

Sharia Financial Literacy and Digital Literacy on Students' Decisions to Use BSI Mobile

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Abstract

This study addresses the uneven level of Islamic financial literacy among university students and the crucial role of digital literacy in facilitating access to mobile-based Islamic banking services such as BSI Mobile. It aims to explore how both forms of literacy shape students' decisions to engage in sharia-compliant transactions. A quantitative associative design was applied, drawing on survey data collected through an online questionnaire from 75 students at the Faculty of Economics and Business, Mulawarman University. The analysis employed ordinal logistic regression to evaluate the influence of the independent variables. The findings reveal that both Islamic financial literacy and digital literacy significantly contribute to students' decisions to use BSI Mobile for sharia transactions. More importantly, the results indicate that these two competencies operate in a complementary manner, reinforcing each other in supporting the sustained use of Islamic financial technology. This study offers a novel contribution by examining financial and digital literacy within an integrated framework, and provides practical implications for higher education institutions and Islamic banking providers in developing more effective and coordinated literacy initiatives.

Keywords: Digital Literacy, Financial Literacy, Sharia Transactions, Islamic Banks

A. INTRODUCTION

In recent years, the expansion of Islamic digital banking platforms, particularly BSI Mobile, has increased significantly; however, the level of adoption among university students remains uneven. Many students still have limited understanding of essential Islamic financial contracts such as murabaha, wakalah, and mudharabah, which are fundamental to ensuring sharia compliance in financial transactions. At the same time, insufficient digital competence—ranging from basic operational skills to concerns related to security and privacy—continues to hinder their effective use of such platforms. These conditions suggest that the adoption of Islamic digital banking is influenced not only by religious motivation but also by the level of financial and digital literacy possessed by users¹.

¹ Hafiz Aulia Fahmi et al., "The Influence of Financial Literacy, Lifestyle, and Perceptions About Sharia Banking on Students' Decisions to Use Mobile Banking Bank Sharia Indonesia," *International Journal of Review Management Business and Entrepreneurship (RMBE)* 4, no. 1 (2024): 6–13, <https://doi.org/10.37715/rmbe.v4i1.5058>; Fitri Fadilah Widyaputri and Edy Yusuf Agung Gunanto, "Shariah Mobile Banking Adoption Trends: Analysis Mob Mentality, Reputation, Perceived Risk, and Islamic Financial

A growing body of literature highlights the importance of financial literacy in shaping individuals' attitudes toward Islamic banking, where higher levels of literacy tend to enhance trust and confidence in sharia-compliant financial services². In parallel digital literacy has been identified as a critical factor that facilitates the adoption of mobile banking by reducing perceived risks and improving ease of use³. Within the Islamic finance context, improved financial literacy has also been shown to support more rational financial decision-making and increase participation in Islamic banking, as a stronger understanding of sharia principles reinforces trust in financial institutions and products⁴. However, most previous studies tend to examine financial literacy and digital literacy as separate variables, leaving limited understanding of how both factors interact in influencing the adoption of Islamic mobile banking. Moreover, relatively few studies have focused specifically on students, despite their high exposure to digital technology and relatively limited financial literacy⁵.

This study aims to analyze the combined influence of Islamic financial literacy and digital literacy on students' decisions to use BSI Mobile. It Specifically explores whether students' understanding of Islamic financial principles, together with their ability to operate digital banking platforms, significantly affects their decision to adopt sharia-compliant mobile banking services. By focusing on students from the Faculty of Economics and Business at Universitas Mulawarman, the research captures insights from individuals who are simultaneously exposed to technological developments and Islamic economic education. Accordingly, the study seeks to examine the extent to which financial and digital literacy function as complementary drivers in shaping the adoption of Islamic digital banking⁶.

The importance of this study lies in emphasizing that the adoption of Islamic financial services requires not only religious understanding but also adequate digital capability. Students who possess strong knowledge of sharia contracts but lack digital skills may be reluctant to use mobile banking due to security concerns. Conversely, individuals with strong digital competence but limited financial literacy may find it difficult to assess the sharia compliance of financial services. These conditions highlight the need for an integrated literacy framework to support sustainable adoption. This perspective is consistent with consumer behavior theories, which suggest that decision-making is influenced by the interaction of knowledge, attitudes, and external factors⁷. By empirically examining this relationship, the study contributes to academic discussions

Literacy," *Jurnal Ekonomi Syariah Teori Dan Terapan* 10, no. 5 (2023): 482-95, <https://doi.org/10.20473/vol10iss20235pp482-495>.

² Fahretin Pala et al., "Analyzing the Linkage between Islamic Financial Literacy and Islamic Banking Services Adoption: Evidence from Turkey," *Journal of Islamic Accounting and Business Research* 15, no. 5 (2024): 784-817, <https://doi.org/10.1108/JIABR-12-2021-0324>.

