research (Ahmed et al., 2019; Awn & Azam, 2020; Ibrahim et al., 2017; Purwanto et al., 2022). Scholars (Ahmed et al., 2019; Awn & Azam, 2020; Ibrahim et al., 2017; Purwanto et al., 2022) have delineated the pivotal role of PBC in shaping the full control towards intentions.

H₄: Perceived behavior control has a positive effect on the intention to adopt Islamic microfinance.

Perception of Financial Benefits

Perception is the process of how a stimulus is selected and interpreted. Each person's perception of an object is different because it has a subjective nature (Sutisna, 2002). Stimulus is any form of physical or verbal communication that can affect individual responses because different people have different perceptions of an item; they all have subjective perceptions. Perception is the process through which a person interprets their surroundings (Kreitner et al., 2010). This can be a variable to the young SME leaders' intention to embrace the incorporation of Islamic microfinance since a number of studies have proved that the perception of Islamic banking has a positive impact on intention (Manggu & Dahlia, 2019; Riaz et al., 2017).

H₅: Perception of financial benefits has a positive effect on the intention to adopt Islamic microfinance.

Perception of Financial Costs

Financial cost is a consumer's expenditure consisting of the total of direct and overhead cost aspects that are presumed to be independent (Yu, 2012). Perceived costs, like benefits, can be either abstract or physical and can occur instantly or incrementally. It alludes to the general sacrifices made in terms of money, effort, and time spent enjoying the goods. According to Yu (2012), the adoption of mobile banking is negatively affected by perceived financial cost. In line with this, Luarn & Lin (2005) observed a negative correlation between perceived financial cost and intention to use mobile banking. Alam (2014) discovered that perceived financial cost significantly and negatively affects behavioral intention toward mobile banking. The findings from Gan & Maysami (2006) indicated a noteworthy and adverse impact of financial cost on individuals' selection of credit cards. Ramayah et al. (2006) conducted a study that presents contradictory evidence regarding the adoption of perceived financial cost in relation to intention. Their findings indicate that perceived financial cost does not significantly impact individuals' intention to adopt Internet banking. The findings of Alam (2014), Gan & Maysami (2006), Luarn & Lin (2005), and Yu (2012) are not in consonance with the results presented. Consequently, the preceding discussion indicates that perceived financial cost yields mixed outcomes, warranting further investigation to reach a conclusive understanding. Therefore, considering this as a research gap extending in context to Islamic microfinance usage, H6 is hypothesized as:

H₆: Perception of financial costs has a negative effect on the intention to adopt Islamic microfinance.

Awareness of Islamic Microfinance

Awareness may be explicated as the sequential progression involving cognition, influence, choice facilitation, and validation, transpiring antecedent to a consumer's state of preparedness for product or service utilization (Rogers, 1983). According to Rogers (1983), cognizance arises when a person is exposed to the presence of an innovation and gains a grasp of how it works. A plethora of scholarly investigations have studied and included awareness to know a person's willingness to make a decision (Ahmad, 2022; Florencio et al., 2019; Mahmoud & Abduh, 2014). However, a number of studies still found that respondents are not aware of Islamic banking such as Islamic microfinance. Studies by Florencio et al. (2019) and Masyita & Ahmed (2013), for example, discovered that a significant number exhibit a lack of comprehension regarding Islamic financing modalities. In this study, young SME leaders' awareness is predicted to impact their attitudes about Islamic microfinance. Thus, H7 is hypothesized as follows:

H₇: Awareness of Islamic microfinance has a positive effect on the attitude toward Islamic microfinance.

Religiosity

Religiosity is a pillar for a person in organizing and becoming a reference for their life. It can affect an individual's attitude and belief apropos of making decisions in daily life due to the taboos and prohibitions that may limit him to do something. Religion is a conceptual system that gives an interpretation of the universe and human beings' role in it, establishes an account of how life should be lived in light of that interpretation, and expresses that interpretation and lifestyle (Yandell, 2016).

Religiosity has been deliberated rigorously in relation to an array of issues, for instance in

adopting Islamic banking products (Maulana et al., 2018; Muslichah & Sanusi, 2019; Purwanto et al., 2022; Suhartanto et al., 2018; Yandell, 2016). Those studies discovered a significant relationship between religiosity and the intention to embrace the incorporation of Islamic banking products.

H₈: Religiosity has a positive effect on the attitude toward Islamic microfinance.

Knowledge

Knowledge encompasses all information that consumers have regarding various types of products and services, as well as additional knowledge linked to these items and services and information related to their functions as consumers (Rachmawati, 2018). Each person has a different level of Islamic financial literacy, including awareness of Islamic financial product characteristics (Pratiwi & Affandy, 2020). Several studies have been undertaken to examine the community's knowledge and opinions concerning Islamic banking (Muslichah & Sanusi, 2019; Pratiwi & Affandy, 2020; Rachmawati, 2018). Studies suggested looking into non-Muslims as they will be more vulnerable, and this will strengthen the variables towards the willingness to choose Islamic microfinance (Utamy & Widhiastuti, 2020).

H₉: Knowledge has a positive effect on the attitude toward Islamic microfinance.

