Preference Of Using Sharia Fintech In Pandemic Covid 19

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ABSTRACT

E-payments have been around since 2013, and they're a great option for folks who want to do business from the comfort of their own homes or wherever they happen to be today. Using Fintech has made financial transactions easier and faster. When it comes to Fintech, for example, Bank Indonesia has provided security, orderliness, and evaluation of business actors. As a result of their perceived utility and convenience of use, e-payments are considered the greatest financial service solution amid the present covid epidemic, according to this survey. Data from surveys and interviews was analyzed with the help of Smart PLS. Covid-19 has impacted 100 Muslim communities in Makassar City, Indonesia, since March 2019, and these groups have been using electronic payment methods since then. Researchers concluded that three of the five examined direct connections were highly significant. the perceived utility, the perceived ease of use, and the perceived usefulness of something to a certain audience Other than attitudes toward perceived utility and attitudes toward the public interest, neither of these other two associations has a major impact.

Keywords: Sharia Fintech, TAM, Covid, Payment

INTRODUCTION

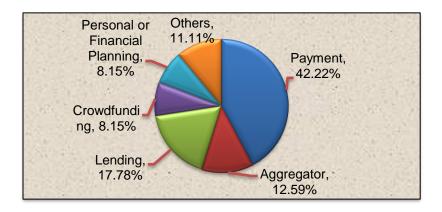
The Covid-19 virus, which has killed more than a million people globally and has spread to every part of Indonesia, is currently ravaging the country. (Broadcasting Corporation of America, 2020) This has a substantial impact on Indonesia's economy, as one might expect. In the company of (Nasution and his colleagues) An invention has also built a system that integrates ways of technical ease, user convenience, and accessibility in order to lower costs more cheaply, a process known as disruptive innovation. (Bintarto, 2018) It is interesting to note that as technology advances into the digital domain, so do people's lives, and that this tendency is increasingly dominated by the usage of simple and rapid-fire information technology. The government, in its capacity as an economic regulator, and commercial players can continue to actively promote the advantages of this technological breakthrough to all communities, rural and urban. (2017) (Kennedy)

It has been used effectively since 2013 and has evolved into a combination of IT and financial services that makes it possible to provide a wide range of financial services in a simple, fast and efficient manner, helping creative businesses to achieve a wide market distribution and promoting an equitable distribution of welfare levels. and make it easier for residents to pay for goods and services via the internet. (Ilman et al., 2019).

An efficient and cost-effective method of buying and selling goods and services can be achieved through the use of Fintech. In 2019, Nasrulloh and Rahmanto Business actors face an especially difficult challenge in adapting their operations to the changing needs of the community. Because of the government's lockdown or work-from-home policies, everyone is now doing everything from home: going to school and working from home or going shopping.

Despite this, new risks may arise from the use of financial technology. Currently in the year 2018 (Jagtiani & John) As a result of the process's interaction between fintech and banks, numerous lending and borrowing issues have been examined. The year 2020 (Thakor) Oversight and regulation are the main concerns. -2018 (Anagnostopoulos) There has been an increase in the use of Fintech in the financial sector. The lending activities of the Muslim community have expanded into areas that may be underserved by traditional banks (Jagtiani & Lemieux, 2018).

Figure 1 Profile of Fintech in Indonesia (by Sector)



Source: Indonesian Fintech Association and Financial Services Authority, 2017

According to the graph above, 42.2% of Indonesian fintech workers are employed in the payment industry. This shows how convenient electronic payments are in terms of user security, adaptability to small, micro, and medium-sized businesses, ease of operation, and universality (Isrososiawan, 2019). Indonesia has a wide variety of e-wallet payment options that are licensed and ranked by the government. Dana, Ovo, Go-Pay, Funds Link Aja, Jenius, and Paytren are a few of the alternatives. It is because of this potential that the number of people who use and are engaged in fintech is expected to keep increasing at a breakneck rate. E-commerce platforms must be involved in efforts to maximize fintech's role in the face of physical distancing policies in order to attract customers and redirect loan recipients to productive sectors that experience an increase in productivity during the pandemic.