³ Sonu Pradhan, "Role of Digital Financial Literacy for Mobile Banking Adoption in Digital Era," *International Journal Of Scientific Research In Engineering And Management* 08, no. 06 (2024): 1-5, <https://doi.org/10.55041/IJSREM36192>; Mamta Yadav, "A Comparative Study on Digital Financial Literacy and E-Banking Adoption," *International Journal for Research in Applied Science and Engineering Technology* 12, no. 7 (2024): 682-86, <https://doi.org/10.22214/ijraset.2024.63616>.

⁴ Rinna Ramadhan Ain Fitriah et al., "Perception As A Moderating Variable Of The Influence Of Sharia Financial Literacy On The Decision To Become A BSI Customer," *Jurnal Teknologi Dan Manajemen Industri Terapan* 4, no. I (2025): 111-17, <https://doi.org/10.55826/jtmit.v4iI.834>.

⁵ Hesi Eka Puteri, "Decision to Adopt Islamic Banking: Examining the Effects of Disposable Income and Islamic Financial Literacy," *Journal Of Economics, Finance And Management Studies* 06, no. 08 (2023), <https://doi.org/10.47191/jefms/v6-i8-35>.

⁶ Nilmawati Nilmawati et al., "Financial Literacy, Bank Reputation, and Religiosity in Islamic Banking Adoption," *SHS Web of Conferences* 212 (2025): 01002, <https://doi.org/10.1051/shsconf/202521201002>; Varania Pambagyo Sabila and Hasnawati Hasnawati, "The Influence of Financial Literacy and Digital Literacy on Mobile Banking Adoption," *Syntax Literate ; Jurnal Ilmiah Indonesia* 9, no. 11 (2024): 6640-52, <https://doi.org/10.36418/syntax-literate.v9i11.17004>.

⁷ Achmad Hidayat and Salina Kassim, "The Determinants Of Digital Banking Adoption Among Banks Offering Islamic Banking Services," *Journal of Islamic Monetary Economics and Finance* 9, no. 4 (2023): 559-88, <https://doi.org/10.21098/jimf.v9i4.1688>; Sohaib Uz Zaman et al., "Investigating the Factors Influencing the

while also offering practical insights for Islamic financial institutions, higher education institutions, and policymakers.

B. LITERATURE REVIEW

1. Consumer Behavior Theory in Islamic Perspective

Consumer behavior theory explains the processes through which individuals make decisions when selecting, purchasing, using, and evaluating goods or services to satisfy their needs. In the context of financial services, this perspective emphasizes that consumer decisions are shaped not only by economic considerations but also by knowledge, attitudes, beliefs, and perceptions toward the products or services offered. As a result, decision-making reflects a combination of psychological and social influences that ultimately determine consumer preferences and trust in financial institutions. Prior research has shown that financial knowledge plays an important role in shaping consumer attitudes and increasing confidence in choosing financial products, including Islamic banking services⁸.

Within this study, consumer behavior theory serves as a conceptual foundation for explaining how Islamic financial literacy influences students' decision-making. Individuals who possess a sufficient understanding of Islamic financial principles are more likely to develop favorable attitudes toward sharia-compliant financial products. In this regard, financial literacy functions as a cognitive basis that shapes perceptions and guides behavior, enabling students to avoid financial practices that are inconsistent with Islamic teachings while encouraging the use of Islamic financial services such as mobile banking platforms⁹.

2. Technology Acceptance Model (TAM) Theory

The Technology Acceptance Model (TAM), originally introduced by Davis in 1986, is one of the most widely applied frameworks for understanding how individuals accept and use new technologies. The model posits that an individual's intention to adopt a technology is primarily determined by two key perceptions: perceived usefulness (PU) and perceived ease of use (PEOU). Perceived usefulness refers to the extent to which a person believes that using a particular technology will enhance their performance or efficiency, whereas perceived ease of use reflects the degree to which the technology is perceived as effortless to operate.

TAM has been extensively utilized in research on digital banking and financial technology adoption. Empirical studies consistently indicate that users are more likely to adopt digital banking platforms when they perceive them as useful, efficient, and easy to use. In the context of Islamic banking, mobile banking applications such as BSI Mobile are therefore expected to deliver both functional benefits and user-friendly interfaces in order to encourage adoption among customers¹⁰.

Furthermore, TAM provides a relevant theoretical basis for understanding the role of digital literacy in the adoption of Islamic mobile banking. When students perceive mobile banking technology as both beneficial and easy to use, they are more likely to incorporate it into

Acceptance of Islamic Mobile Banking Services," *The Asian Bulletin Of Green Management And Circular Economy* 5, no. 1 (2025): 99-126, <https://doi.org/10.62019/abgmce.v5i1.129>.

⁸ Pala et al., "Analyzing the Linkage between Islamic Financial Literacy and Islamic Banking Services Adoption."