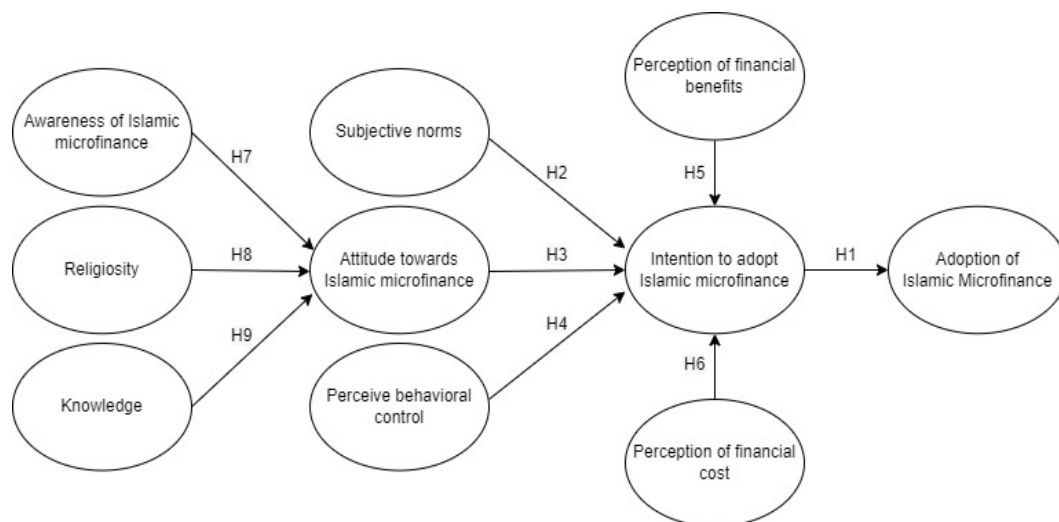


Figure 1. Proposed research framework

RESEARCH METHOD

This research employed a quantitative methodology for data collection as also used by Mardoni et al. (2012) who affirmed that this approach naturally integrates with the research instrument of a questionnaire and utilizes an interval scale for measurement. In a similar vein, this study adopted a survey-based field study design to evaluate the relationship between a variable and its correlation and regression with the dependent variable. All variables were believed to affect the willingness and intention of young SME leaders to embrace the incorporation of Islamic microfinance. The

participants of this study were specifically young SME leaders (millennials and Generation Z between the ages of 17 and 35 years). The areas involved were Klang Valley (Putrajaya, Kuala Lumpur, and Selangor), Malaysia, and Bandung Raya (Kota Bandung, Kota Cimahi, Kabupaten Bandung, and Kabupaten Bandung Barat), Indonesia. As Kuala Lumpur and Selangor are the most developed regions, and Selangor holds the highest ranking of the commercial, business, and industries in Malaysia whereas Bandung Raya also has the largest number of SMEs, making the selection of Klang Valley and Bandung Raya is appropriate and relevant in capturing the data (Badan Pusat Statistik, 2022; HRDF, 2019). The researchers employed the non-probability sampling technique with convenience sampling to judge the data as it was most accessible (Suhartanto, 2020) with a total of 300 questionnaires distributed online.

The questionnaire was initially prepared in English. It was then translated into Bahasa Melayu for Malaysian and Bahasa Indonesia for Indonesian to respondents who are more comfortable using their national language. In order to ensure that the versions of the questionnaire have parallel meanings to the English version, the researchers requested Malaysian and Indonesian masters to proofread the translated questionnaire. The amendment had been made after receiving feedback from the checkers and incorporated as appropriate. The finalized Bahasa Melayu and Bahasa Indonesia questionnaires were then given to three native Malaysians and Indonesians respectively to fill up as a test before distributing them to the real respondents. The interval scale was used in this study to avoid biased results and to get a better outcome. Initially, the researchers insisted on using the Likert scale, but pursuant to Hair et al. (2014), a good Likert scale will behave more akin to the interval scale when perceived as symmetric and equidistant. The score comprises "1" indicating strongly disagree and "5" symbolizing strongly agree. Most of the measurements were determined using items adapted from the previous study whilst the rest were self-developed. The alteration was made to suit the Islamic microfinance context.

For analyzing data, the partial least-square (PLS) technique was applied with SmartPLS 4.0.9.2 professional version software. Becker et al. (2022) emphasized that PLS is a method for examining complex interrelationships between indicators and constructs. Forbye, due to its capability to handle samples of varying sizes, ranging from large to small, SmartPLS is considered a potent measurement software (Chin, 1998). According to Lowry & Gaskin (2014), PLS has been demonstrated to process more precise and effective results. Since the current study proposed new variables in the TPB model, namely the perception of financial benefits and perception of financial costs, Hair et al. (2014) recommended PLS as an appropriate option when researchers aim to develop theories or incorporate novel facets into the research model.

RESULTS

Response Rate

Of a total of 500 questionnaires distributed within a period of data collection, only 320 completed questionnaires were the base for computing the results. Overall, this accounted for a response rate of 64%. Therefore, a response rate of at least 60% is acceptable (Fincham, 2008). Comrey & Lee (1992) mentioned that a 300 sample size is considered good. 20 were unusable because a large part of the questionnaire was not completed by the participants. The following table shows the detailed breakdown of response rates of the two different countries.

Table 1. Response rate

Country	Distributed	Received	Rate of return (%)
Malaysia	250	160	64
Indonesia	250	160	64
Total	500	320	64

Respondents Demographic Characteristics

Table 2. Demographic characteristics of respondents

Variable	Category	Frequency		Percentage %
		Malaysia	Indonesia	
Gender	Male	71	58	43.0
	Female	79	92	57.0
Age	17 years old	3	3	2.0
	18-23 years old	33	74	35.7
	24-29 years old	59	33	30.7
	30-35 years old	55	40	31.7
Education	High School	26	64	30.0
	Pre-university/ Matriculation/ Diploma/ Foundation/ A-Level	21	45	22.0
	Bachelor's degree	98	40	46.0
	Master's degree	5	1	2.0
	PhD	0	0	0.00
Job Position	Owner	76	93	56.3
	Manager	74	57	43.7
No. of years in business	Less than 1 year	41	42	27.7
	1-3 years	30	50	26.7
	4-6 years	42	23	21.7
	More than 6 years	37	35	24.0
Nature of business	Culinary	78	67	48.3
	Craft	2	3	1.7
	Cosmetic	3	4	2.3
	Fashion	17	38	18.3
	Private education & health	1	0	0.3
	Hotels	4	0	1.3
	Entertainment	3	1	1.3
	Manufacturing	7	3	3.3
	Agriculture	2	0	0.7
	Construction	18	3	7.0
Other	15	31	15.3	
No. of employees		38	88	42.0
	Less than 5 employees			
	5-19 employees	43	44	29.0
	20-50 employees	34	14	16.0
Source of capital	51-150 employees	35	4	13.0
	Founder's savings	39	99	46.0
	Angel investor	35	10	15.0
	Crowdfunding	35	12	15.7
	Bank loan	40	25	21.7
Other	1	4	1.7	

Table 2 exhibits the demographic characteristics of the respondents including gender, age, education, job position, number of years in business, nature of business, number of employees, and source of capital.

Measurement Model

The measurement model involved examining both convergent validity and discriminant validity. Convergent validity assessed the theoretical associations among determinants. Thus, the analysis jointly evaluated composite reliability (CR), average variance extracted (AVE), and Cronbach's alpha. CR is crucial for foreseeing the internal consistency of each factor whilst AVE epitomizes the extent to which items converge into a single factor by capturing their variance (Hair et al., 2014).