E-payment fintech's role as an online financial service will be examined in this study using the TAM (technology acceptance model). An explanation of how people who use technology for payment accept and use it. in Suyanto et al., In this case, Suyanto and Kurniawan In this case, Suyanto and Kurniawan both Kurniawan and the Suyanto Use of e-payment is influenced by a person's interest in it, and that interest is influenced by a person's attitude toward continuing to use e-payment.

RESEARCH METHODOLOGY

It is a descriptive study that employs a quantitative methodology. Perceived usefulness and perceived ease of use are the driving forces behind this investigation. Interest and attitude are two additional factors that are interdependent. Using attitude as an intervening variable, this study examines the relationship between perceived usefulness, ease of use, as well as the Muslim community's interest in electronic payment. Using quota sampling, which is a probability-based

sampling technique, the data collection method is represented. Researchers can choose an appropriate sample size based on specified characteristics and criteria using the quota sampling method. The sample for this study is the Muslim community in Makassar City who used e-payment fintech during the Pandemic, specifically in March 2019, and continues to do so today. In accordance with the research population's e-payment fintech application usage criteria, a sample size of 100 respondents is considered representative. Observation and interviews with respondents were also used to verify the results of the researcher's questionnaire. The data in this study was analyzed with Smart PLS.

RESULT AND DISCUSSION

Validity and Reliability Testing

The purpose of this test is to reduce the risk of erroneous research results. The validity test is said to be valid if the loading factor (LF) is 0.7. Each variable has a Loading Factor (LF) value of 0.7, which indicates that the indicators in this model are in agreement with the goodness of fit criterion as shown in Figure 2.

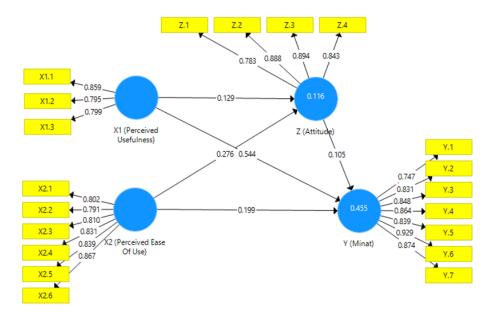


Figure 2. Output Path Coefficient

Source: Data processed 2021

As an indicator of test validity, the average variance extracted value (AVE) can be used in conjunction with other tests. The indicator is considered valid if the average variance extracted (AVE) value is greater than 0.5. It is also necessary to conduct reliability testing in order to make sure that the responses of survey participants are consistent from one survey to the next. The questionnaire is considered reliable if the CR value is greater than 0.7.

Table 1. Validity and Reliability Test Results

No	Research variable	Cronbach's	Composite	AVE	Description
		Alpha	Reliability		
1	Perceived	0.754	0.859	0.670	Valid dan
	Usefulness (X ₁)				Reliable
2	Perceived Ease Of	0.905	0.927	0.679	Valid dan
	Use (X ₂)				Reliable
3	Minat (Y)	0.935	0.947	0.721	Valid dan
					Reliable
4	Attitude (Z)	0.875	0.914	0.728	Valid dan
					Reliable

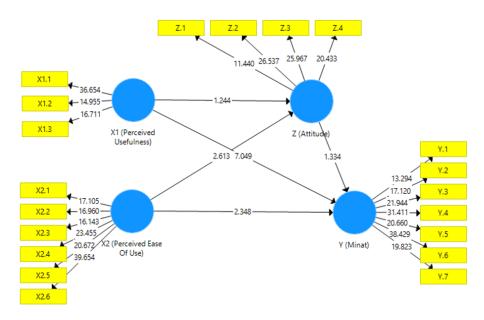
Source: Processed Data 2021

The results are shown in Table 1, where the AVE value for each item is greater than 0.5. This can be used to verify the validity and reliability of an indicator. CR > 0.7 results demonstrate the consistency and dependability of each of the constructs (Hair et.al, 2014; Nunnally, 1967).