⁹ Puteri, "Decision to Adopt Islamic Banking"; Nilmawati et al., "Financial Literacy, Bank Reputation, and Religiosity in Islamic Banking Adoption."

¹⁰ Pradhan, "Role of Digital Financial Literacy for Mobile Banking Adoption in Digital Era"; Yadav, "A Comparative Study on Digital Financial Literacy and E-Banking Adoption."

their daily financial activities. This, in turn, strengthens the adoption of sharia-compliant financial services and supports the broader use of Islamic financial technology¹¹.

3. Sharia Financial Literacy

Islamic financial literacy refers to an individual's level of knowledge, understanding, and awareness of financial principles, contracts, and instruments that comply with sharia law. It involves not only familiarity with key concepts such as murabaha, ijarah, and mudharabah, but also the ability to critically assess whether financial practices are consistent with Islamic ethical standards. Scholars argue that financial literacy in an Islamic framework differs from its conventional counterpart, as it combines financial reasoning with elements of spiritual accountability. Among students, Islamic financial literacy plays a crucial role in shaping responsible engagement with Islamic financial institutions, as insufficient understanding may limit their willingness to adopt services such as Islamic mobile banking¹².

The dimensions of Islamic financial literacy can generally be classified into three main components: knowledge, skills, and attitudes. Knowledge refers to an understanding of Islamic financial contracts and the prohibition of practices such as riba, gharar, and maysir. Skills relate to the ability to manage personal finances in accordance with sharia principles, including budgeting and saving through compliant financial instruments. Meanwhile, attitudes reflect values such as trust, prudence, and ethical responsibility in financial decision-making. These dimensions indicate that financial literacy extends beyond theoretical understanding and also encompasses behavioral aspects that influence how individuals interact with financial products in practice. Empirical studies further suggest that higher levels of literacy are associated with greater confidence in adopting Islamic banking services and contribute to more sustainable financial behavior¹³.

4. Digital Literacy

Digital literacy can be broadly understood as the set of knowledge, skills, and attitudes required to use digital technologies effectively, responsibly, and securely. In the context of financial services, it includes the ability to access, evaluate, and utilize mobile banking platforms for various transactions, such as fund transfers, payments, and investments. Scholars highlight that digital literacy has become a key determinant of financial inclusion in the era of financial technology, as it reduces access barriers and enhances user trust in digital systems. Within Islamic finance, digital literacy is particularly important, as it enables users to confidently navigate platforms that provide sharia-compliant financial products and services¹⁴.

The dimensions of digital literacy in financial contexts can be categorized into three main areas: technical skills, cognitive skills, and socio-emotional awareness. Technical skills refer to the ability to operate digital applications, safeguard personal data, and address basic technical issues. Cognitive skills involve the capacity to critically assess information obtained from digital platforms, including identifying potential fraud or misleading content. Socio-emotional awareness, on the other hand, relates to understanding ethical considerations in digital usage, such as data privacy and responsible online behavior¹⁵. These dimensions demonstrate that digital

¹¹ Sabila and Hasnawati, "The Influence of Financial Literacy and Digital Literacy on Mobile Banking Adoption"; Ratna Juwita et al., "The Intention to Use Mobile Banking as a Financial Technology Service among Islamic Bank Users," *The Indonesian Capital Market Review* 15, no. 1 (2023): 27-39, <https://doi.org/10.21002/icmr.v15i1.1166>.

¹² Fahmi et al., "The Influence of Financial Literacy, Lifestyle, and Perceptions About Sharia Banking on Students' Decisions to Use Mobile Banking Bank Sharia Indonesia."

¹³ Puteri, "Decision to Adopt Islamic Banking."

¹⁴ Putri Septi Naulina Hasibuan et al., "Digital Finance Adoption Strategy In Sharia BPR," *Journal Of Humanities Social Sciences And Business (Jhssb)* 2, no. 3 (2023): 404-15, <https://doi.org/10.55047/jhssb.v2i3.587>.

¹⁵ Yadav, "A Comparative Study on Digital Financial Literacy and E-Banking Adoption."

literacy is not limited to operational ability but also shapes perceptions of trust and security, which ultimately influence the adoption of services such as BSI Mobile¹⁶.

5. Sharia Transaction

Sharia transaction decision refers to an individual's conscious choice to engage in financial activities that comply with Islamic law through the use of banking products and services. This decision reflects not only a rational evaluation of product features but also a commitment to ethical and spiritual values rooted in sharia principles. In contrast to conventional financial decisions, which are primarily driven by utility maximization, sharia-based decisions are also shaped by factors such as religiosity, financial knowledge, and trust in financial institutions¹⁷. Within a digital environment, this decision further represents students' willingness to rely on mobile platforms, such as BSI Mobile, to manage their financial activities while maintaining both convenience and adherence to Islamic value¹⁸.