Variance Inflation Factor (VIF) statistic was employed to assess multicollinearity in the indicators (Kim, 2019). The result shows that the value of VIF for indicators in the study and each of the indicators is below the suggested threshold (James et al. 2021).

Reliability and Validity

All items have Cronbach's alpha values more than the indicated threshold of 0.700 for both nations and the entire sample. All CR values exhibit a strong internal consistency and surpass Chin's (1998) threshold of 0.700, and all AVE values for the constructs are greater than 0.500 (Fornell & Larcker, 1981). Table 3 displays that the requirements of reliability and validity are satisfied.

Table 3. Reliability and convergent validity

Items	Malaysia			Indonesia			All data		
	Alpha (α)	CR	AVE	Alpha (α)	CR	AVE	Alpha (α)	CR	AVE
AIM	0.894	0.950	0.904	0.993	0.997	0.993	0.913	0.958	0.919
ATT	0.792	0.865	0.617	0.976	0.982	0.932	0.909	0.936	0.786
AW	0.792	0.857	0.545	0.868	0.905	0.658	0.831	0.881	0.599
IIM	0.757	0.861	0.673	0.978	0.986	0.958	0.916	0.947	0.856
KL	0.756	0.845	0.576	0.805	0.861	0.608	0.779	0.855	0.596
PBC	0.839	0.886	0.608	0.971	0.977	0.896	0.928	0.946	0.778
PFB	0.769	0.867	0.684	0.961	0.975	0.928	0.884	0.928	0.812
PFC	0.769	0.866	0.683	0.906	0.937	0.832	0.887	0.930	0.815
RG	0.857	0.893	0.583	0.923	0.938	0.718	0.885	0.912	0.634
SN	0.837	0.885	0.606	0.882	0.910	0.674	0.865	0.901	0.647

Note. AIM: Adoption of Islamic microfinance, ATT: Attitude, AW: Awareness, IIM: Intention of Islamic microfinance, KL: Knowledge, PBC: Perceived Behavioral Control, PFB: Perception of Financial Benefits, PFC: Perception of Financial Costs, RG: Religiosity, SN: Subjective Norms, CR: Composite Reliability, AVE: Average Variance Extracted.

The Fornell Larcker method was employed to assess the discriminant validity. In consonance with Fornell & Larcker (1981), the square root of AVE for the respective latent variable ought to be larger than the correlations between the latent variables. The value of Fornell Larcker is shown in Table 4 below.

Table 4. Discriminant validity (Fornell and Larcker Criterion)

	AIM	ATT	AW	IIM	KL	PBC	PFB	PFC	RG	SN
AIM	0.959									
ATT	-0.038	0.886								
AW	-0.105	0.515	0.774							
IIM	0.069	0.695	0.384	0.925						
KL	-0.094	0.516	0.753	0.392	0.772					
PBC	0.085	0.758	0.443	0.853	0.439	0.882				
PFB	0.047	0.826	0.470	0.728	0.473	0.805	0.901			
PFC	-0.108	-0.324	-0.176	-0.397	-0.174	-0.473	-0.380	0.903		
RG	-0.162	0.522	0.621	0.39	0.688	0.455	0.501	-0.128	0.796	
SN	0.063	0.713	0.553	0.711	0.562	0.764	0.745	-0.421	0.503	0.804

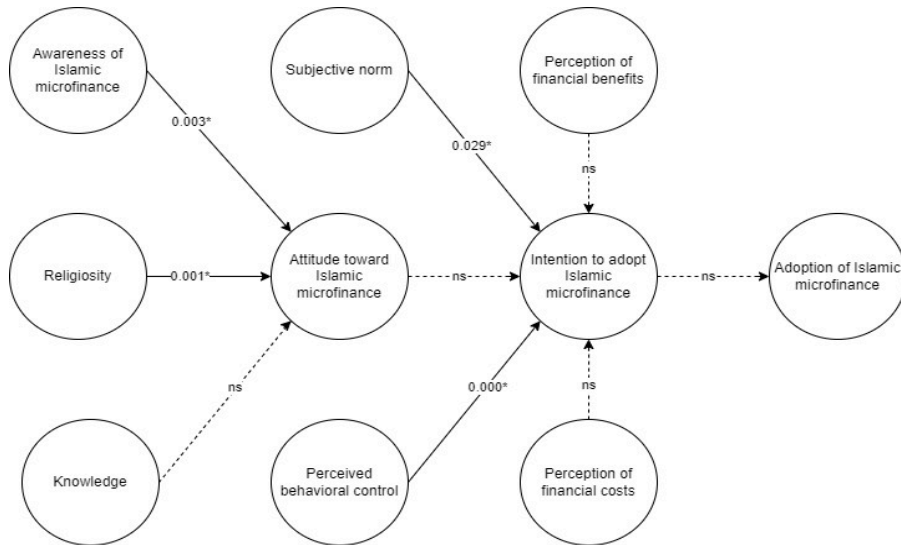
Structural Model

The assessment of the model was extended via evaluation by utilizing the standardized residual root mean square (SRMR) and the normed fit index (NFI). The SRMR score of 0.066 falls below the threshold of 0.800, implying a commendable congruence. However, the NFI value of 0.820 does not meet the recommended threshold of 0.900, indicating that the model does not fully satisfy the NFI criterion. With the exception of one test that fails to meet the model fit criteria, the overall model can be considered relatively satisfactory.

In order to ascertain the adequacy of the model's fit, the coefficient of determination (R^2) was assessed. The results from the analysis show an R^2 value of 0.5% for AIM, 34% for ATT, and 73.90% for IIM. According to Chin (1998), these values are considered weak, moderate, and substantial. The value of r-square for religiosity and knowledge has a small influence on attitude, whereas awareness has a moderate effect. In the interim, the perception of financial benefits, perception of financial costs, and subjective norms furnish a small effect on the intention to adopt Islamic microfinance while perceived behavioral control offers a large effect on it. The intention to adopt Islamic microfinance variable defines a small effect on the adoption of Islamic microfinance. According to Hair et al. (2014), in the context of evaluating predictive relevance, it is recommended that the Q^2 value does not exceed zero. The outcome of testing Q^2 discloses values of 0.725, 0.320, and 0.002, respectively, regarding the intention to adopt Islamic microfinance, as well as attitude, and the actual acceptance of Islamic microfinance. The results of this study elucidate that the exogenous factors possess significant relevance for the endogenous factor, thereby implying the resilience of the assessed framework.