The dimensions of sharia transaction decision-making can be understood through three key aspects: trust, perceived usefulness, and continuity of use. Trust reflects the level of confidence in both the financial institution and its compliance with Islamic principles. Perceived usefulness relates to the extent to which users believe that Islamic mobile banking enhances their financial management. Meanwhile, continuity of use refers to the intention to maintain long-term engagement with the service, driven by satisfaction and alignment with personal values¹⁹. These dimensions indicate that sharia transaction decisions are not merely one-time actions, but rather dynamic and ongoing processes influenced by literacy, user experience, and ethical considerations²⁰.

6. Relationship Between Variables and Hypothesis Development

The relationship between sharia financial literacy, digital literacy, and sharia transaction decisions can be explained through the integration of consumer behavior theory and the Technology Acceptance Model (TAM). Consumer behavior theory suggests that individual decisions are largely influenced by knowledge and attitudes toward a product or service. In the context of Islamic finance, financial literacy provides individuals with the ability to understand halal financial principles and distinguish between permissible and non-permissible transactions. As students gain a deeper understanding of Islamic financial contracts and concepts, they are more likely to develop trust in Islamic financial institutions and choose services that align with their religious values.

Several empirical studies have confirmed that financial literacy positively influences the adoption of Islamic banking services. Individuals who understand the underlying principles and mechanisms of Islamic finance tend to exhibit higher levels of confidence when engaging with sharia-compliant financial products. As a result, greater levels of Islamic financial literacy can encourage students to utilize Islamic digital banking services, including BSI Mobile, as part of their financial activities²¹. Empirical findings further indicate that financial literacy significantly

¹⁶ Sabila and Hasnawati, "The Influence of Financial Literacy and Digital Literacy on Mobile Banking Adoption."

¹⁷ Heru Kristanto Hc, "Adoption Of Islamic Banking In Financial Satisfaction : Study On Bank Syariah Indonesia Yogyakarta Region," *Jurnal Riset Akuntansi Dan Bisnis Airlangga* 7, no. 2 (2022): 1300-1318, <https://doi.org/10.20473/jraba.v7i2.37205>.

¹⁸ Hidayat and Kassim, "The Determinants Of Digital Banking Adoption Among Banks Offering Islamic Banking Services."

¹⁹ Juwita et al., "The Intention to Use Mobile Banking as a Financial Technology Service among Islamic Bank Users."

²⁰ Zaman et al., "Investigating the Factors Influencing the Acceptance of Islamic Mobile Banking Services."

²¹ Fahmi et al., "The Influence of Financial Literacy, Lifestyle, and Perceptions About Sharia Banking on Students' Decisions to Use Mobile Banking Bank Sharia Indonesia"; Pala et al., "Analyzing the Linkage between Islamic Financial Literacy and Islamic Banking Services Adoption."

affects individuals' decisions to become customers of Islamic banks, as a stronger understanding of sharia principles enhances both trust and confidence in the systems²².

On the other hand, digital literacy also plays a crucial role in shaping users' acceptance of mobile banking technology. Based on TAM, individuals are more likely to adopt a technology when they perceive it as useful and easy to use. Digital literacy enables users to effectively operate mobile banking applications, manage security features, and understand the functionalities provided. Therefore, students with higher levels of digital literacy tend to demonstrate greater confidence in using mobile banking platforms for financial transactions²³.

Moreover, the interaction between Islamic financial literacy and digital literacy can further strengthen the adoption of Islamic mobile banking services. Financial literacy ensures that students understand the sharia compliance of financial products, while digital literacy equips them with the necessary skills to utilize the technology efficiently. When both competencies are present simultaneously, students are more likely to develop trust and confidence in using BSI Mobile for their financial transactions.

Based on the theoretical framework and empirical evidence presented above, the hypotheses of this study are formulated as follows:

H1: Sharia financial literacy has a positive and significant effect on students' sharia transaction decisions in using BSI Mobile.

H2: Digital literacy has a positive and significant effect on students' sharia transaction decisions in using BSI Mobile.

H3: Sharia financial literacy and digital literacy have a positive and significant effect on students' decisions to conduct sharia transactions using BSI Mobile.

C. RESEARCH METHODOLOGY

This section outlines the procedures and methods applied in conducting the study. A clear and detailed description of the methodology enables readers to assess the suitability and rigor of the research design.

1. Research Design

This study adopts a quantitative approach with an associative design to examine the relationship between Islamic financial literacy, digital literacy, and sharia transaction decisions. The quantitative method is considered appropriate as it allows for the measurement of literacy levels and their statistical influence on behavioral outcomes.²⁴ The associative facilitates the identification of relationships and potential causal tendencies between the independent variables—Islamic financial literacy and digital literacy—and the dependent variable, namely sharia transaction decision. The study primarily utilizes primary data collected through a survey, while secondary data from relevant academic literature are incorporated to strengthen the theoretical foundation and support the interpretation of findings. This combination of data sources enhances the robustness of the study by integrating empirical evidence with established academic perspectives²⁵.