Hypotheses Testing

To examine the path coefficients, this study employed a sample size of 5,000 in the bootstrapping method that adhering to the recommended guidelines by Hair et al. (2014).



Note: ns = not significant

Figure 2. Structural model with bootstrapping method

Subsequently, the conjectured hypotheses were tested using a Paired Sample t-test with a 5% significance level ($\alpha = 0.05$). Out of nine hypotheses set up, only four are supported while the other hypotheses are rejected. Intention has an insignificant bond with the behavioral intention to adopt Islamic microfinance ($\beta = 0.069, P > 0.075$). The findings indicate that the element of subjective norms is significantly related to intention with $\beta = 0.112, P < 0.029$. Attitude has an insignificant correlation with the intention to adopt Islamic microfinance with $\beta = 0.056, P > 0.214$. Meanwhile, perceived behavioral control can affect intention with $\beta = 0.698, P < 0.000$. Moreover, the results reveal an insignificant effect of the perception of financial benefits ($\beta = 0.042, P < 0.278$) and the perception of financial costs ($\beta = 0.015, P < 0.320$) on the intention to adopt Islamic microfinance. Finally, awareness ($\beta = 0.249, P < 0.003$) and religiosity ($\beta = 0.277, P < 0.001$) can affect intention through attitude, but knowledge cannot ($\beta = 1.44, P > 0.066$). Hence, this study affirms that H2, H4, H7, and H8 are supported (see Table 5 and Figure 2).

Table 5. The results of hypotheses testing

Hypotheses	Malaysia				Indonesia				Complete			
	B	T	P	Results	B	T	P	Results	B	T	P	Results
H ₁ : IIM -> AIM	-0.111	1.349	0.089	Not Supported	0.195	1.173	0.055	Not Supported	0.069	1.439	0.075	Not Supported
H ₂ : SN -> IIM	0.272	2.507	0.006	Supported*	0.075	1.048	0.147	Not Supported	0.112	1.903	0.029	Supported*
H ₃ : ATT -> IIM	0.043	0.434	0.333	Not Supported	0.092	0.809	0.209	Not Supported	0.056	0.794	0.214	Not Supported
H ₄ : PBC -> IIM	0.524	4.590	0.000	Supported*	0.700	6.752	0.000	Supported*	0.698	9.111	0.000	Supported*
H ₅ : PFB -> IIM	-0.009	0.092	0.464	Not Supported	0.058	0.532	0.297	Not Supported	0.042	0.590	0.278	Not Supported
H ₆ : PFC -> IIM	-0.035	0.410	0.341	Not Supported	0.029	0.707	0.240	Not Supported	0.015	0.467	0.320	Not Supported
H ₇ : AW -> ATT	0.537	6.780	0.000	Supported*	0.107	0.896	0.185	Not Supported	0.249	2.784	0.003	Supported*
H ₈ : RG -> ATT	0.146	1.591	0.056	Not Supported	0.261	2.711	0.003	Supported*	0.277	3.156	0.001	Supported*
H ₉ : KL -> ATT	0.223	2.697	0.004	Supported*	0.144	1.269	0.102	Not Supported	0.144	1.505	0.066	Not Supported

A summary of all of the hypotheses is presented in Table 6.

Table 6. Summary of the hypotheses

Hypothesis	Decision
H ₁ : Intention to adopt Islamic microfinance has a positive effect on the adoption of Islamic microfinance.	NO
H ₂ : Subjective norm has a positive effect on the intention to adopt Islamic microfinance.	YES
H ₃ : Attitude toward Islamic microfinance has a positive effect on the intention to adopt Islamic microfinance.	NO
H ₄ : Perceived behavior control has a positive effect on the intention to adopt Islamic microfinance.	YES
H ₅ : Perception of financial benefits has a positive effect on the intention to adopt Islamic microfinance.	NO
H ₆ : Perception of financial costs has a negative effect on the intention to adopt Islamic microfinance.	NO
H ₇ : Awareness of Islamic microfinance has a positive effect on the attitude toward Islamic microfinance.	YES
H ₈ : Religiosity has a positive effect on the attitude toward Islamic microfinance.	YES
H ₉ : Knowledge has a positive effect on the attitude toward Islamic microfinance.	NO

Multi-Group Analysis

In this part, the researchers looked at the conspicuous disparities between Malaysia and Indonesia with respect to the factors that affect the young SME leaders' intention to adopt Islamic microfinance. The results reveal that most differences are significant, except for H₂, H₇, and H₉. The discernment in route coefficients discovered that the effects of all variables on the results are sturdier in Indonesia than in Malaysia. The outcomes of the multigroup breakdown are succinctly encapsulated in the tabular representation provided below.

Table 7. Multi-group analysis

Relationships	Coefficient (β)			<i>p</i> -value
	Malaysia	Indonesia	Difference	
H ₁ : IIM → AIM	-0.111	0.195	-0.306	0.002*
H ₂ : SN → IIM	0.272	0.075	0.197	0.066
H ₃ : ATT → IIM	0.043	0.092	-0.049	0.363
H ₄ : PBC → IIM	0.524	0.700	-0.176	0.128
H ₅ : PFB → IIM	-0.009	0.058	-0.067	0.325
H ₆ : PFC → IIM	-0.035	0.029	-0.064	0.252
H ₇ : AW → ATT	0.537	0.107	0.430	0.003*
H ₈ : RG → ATT	0.146	0.261	-0.115	0.171
H ₉ : KL → ATT	0.223	0.144	0.079	0.282

DISCUSSION

The present investigation examined the factors influencing the inclination of young SME leaders in Malaysia and Indonesia to adopt Islamic microfinance. The research framework employed the TPB to assess the impact of attitude, subjective norms, and perceived behavioral control. Furthermore, the study integrated this theoretical framework with the perception of financial benefits and financial costs to explore the intention of young SME leaders in Malaysia and Indonesia to embrace Islamic microfinance as an alternative. This study also investigated the correlation between knowledge, awareness, and religiosity in relation to behavioral intention, specifically in terms of adopting Islamic microfinance through attitude. The result indicates that the actual adoption of Islamic microfinance remains unconstrained by the volition to embrace the incorporation of Islamic microfinance. H1 reveals that intention is unable to affect the young SME leaders' actual adoption of Islamic microfinance. This finding diverges significantly from antecedent scholarly investigations, and captivantly, it can be corroborated through the respondents' demographic data presented in Table 2 wherein the majority of the respondents indicate a preference for utilizing their personal savings.

In regard to intention, this study points out interesting findings in H2, H3, H4, H5, and H6. The intention to subscribe to Islamic microfinance among young SME leaders can be affected by subjective norms, attitudes, perceived behavioral control, perception of financial benefits, and perception of financial costs. Subjective norms deploy a crucial role as a significant determinant of the intention to embrace Islamic microfinance. This result aligns with previous research conducted by Maulana et al. (2018) and Purwanto et al. (2022), which demonstrated the significant impact of internal (eg. family) and external (eg. friends) normative beliefs on subjective norms. A similar result can be seen in works conducted by Amin (2013) and Saiti et al. (2022) where they also culminated that subjective norms can influence the intention to adopt Islamic microfinance. Attitude seems to be not an important factor in affecting the young SME leaders' intention to adopt Islamic microfinance. This outcome is consistent with the previous study conducted by Maulana et al. (2018) but different from Ibrahim et al. (2017), Purwanto et al. (2022), and Alam et al. (2012). The positive results of Alam et al. (2012) are mainly because home ownership is often considered an important event in many cultures. Perceived behavioral control is one of the three key factors in the TPB alongside attitudes and subjective norms. There exists a compelling and noteworthy correlation between perceived behavioral control and the intention to adopt Islamic microfinance. These results have garnered considerable attention among previous studies such as Ahmed et al. (2019), Awn & Azam (2020), Ibrahim et al. (2017), Purwanto et al. (2022), and Utama & Rochman (2013) which also confirmed that perceived behavioral control has a noteworthy influence on behavioral intentions concerning the adoption of Islamic microfinance. The perception of financial benefits is also demonstrated to be not related to the intention of Islamic microfinance adoption and the relationship found is negative. This finding differs from Riaz et al. (2017) who affirmed that the perception of financial benefits and the intention to adopt Islamic microfinance are not related. This relationship may arise due to the unique characteristics and principles of Islamic microfinance. The relationship between the perception of financial costs and the intention to adopt Islamic microfinance holds a particularly significant barrier within both countries. This finding aligns with the study of Alam (2014) and Luarn & Lin (2005). Islam places significant importance on ethical and Shariah-compliant financial practices (Amin, 2013).

Interestingly, the researchers discovered a positive relationship between awareness of Islamic microfinance and the attitude toward Islamic microfinance from H7. This relationship is positive, similar to many interesting studies such as Mahmoud & Abduh (2014). However, this finding is contradicted by Florencio et al. (2019) and Masyita & Ahmed (2013) where the relationship was found insignificant. The variable of religiosity is capable of influencing behavioral intentions through

attitude. This was confirmed by Maulana et al. (2018) who proved that religiosity is adept at influencing the variable of attitude towards intention to adopt Islamic microfinance. Proportionately, individuals with higher levels of religiosity may possess a deeper understanding of Islamic finance principles and their application in microfinance. Moreover, as the last hypothesis, H₉, this study hypothesized that knowledge can affect the intention to adopt Islamic microfinance through attitude and the result was reinforced by Maryam et al. (2019). This knowledge gap can hinder the intention to adopt Islamic microfinance as individuals may be more inclined to rely on familiar financial practices rather than explore and adopt unfamiliar alternatives.

Multi-group analysis was executed to examine whether the impact of all factors on the intention to adopt Islamic microfinance varies between the two nations. The findings unveil significant differences in the impact of intention on actual behavior, attitude, perceived behavioral control, the perception of financial benefits, and the perception of financial costs on intention, and religiosity on intention through attitude. The results show that these outcomes are higher in Indonesia compared to Malaysia. The similarity found in both countries is that perceived behavioral control significantly affects intention. However, knowledge of Islamic bank products, particularly Islamic microfinance, is currently inadequate in Indonesia. This can be seen in Table 2 that Malaysia has a higher number of degree holders compared to Indonesia. Moreover, this observation is parallel with H₇ suggesting that the awareness of Islamic microfinance has a positive effect on the attitude towards Islamic microfinance. Without knowledge and comprehension, there will be no awareness that can help one make better choices. Consequently, this low awareness indirectly affects attitudes toward adopting Islamic microfinance.

CONCLUSION

The TPB's applicability in the milieu of Islamic microfinance is extended in this study by including two constructs, namely the perception of financial benefits and the perception of financial costs towards the intention as well as awareness, religiosity, and knowledge through attitude. This study aims to investigate the characteristics that are thought to be influential in determining Islamic microfinance receptivity. The substantial impacts of the four components are revealed, showing why subjective norms, perceived behavioral control, awareness of Islamic microfinance, and religiosity are important in explaining Malaysians' intention to adopt Islamic microfinance. Contrary, the empirical findings reveal that just two criteria, perceived behavioral control and religiosity, influence the inclination to adopt Islamic microfinance in Indonesia.

MANAGERIAL IMPLICATION

The results obtained from this study can give a notion to Islamic institutions to utilize social media platforms to reach a larger targeted customer base while streamlining the processes. Many potential clients may be oblivious and lack knowledge about the benefits of Islamic microfinance. In contemplation of providing quick and accessible microfinance services, especially for young SME leaders, Islamic institutions should embrace digital platforms and establish collaborative platforms where young SME leaders can engage with experts, practitioners, and peers who have experience in Islamic microfinance. This can be done through online forums, social media groups, or industry-specific networks. Encouraging knowledge sharing, discussion, and the exchange of best practices related to Islamic microfinance is also imperative. In lieu, Islamic institutions should invest in

educational programs to increase public understanding of the benefits of Islamic microfinance products.

The influence of subjective norms emerges as a notable determinant that impacts the behavior of Islamic microfinance adoption in the context of Malaysia. It is deemed prudent for Islamic financial institutions to engage in the implementation of referral champions in order to cultivate and foster subjective norm expectations. Consequently, the institution should strive towards augmenting subjective norms by cultivating a dedicated cadre of personnel whose primary objective is to exert a positive influence upon young leaders in the SME sector, thereby providing lucid and enhanced explanations. With respect to Indonesia, knowledge and awareness have insignificantly formed a positive attitude towards the intention to adopt. Alternatively, online seminars or workshops can be arranged to generate the necessary awareness. Moreover, it is expected that Islamic financial institutions actively collaborate with educational establishments and non-governmental organizations that cater to the needs of youthful graduates in order to foster the growth and proliferation of Islamic microfinance.