²² Fitriah et al., "Perception As A Moderating Variable Of The Influence Of Sharia Financial Literacy On The Decision To Become A BSI Customer."

²³ Pradhan, "Role of Digital Financial Literacy for Mobile Banking Adoption in Digital Era"; Yadav, "A Comparative Study on Digital Financial Literacy and E-Banking Adoption."

²⁴ Fahmi et al., "The Influence of Financial Literacy, Lifestyle, and Perceptions About Sharia Banking on Students' Decisions to Use Mobile Banking Bank Sharia Indonesia."

²⁵ Puteri, "Decision to Adopt Islamic Banking."

2. Participants of the Study

The main data were collected from 75 students of the Faculty of Economics and Business, Universitas Mulawarman, specifically from the 2021–2023 cohorts. A census sampling technique was employed to ensure that all members of the defined population were included, thereby reducing the potential for sampling bias²⁶. The responses obtained from participants were used to measure three main variables: Islamic financial literacy, digital literacy, and sharia transaction decisions. Each variable was operationalized into measurable indicators, such as knowledge of Islamic financial contracts, awareness of digital security, and trust in financial transactions. In addition, relevant literature was used to support the conceptualization of these variables, particularly studies examining the relationship between literacy and the adoption of mobile banking services²⁷.

3. Instruments

Data were collected using a structured questionnaire distributed online through Google Forms to ensure accessibility and consistency in responses. The questionnaire employed a five-point Likert scale, ranging from “strongly disagree” to “strongly agree,” allowing respondents’ perceptions to be quantified in a structured manner. Prior to data collection, the instrument was subjected to validity testing using item–total correlation to confirm that each item accurately measured the intended construct. Reliability was assessed using Cronbach’s Alpha, with values exceeding the acceptable threshold of 0.60, indicating satisfactory internal consistency²⁸. This procedure is consistent with established practices in studies on mobile banking adoption, where the validity and reliability of measurement instruments are essential to ensure the credibility of research findings²⁹.

4. Data Analysis Techniques

The data were analyzed using ordinal logistic regression, which is appropriate given that the dependent variable was measured on an ordinal scale using Likert-type responses. This method allows for the examination of how Islamic financial literacy and digital literacy influence the likelihood of specific decision outcomes, particularly in cases where relationships are not strictly linear³⁰. The significance of each independent variable was tested using the Wald test, while the overall model fit was evaluated using the likelihood ratio chi-square test. This analytical approach is widely applied in studies related to digital banking and financial literacy, where ordinal data are commonly used to capture behavioral responses³¹.

D. RESULTS

This study involved 75 respondents consisting of active students from the Faculty of Economics and Business at Universitas Mulawarman. The participants were selected based on their experience in using services provided by Bank Syariah Indonesia, particularly the BSI Mobile application. In terms of gender distribution, the majority of respondents were female (63 students or 84%), while male respondents accounted for 12 students (16%). Regarding academic background, most respondents were from the Islamic Economics study program, totaling 51 students (68%), followed by Accounting with 11 students (14.7%), Management with 7 students (9.3%), and Development Economics with 6 students (8%). The predominance of respondents

²⁶ Nilmawati et al., “Financial Literacy, Bank Reputation, and Religiosity in Islamic Banking Adoption.”

²⁷ Hidayat and Kassim, “The Determinants Of Digital Banking Adoption Among Banks Offering Islamic Banking Services”; Widyaputri and Gunanto, “Shariah Mobile Banking Adoption Trends.”

²⁸ Wirda Nawawi et al., “A Validity and Reliability of Instrument to Evaluate the Principal Technology Leadership: A Pilot Study,” *International Journal of Evaluation and Research in Education (IJERE)* 13, no. 6 (2024): 4093, <https://doi.org/10.11591/ijere.v13i6.27282>.

²⁹ Sabila and Hasnawati, “The Influence of Financial Literacy and Digital Literacy on Mobile Banking Adoption.”

³⁰ Zaman et al., “Investigating the Factors Influencing the Acceptance of Islamic Mobile Banking Services.”

³¹ Pradhan, “Role of Digital Financial Literacy for Mobile Banking Adoption in Digital Era.”

from the Islamic Economics program suggests that a large proportion of participants have been exposed to Islamic financial concepts in their academic studies, which may influence their level of awareness and behavior in utilizing sharia-compliant financial services such as BSI Mobile.

Table 1: Sample Characteristics (n=75)

Category	Description	Respondents	Percentage
Gender	Male	12	16%
	Female	63	84%
Study Program	Management	7	9.3%
	Accounting	11	14.7%
	Development Economics	6	8%
	Islamic Economics	51	68%
	Total Respondents	75	100

Source: Authors' calculation

To assess the influence of Islamic financial literacy and digital literacy on students' decisions to adopt BSI Mobile, ordinal logistic regression analysis was conducted using the Wald test. The results show that both independent variables have a statistically significant effect on the dependent variable. Students with higher levels of Islamic financial literacy tend to exhibit greater confidence in using Islamic mobile banking services, as they are better able to identify and understand sharia-compliant financial products. Likewise, students with stronger digital literacy demonstrate a higher propensity to adopt BSI Mobile, as they perceive the technology to be more accessible, efficient, and secure. These findings indicate that both knowledge and technological capability play a crucial role in shaping financial behavior and influencing the adoption of digital banking services³².

Table 2: Wald Test Results (Partial t-test)

Parameter Estimates								
		Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
							Lower Bound	Upper Bound
Threshold	[Y = 3,00]	-6,731	1,135	35,193	1	0,000	-8,955	-4,507
	[Y = 4,00]	-2,187	0,814	7,215	1	0,007	-3,783	-0,591
Location	[X1=3,00]	-4,703	1,238	14,431	1	0,000	-7,129	-2,276
	[X1=4,00]	-1,944	0,827	5,525	1	0,019	-3,566	-0,323
	[X1=5,00]	0 ^a			0			
	[X2=3,00]	-2,675	1,074	6,209	1	0,013	-4,780	-0,571
	[X2=4,00]	-2,156	0,717	9,031	1	0,003	-3,562	-0,750
	[X2=5,00]	0 ^a			0			
Link function: Logit.								
a. This parameter is set to zero because it is redundant.								

Source: Authors' calculation

The results of the Wald test indicate that both Islamic financial literacy (X1) and digital literacy (X2) have a statistically significant effect on students' decisions to use BSI Mobile. This is evidenced by significance values below the 0.05 threshold across the relevant parameter estimates. These findings suggest that higher levels of literacy are associated with an increased likelihood of adopting Islamic mobile banking services.

³² Nilmawati et al., "Financial Literacy, Bank Reputation, and Religiosity in Islamic Banking Adoption"; Puteri, "Decision to Adopt Islamic Banking."

A more detailed examination of the parameter estimates reveals that the coefficients for both variables are negative at lower category levels, indicating that limited literacy reduces the probability of adoption. Conversely, higher levels of literacy correspond to a greater tendency to use BSI Mobile. The confidence intervals for these estimates do not cross zero, further confirming the statistical significance and robustness of the results.

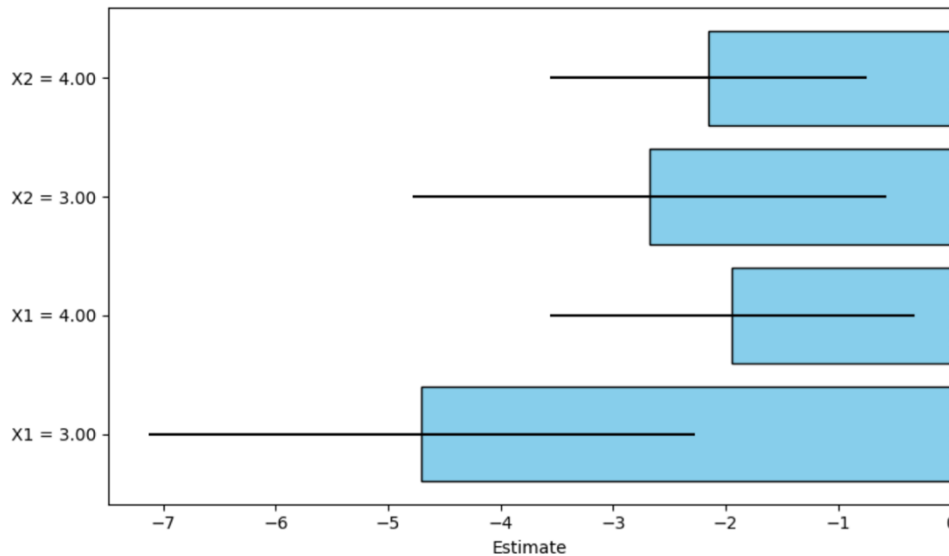


Figure 1. Wald Test Result

To enhance the clarity of the findings, the Wald test results are also presented using a forest plot (Figure 1). This visualization illustrates the parameter estimates alongside their 95% confidence intervals, allowing for a clearer interpretation of both the direction and magnitude of the effects.

The forest plot shows that all estimated coefficients are positioned on the negative side, which implies that lower levels of Islamic financial literacy and digital literacy decrease the likelihood of adopting BSI Mobile. Additionally, the confidence intervals remain entirely on one side of zero, reinforcing the statistical significance of the variables and supporting the regression outcomes.