LIMITATION AND FUTURE RESEARCH

This current study is limited to the area of Bandung Raya which is not represented as the capital city of Indonesia while Kuala Lumpur is the capital of Malaysia. Future studies may be carried out in Jakarta or other areas in a comparison of two countries with similar criteria of the regions. The study adopts the TPB as the theoretical framework, which has been widely used in similar research. However, the TPB has undergone various adaptations and modifications over time. While this study incorporates additional variables such as the perception of financial benefits, the perception of financial cost, awareness, religiosity, and knowledge, it may still overlook other relevant factors that can impact young SME leaders' intention to adopt Islamic microfinance. Future research is recommended to include economic conditions as new variables to expand the TPB, which can also affect the intention to adopt Islamic microfinance. If economic conditions are unfavorable or uncertain, young SME leaders may be more hesitant to take on additional financial commitments or explore alternative financing options.

REFERENCES

- Abduh, M., & Omarov, D. (2013). Muslim's awareness and willingness to patronize Islamic banking in Kazakhstan. *Journal of Islamic Banking and Finance*, 30(3), 16–24. retrieved from <http://irep.iium.edu.my/32262/>
- Abdullah, A. (2017). A comparison between Malaysia and Indonesia in Islamic banking industry. *Pressacademia*, 4(3), 276–286. doi: 10.17261/pressacademia.2017.705
- Ahmad, W. (2022). The Role of Islamic Microfinance in Poverty Alleviation: Evidence from Pakistan. *Journal of Economic Impact*, 4(1), 39–49. doi: 10.52223/jei4012205
- Ahmed, R. R., Vveinhardt, J., Streimikiene, D., & Pilinkienė, V. (2019). Application of the Theory of Planned Behaviour Model for Examining Customers' Intentions towards Islamic Hire Purchase Financing. *Engineering Economics*, 30(2), 236–245. doi: 10.5755/j01.ee.30.2.21589
- Aigbovo, O., & Idolor, E. J. (2022). Patronage Factors and the Behavior of Customers towards Islamic Banking in Nigeria. *Airlangga International Journal of Islamic Economics and Finance*, 5(01), 49–69. doi: 10.20473/aijief.v5i01.37758
- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behavior and Human Decision*

- Processes*, 50(2), 179–21. doi: 10.1016/0749-5978(91)90020-T
- Alam, M. (2014). Factors affecting consumers' adoption of mobile banking in Bangladesh: An empirical study. *TNI Journal of Engineering and Technology*, 2(2), 31–37.
- Alam, S. S., Janor, H., Zanariah, Wel, C. A. C., & Ahsan, M. N. (2012). Is Religiosity an important factor in influencing the intention to undertake Islamic home financing in Klang Valley? *World Applied Sciences Journal*, 19(7), 1030–1041. doi: 10.5829/idosi.wasj.2012.19.07.392
- Albaity, M., & Rahman, M. (2019). The intention to use Islamic banking: an exploratory study to measure Islamic financial literacy. *International Journal of Emerging Markets*, 14(5), 988–1012. doi: 10.1108/IJOEM-05-2018-0218
- Ali, M., Raza, S. A., & Puah, C.-H. (2017). Factors affecting to select Islamic credit cards in Pakistan: the TRA model. *Journal of Islamic Marketing*, 8(3), 330–344. doi: 10.1108/JIMA-06-2015-0043
- Amin, H. (2013). Factors influencing Malaysian bank customers to choose Islamic credit cards: Empirical evidence from the TRA model. *Journal of Islamic Marketing*, 4(3), 245–263. doi: 10.1108/JIMA-02-2012-0013
- Amin, H., Abdul-Rahman, A.-R., & Abdul-Razak, D. (2016). Malaysian consumers' willingness to choose Islamic mortgage products: An extension of the theory of interpersonal behaviour. *International Journal of Bank Marketing*, 34(6), 868–884. doi: 10.1108/IJBM-06-2015-0099
- Amini, N. H., Muflih, M., & Marwansyah. (2020). *The Effect of Religiosity and Financial Considerations on Behavioral Intention toward Islamic Banking Industry: The Mediating Role of Attitude*. 198(Issat), 552–559. doi: 10.2991/aer.k.201221.091
- Armitage, C. J., & Conner, M. (2001). Efficacy of the theory of planned behaviour: A meta-analytic review. *British Journal of Social Psychology*, 40(4), 471–499. doi: 10.1348/014466601164939
- Asmy, M., Mohd, B., Thaker, T., Bin, H., Thas, M., Bin, A., Pitchay, A., Amin, F. Bin, & Khaliq, A. Bin. (2020). LEVERAGING ISLAMIC BANKING AND FINANCE FOR SMALL BUSINESSES : EXPLORING THE Asian Development Bank Institute. *Adbi Working Paper*, 1156, 1–24.
- Aviva, I. Y., & Kusuma, H. (2021). *The Attitude And Behaviour Of Customers Islamic Banks : An Extension Of The Theory Of Planned Behavior*. 12(7), 11449–11461.
- Awn, A. M., & Azam, S. M. F. (2020). Libyan investors' intention to invest in Islamic sukuk : Theory of planned behaviour Approach. *European Journal of Economic and Financial Research*, 4(1), 71–90. doi: 10.5281/zenodo.3774672
- Badan Pusat Statistik. (2022). *Jumlah Koperasi Aktif Menurut Provinsi (Unit)*, 2019–2021. Badan Pusat Statistik. retrieved from <https://www.bps.go.id/id/statistics-table/2/NzYwIzI=/jumlah-koperasi-aktif-menurut-provinsi.html>
- Becker, J. M., Cheah, J. H., Gholamzade, R., Ringle, C. M., & Sarstedt, M. (2022). PLS-SEM's most wanted guidance. *International Journal of Contemporary Hospitality Management*. doi: 10.1108/IJCHM-04-2022-0474
- Charag, A. H., Fazili, A. I., & Bashir, I. (2020). Determinants of consumer's readiness to adopt Islamic banking in Kashmir. *Journal of Islamic Marketing*, 11(5), 1125–1154. doi: 10.1108/JIMA-10-2018-0182
- Chin, W. W. (1998). The Partial Least Squares Approach to Structural Formula Modeling. *Advances in Hospitality and Leisure*, 8 (2) (January 1998), 5. retrieved from <https://books.google.com/books?hl=en&lr=&id=EDZ5AgAAQBAJ&oi=fnd&pg=PA295&dq=The+partial+least+squares+approach+to+structural+equation+modeling&ots=49uH6qt2lk&sig=Fwz2GGFWp3LUMMjxMugh4jbOXnA>
- Comrey, A. L., & Lee, H. B. (1992). A First Course in Factor Analysis. In *A First Course in Factor Analysis*. doi: 10.4324/9781315827506
- Darmansyah, Fianto, B. A., Hendratmi, A., & Aziz, P. F. (2020). Factors determining behavioral intentions to use Islamic financial technology: Three competing models. *Journal of Islamic Marketing*, 12(4), 794–812. doi: 10.1108/JIMA-12-2019-0252
- Fauzi, R. U. A., Ahmad, A., Niam, Z. B., Idris, I., & Ningrum, I. I. P. (2022). The Effect of Religiosity,