Table: 3 The summary of hypothesis testing

Hypothesis	Relationship Between Variables	Result	Conclusion
H1	Sharia Financial Literacy → Sharia Transaction Decision	Significant (p < 0.05)	Accepted
H2	Digital Literacy → Sharia Transaction Decision	Significant (p < 0.05)	Accepted
H3	Sharia Financial Literacy & Digital Literacy → Sharia Transaction Decision	Significant simultaneously	Accepted

Source: Authors' calculation

The results of hypothesis testing demonstrate that all proposed hypotheses are supported. Islamic financial literacy (H1) and digital literacy (H2) each have a positive and statistically significant effect on students' sharia transaction decisions. Furthermore, when examined simultaneously (H3), both variables jointly contribute to strengthening students' confidence and willingness to adopt Islamic mobile banking services.

These findings highlight that the integration of financial knowledge and digital competence plays a crucial role in shaping students' financial behavior, particularly in the context of adopting sharia-compliant digital banking platforms.

E. DISCUSSION

The findings of this study demonstrate that Islamic financial literacy and digital literacy jointly exert a strong and significant influence on students' decisions to adopt and continue using BSI Mobile. Students who possess high levels of competence in both domains tend to exhibit consistent usage behavior, whereas those with limited capability in either dimension often show hesitation or fragmented adoption patterns. The regression results further confirm that both literacy variables significantly increase the likelihood of adoption, supporting the argument that decision-making in Islamic financial technology is inherently multidimensional. This indicates that adoption is not driven solely by religious considerations but is instead shaped by the interplay between financial understanding and technological capability³³.

These findings are consistent with previous studies that highlight the importance of literacy in influencing Islamic banking adoption, while also extending the literature by demonstrating the combined effect of financial and digital literacy. Recent research shows that financial literacy and digital literacy jointly enhance individuals' readiness to adopt financial technology services, while digital literacy alone has been identified as a key determinant of mobile banking adoption³⁴ while studies in Indonesia highlighted digital literacy as a determinant of mobile banking adoption³⁵. However, this study contributes a more integrative perspective by illustrating how the interaction between the two forms of literacy creates a reinforcing effect that amplifies adoption decisions. In this sense, the study bridges two previously separate strands of research into a more cohesive explanatory framework.

Beyond theoretical confirmation, the results also highlight important practical implications, particularly in the context of student development. The findings suggest that the adoption of BSI Mobile is strongly dependent on the presence of dual literacy, emphasizing the need to equip students with both financial and digital competencies. Such integration not only supports better individual financial decision-making but also prepares students to become informed participants and potential advocates of Islamic financial services in the future³⁶.

The implications of this study are relevant for multiple stakeholders. For Islamic financial institutions, the results emphasize the importance of incorporating literacy-based approaches into customer engagement strategies, such as through interactive applications, gamification, and educational programs. For universities, the findings highlight the need to integrate financial and digital literacy into academic curricula, ensuring that students are not only users of financial services but also contributors to the development of the Islamic financial sector. For policymakers, the study underscores the importance of adopting an integrated literacy framework within financial inclusion strategies, where financial knowledge and digital capabilities are promoted simultaneously³⁷.

The results can also be explained through the dual nature of Islamic fintech adoption. Islamic financial literacy provides the cognitive foundation that enables users to understand and

³³ Fahmi et al., "The Influence of Financial Literacy, Lifestyle, and Perceptions About Sharia Banking on Students' Decisions to Use Mobile Banking Bank Sharia Indonesia"; Zaman et al., "Investigating the Factors Influencing the Acceptance of Islamic Mobile Banking Services."

³⁴ K. M. Anwarul Islam and Muhammad Saifuddin Khan, "The Role of Financial Literacy, Digital Literacy, and Financial Self-Efficacy in FinTech Adoption," *Investment Management and Financial Innovations* 21, no. 2 (2024): 370–80, [https://doi.org/10.21511/imfi.21\(2\).2024.30](https://doi.org/10.21511/imfi.21(2).2024.30).

³⁵ Pradhan, "Role of Digital Financial Literacy for Mobile Banking Adoption in Digital Era"; Widyaputri and Gunanto, "Shariah Mobile Banking Adoption Trends."

³⁶ Nilmawati et al., "Financial Literacy, Bank Reputation, and Religiosity in Islamic Banking Adoption"; Sabila and Hasnawati, "The Influence of Financial Literacy and Digital Literacy on Mobile Banking Adoption."

³⁷ Ade Ihwani Harahap et al., "The Role of Financial Literacy in Students in Increasing Interest in Using Mobile Banking," *SEMB-J: Sharia Economic and Management Business Journal* 4, no. 1 (2023): 1–4, <https://doi.org/10.62159/sembj.v4i3.1163>; Hidayat and Kassim, "The Determinants Of Digital Banking Adoption Among Banks Offering Islamic Banking Services."

trust sharia-compliant financial products, while digital literacy offers the technical readiness required to operate digital platforms effectively and securely. Students who demonstrate strength in both areas are better able to minimize uncertainty, thereby increasing their confidence and willingness to adopt mobile banking services. In contrast, limitations in either domain may generate doubts that hinder adoption. This pattern is consistent with consumer behavior theory, which posits that decision-making is shaped by the interaction of knowledge, skills, and risk perceptions³⁸.