- Profit Loss And Sharing on Consumer Trust and Intention to Financing in Islamic Bank. *Li Falah: Jurnal Studi Ekonomi Dan Bisnis Islam*, 6(2), 21. doi: 10.31332/lifalah.v6i2.3211
- Fauzi, R. U. A., Budiyo, & Suhermin. (2020). The Influence Of Religiosity, Profit Loss And Sharing And Corporate Image Toward Consumer Intentions Of Muamalat Bank Financing. *Journal of Accounting Finance and Auditing Studies (JAFAS)*, 6(2), 105–123. doi: 10.32602/jafas.2020.013
- Febianto, I., Johari, F. B., & Kefeli@Zulkefli, Z. B. (2019). The Role of Islamic Microfinance For Poverty Alleviation in Bandung, Indonesia. *Ihtifaz: Journal of Islamic Economics, Finance, and Banking*, 2(1), 55–72. doi: 10.12928/ijiefb.v2i1.736
- Fincham, J. E. (2008). Response rates and responsiveness for surveys, standards, and the Journal. *American Journal of Pharmaceutical Education*, 72(2), 43. doi: 10.5688/aj720243
- Fishbein, M., & Ajzen, I. (1975). Belief, Attitude, Intention, and Behavior: An Introduction to Theory and Research. In *Computers in Human Behavior* (Vol. 72). doi: 10.1016/j.chb.2016.12.049
- Florenco, G., Papelo, P., & Amin, H. (2019). Explaining Awareness of Islamic Banking System Among Mozambique ' S People : an Empirical Test. *Proceedings of the International Conference on Economics 2019, 2019(Ice)*, 46–59.
- Fornell, C., & Larcker, D. F. (1981). *Structural Equation Models with Unobservable Variables and Measurement Error: Algebra and Statistics*. 18(3), 382–388. doi: 10.18196/ijief.2119
- Gan, L. L., & Maysami, R. C. (2006). Credit Card Selection Criteria: Singapore Perspective. *Economic Growth Centre Working Paper Series*.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2014). A Primer on Partial Least Squares Structural Equation Modeling. In *Long Range Planning* (Vol. 46, Issues 1–2). doi: 10.1016/j.lrp.2013.01.002
- HRDF. (2019). *Human Capital Report*.
- Ibrahim, M. A., Fisol, W. N. M., & Haji-Othman, Y. (2017). Customer Intention on Islamic Home Financing Products: An Application of Theory of Planned Behavior (TPB). *Mediterranean Journal of Social Sciences*, 8(2), 77–86. doi: 10.5901/mjss.2017.v8n2p77
- James, G., Witten, D., Hastie, T., & Tibshirani, R. (2021). An Introduction to Statistical Learning. *Springer Texts*, 102, 618.
- Jogiyanto. (2007). *Sistem Informasi Keperilakuan*.
- Khalid, H. A., & Kalsom, A. W. (2014). Financing of small and medium enterprises (SMEs): Determinants of bank loan application. *African Journal of Business Management*, 8(17), 717–727. doi: 10.5897/ajbm2013.7222
- Khaliffarah, A., & Abdinur, M. A. (2018). Perception of Customers Towards Islamic Banking in Las-Anod. *International Journal of Interdisciplinary Research and Innovations*, 7(1), 314–321.
- Kim, J. H. (2019). Multicollinearity and misleading statistical results. *Korean Journal of Anesthesiology*, 72(6), 558–569. doi: 10.4097/kja.19087
- Kim, M. -S, & Hunter, J. E. (1993). Attitude-Behavior Relations: A Meta-Analysis of Attitudinal Relevance and Topic. *Journal of Communication*, 43(1), 101–142. doi: 10.1111/j.1460-2466.1993.tb01251.x
- Kreitner, Robert, Kinicki, & Angelo. (2010). *Organizational Behavior*. McGraw-Hill International Editions.
- Kristanto HC, R. H. (2022). *ADOPTION OF ISLAMIC BANKING IN FINANCIAL SATISFACTION : STUDY ON BANK SYARIAH INDONESIA YOGYAKARTA REGION*. 7(2), 1300–1318. doi :10.20473/jraba.v7i2.37205
- Krueger, N. F., Reilly, M. D., & Carsrud, A. L. (2000). Competing models of entrepreneurial intentions. *Journal of Business Venturing*, 15(5), 411–432. doi: 10.1016/S0883-9026(98)00033-0
- Lowry, P. B., & Gaskin, J. (2014). *Partial Least Squares (PLS) Structural Equation Modeling (SEM) for Building and Testing Behavioral Causal Theory: When to Choose It and How to Use It*. 57(2), 123–146.
- Luarn, P., & Lin, H. H. (2005). Toward an understanding of the behavioral intention to use mobile banking. *Computers in Human Behavior*, 21(6), 873–891. doi: 10.1016/j.chb.2004.03.003