Based on these findings, several practical recommendations can be proposed. Islamic banks should develop literacy-oriented marketing strategies that combine educational content with product promotion, enabling users to better understand both the compliance and security aspects of financial services. Universities are encouraged to institutionalize literacy development through curriculum integration and extracurricular initiatives, ensuring that students are equipped with relevant competencies for both academic and real-world financial contexts. Meanwhile, policymakers should formulate comprehensive strategies for integrated literacy development, aligning financial inclusion efforts with broader digital transformation agendas. Such coordinated initiatives are expected to not only enhance the adoption of BSI Mobile but also strengthen the overall ecosystem of Islamic digital finance³⁹.

From a theoretical perspective, the findings of this study suggest that understanding the adoption of Islamic financial technology requires a more integrated approach than relying on a single theoretical lens. Consumer behavior theory highlights the importance of knowledge and attitudes in shaping decisions, while the Technology Acceptance Model (TAM) focuses on perceived usefulness and ease of use. However, the results of this study indicate that these elements do not operate independently in the context of Islamic finance. Islamic financial literacy appears to provide the cognitive basis that strengthens trust and shapes value perception, whereas digital literacy enables individuals to translate these perceptions into actual usage behavior. This interplay implies that technology adoption in Islamic finance is better explained through a framework that simultaneously considers cognitive, technological, and value-based dimensions. In this regard, literacy can be viewed not only as a direct determinant of adoption but also as a factor that conditions how individuals respond to technological features. By offering this integrated perspective, the study contributes to a more comprehensive understanding of user behavior in Islamic digital finance settings⁴⁰.

F. CONCLUSION

The findings of this study provide clear evidence that Islamic financial literacy and digital literacy function not merely as independent predictors, but as interconnected factors that jointly shape the adoption of BSI Mobile. The results challenge the common assumption that religiosity or convenience alone is sufficient to drive adoption. Instead, the evidence indicates that confidence in Islamic financial principles without adequate digital competence, or strong digital skills without sufficient financial understanding, does not necessarily lead to actual usage. Students who demonstrate high proficiency in both domains are more likely to engage

³⁸ Juwita et al., "The Intention to Use Mobile Banking as a Financial Technology Service among Islamic Bank Users"; Yadav, "A Comparative Study on Digital Financial Literacy and E-Banking Adoption."

³⁹ Nameer Ameer Jasim Alsayigh and Zainab MUSAAB Abdulsalam Al-Hayali, "Islamic Financial Literacy, Concepts, and Indicators," *Asian Journal of Economics, Business and Accounting*, July 19, 2022, 6-19, <https://doi.org/10.9734/ajeba/2022/v22i2130683>; Mustafa Kevser and Mesut Dogan, "Islamic Financial Literacy and Its Determinants: A Field Study on Turkey," *Journal Transition Studies Review* 28, no. 1 (2021): 91-120, <https://doi.org/10.14665/1614-4007-28-1-008>.

⁴⁰ Pala et al., "Analyzing the Linkage between Islamic Financial Literacy and Islamic Banking Services Adoption"; Hidayat and Kassim, "The Determinants Of Digital Banking Adoption Among Banks Offering Islamic Banking Services."

consistently and sustainably with Islamic mobile banking services. This highlights that successful adoption depends on the integration of knowledge and capability, rather than motivation alone.

This study makes important contributions to both theory and practice. From a theoretical perspective, it advances the literature by integrating financial literacy and digital literacy into a single analytical framework, whereas previous studies have often examined these variables separately. The findings demonstrate that their interaction produces a reinforcing effect that strengthens decision-making in the context of Islamic financial services. From a practical standpoint, the results offer relevant implications for key stakeholders. Islamic financial institutions are encouraged to incorporate literacy-based strategies into customer engagement initiatives, universities should integrate financial and digital literacy into their academic programs, and policymakers need to consider integrated literacy as a foundation for promoting financial inclusion. These contributions highlight the broader relevance of the study in supporting the development of Islamic digital finance ecosystems.

Despite its contributions, this study has several limitations. The sample is limited to students from a single faculty at Universitas Mulawarman, which may restrict the generalizability of the findings. In addition, the use of self-reported survey data, although tested for validity and reliability, may not fully capture actual behavioral patterns. Future research is therefore recommended to extend the scope by involving more diverse populations, such as working professionals, rural communities, or cross-country comparisons. Furthermore, the use of mixed methods, including qualitative approaches, experimental designs, or longitudinal studies, could provide deeper insights and strengthen the robustness of the findings. These directions offer opportunities to further develop the discourse on Islamic digital finance, both in terms of theoretical advancement and practical application.

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