- Mahmoud, L. O. M., & Abduh, M. (2014). The Role of Awareness in Islamic Bank Patronizing Behavior of Mauritanian : An Application of TRA. *Journal of Islamic Finance*, 3(2), 30–38. doi: 10.12816/0025103
- Manggu, S. A. R., & Dahlia, D. (2019). *The Influence of Perceptions Towards Preference Communities on Islamic Banks in Polewali Mandar District, West Sulawesi*. doi: 10.4108/eai.1-4-2019.2287181
- Mardoni, Y., Putra, P., Huda, N., & Rini, N. (2012). The Analysis of Attitudes, Subjective Norms, and Behavioral Control on Muzakki's Intention to Pay Zakah. In *International Journal of Business and Social Science* (Vol. 3, Issue 22). retrieved from www.ijbssnet.com
- Maryam, S. Z., Mehmood, M. S., & Khaliq, C. A. (2019). Factors influencing the community behavioral intention for adoption of Islamic banking: Evidence from Pakistan. *International Journal of Islamic and Middle Eastern Finance and Management*, 12(4), 586–600. doi: 10.1108/IMEFM-07-2017-0179
- Masyita, D., & Ahmed, H. (2013). Why Is Growth of Islamic Microfinance Lower Than Its Conventional Counterparts in Indonesia ? *Islamic Economic Studies*, 21(1), 35–62. doi: 10.12816/0000239
- Maulana, H., Razak, D. A., & Adeyemi, A. A. (2018). Factors influencing behaviour to participate in Islamic microfinance. *International Journal of Islamic and Middle Eastern Finance and Management*, 11(1), 109–130. doi: 10.1108/IMEFM-05-2017-0134
- Mukhtar, A., & Butt, M. M. (2012). Intention to choose Halal products: The role of religiosity. *Journal of Islamic Marketing*, 3(2), 108–120. doi: 10.1108/17590831211232519
- Muslichah, I., & Sanusi, S. (2019). The effect of religiosity and financial literacy on intention to use Islamic banking products. *Asian Journal of Islamic Management (AJIM)*, 1(2), 85–92. doi: 10.20885/ajim.vol1.iss2.art2
- OECD. (2021). *Promoting the Productivity of SMEs in ASEAN Countries*. 1–132.
- Panggi, F., Amin, H., & Shaikh, I. M. (2022). Determinants of millennials' acceptance towards tawarruq home financing in Sandakan, Sabah, Malaysia. *International Journal of Housing Markets and Analysis*. doi: 10.1108/IJHMA-05-2022-0067
- Pantari, E. D., & Aji, H. M. (2020). Investigating Muslim non-consumers' intention to use Islamic bank: perceived social value (PSV) and awareness. *Jurnal Siasat Bisnis*, 24(2), 187–198. doi: 10.20885/jsb.vol24.iss2.art8
- Pratiwi, I. E., & Affandy, F. F. (2020). Knowledge and Perception of Muslim and Non-Muslim Customers in Papua Province Towards Islamic Banking. *International Journal of Islamic Economics and Finance Studies*, 336–356. doi: 10.25272/ijisef.693027
- Purwanto, P., Abdullah, I., Ghofur, A., Abdullah, S., & Elizabeth, M. Z. (2022). Adoption of Islamic microfinance in Indonesia an empirical investigation: an extension of the theory of planned behaviour. *Cogent Business and Management*, 9(1). doi: 10.1080/23311975.2022.2087466
- Rachmawati, E. (2018). *the Review of Understanding of Product Knowledge Differences*. 1991, 283–288.
- Ramadhani, E. B., Hakim, A., & Pratiwi, R. (2019). Jurnal Ekonomi dan Perbankan Syariah 6 | Estu Banyu Ramadhani , Adril Hakim , Rianti Pratiwi : Effect of Perfection on Sharia Bank and Variety Seeking on Customer Switching Invention From Conventional Banks in Bekasi City. *Jurnal Ekonomi Dan Perbankan Syariah*, 7(2), 5–19.
- Ramayah, T., Taib, F. M., & Ling, K. P. (2006). Classifying users and non-users of Internet banking in northern Malaysia. *Journal of Internet Banking and Commerce*, 11(2), 304–306.
- Riaz, U., Khan, M., & Khan, N. (2017). An Islamic banking perspective on consumers' perception in Pakistan. *Qualitative Research in Financial Markets*, 9(4), 337–358. doi: 10.1108/QRFM-03-2017-0020
- Rivis, A., & Sheeran, P. (2003). Descriptive norms as an additional predictor in the theory of planned behaviour: A meta-analysis. *Current Psychology*, 22(3), 218–233. doi: 10.1007/s12144-003-1018-2
- Rogers, E. M. (1983). *Diffusion of Innovations* (3rd ed.). The Free Press.
- Saiti, B., Ardo, A. A., & Yumusak, I. G. (2022). Why non-Muslims subscribe to Islamic banking? *Qualitative Research in Financial Markets*, 14(2), 247–269. doi: 10.1108/QRFM-01-2018-0005

- Suhartanto, D. (2020). *Analisa Untuk Riset Bisnes: SPSS, AMOS, PLS* (2nd ed.). Politeknik Negeri Bandung.
- Suhartanto, D., Farhani, N. H., Muflih, M., & Setiawan. (2018). Loyalty intention towards Islamic Bank: The role of religiosity, image, and trust. *International Journal of Economics and Management*, 12(1), 137–151.
- Sutisna. (2002). *Perilaku konsumen dan komunikasi pemasaran*. Remaja Rosdakarya.
- Tasos, S., Ahmed, I., Awan, M. S., & Waqas, M. (2020). Poverty alleviation and microfinance for the economy of Pakistan: A case study of Khushhali Bank in Sargodha. *Economies*, 8(3). doi: 10.3390/ECONOMIES8030063
- Utama, S. P., & Rochman, F. (2013). Pengaruh Faktor Sosial dan Faktor Pribadi Terhadap Sikap dan Minat Pembelian Film Bajakan (Studi pada Masyarakat Kota Malang). *Jurnal Aplikasi Manajemen*, 11(No. 4), 640–647. retrieved from <https://bincangmedia>.
- Utamy, O. D. B., & Widhiastuti, R. (2020). The effect of Sharia bank knowledge, promotion, and facilities on savings decisions at Sharia banks with savings interest as mediation variables. *Journal of Islamic Economics, Management, and Business (JIEMB)*, 1(1), 1–28. doi: 10.21580/jiemb.2019.1.1.3986
- Yandell, K. E. (2016). Philosophy of Religion. In *Routledge Taylor & Francis Group*. doi: 10.1017/9781316779651.028
- Yu, C.-S. (2012). Factors affecting individuals to adopt mobile banking: Empirical evidence from the utaut model. *Journal of Electronic Commerce Research*, 13(2), 105–121.