Hypothesis test

Hypothesis testing can be accomplished through the use of bootstrapping in the Smart PLS statistical test program. Experiments with bootstrapping yielded promising results.

Figure 3. Structural Model



Source: Data processed with PLS, 2021

Hypothesis testing can be demonstrated using the output path coefficient's T statistics and P values. T values of 1.96 and 0.05 are regarded as statistically valid. The results of the hypothesis testing are as follows:

Table 2. Hypothesis Testing

Hypothesis	Original	Sample	Standard	T	P	Description
	Sample	Mean	Deviation(STDEV)	Statistic	Values	
	(O)	(M)				
X1→Y	0.544	0.543	0.077	7.049	0.000	accepted
X1→Z	0.129	0.133	0.104	1.244	0.214	rejected
X2→Y	0.199	0.201	0.085	2.348	0.019	accepted
X2→Z	0.276	0.285	0.106	2.613	0.009	accepted
Z→Y	0.105	0.111	0.079	1.334	0.183	rejected

Source: Data processed with PLS, 2021

While two of the four directly correlated variables were found to be insignificant, three of them were found to be significant (Table 2). (Table 2). The first connection shows that perceived usefulness (X1) has a significant impact on interest, which supports H1 (T Statistics 7.049 1.96).

(Y). It was found, however, that H2 (T Statistics 1.244 1.96), which asserts that perceived usefulness (X1) has no effect on attitude, was incorrect (Z). Using fintech during a pandemic can be beneficial, but that doesn't mean that people's attitudes will change as a result of that benefit. Perceived ease of use (X2) has an impact on interest (H3), according to T Statistics 2.348 1.96. (Y). According to H4, the Perceived Ease of Use (X2) variable has been found to have a significant impact on attitude (T Statistics 2.613 1.96). (Z). The relationship between attitude (Z) and interest (Y) does not support the validity of H5 (T Statistics 1.334 1.96). The public's interest in using fintech to deal with a pandemic is directly linked to the method's perceived benefits and ease of use.

1. Effect of Perceived Usefulness (X1) on Interest (Y)

Results from PLS Bootstrapping yielded a T-statistic of 7.049 1.96 and a P-value of 0.000 0.05 for the loading factor test results, respectively. In other words, this shows that the first hypothesis, namely that the public interest is significantly influenced by the perceived usefulness variable is true. In Priestiani's (2019) research, perceived usefulness has a positive impact on Muslim communities' interest in electronic payment fintech and the theory of planned behavior, which states that individuals or groups taking action based on their intentions. People's desire to use e-payment fintech is influenced by the convenience and solutions it provides in this pandemic.

2. Influence of Perceived Usefulness (X1) on Attitude (Z)

According to the loading factor test results, which show T-statistics of 1.24 1.96 and P-values of 0.214 0.05, people's attitudes toward using electronic payment technology aren't influenced by their perception of its usefulness. Even though electronic payments are advantageous, especially in pandemic conditions, people can simply carry out payment activities at home without having to leave their homes, which of course can endanger themselves and other family members, thanks to the PPKM policy. So it appears that the general public is not yet ready to make a decision about whether or not to use electronic payments instead of traditional banking. People aren't using e-payments because of concerns about data security, lack of internet access at home, or a lack of government support for financial digitization during the pandemic.

3. Effect of Perceived Ease Of Use (X2) on Interest (Y)

Bootstrapping results showed that the Muslim community's perception of ease of use had a significant impact on the results, with T-statistics of 2.348 1.96 and P-Values of 0.019 0.05. If Muslim communities find e-payment fintech convenient, they are more likely to adopt the technology. According to the TAM, a person's willingness to use technology is influenced by their

attitude toward its implementation. User-friendly technologies have a positive effect on people's desire to use them.

4. Effect of Perceived Ease Of Use (X2) on Attitude (Z)

To test hypothesis four, we conducted a PLS Bootstrapping analysis, which yielded T-statistics ranging from 2.613 1.96 to 0.009 0.05 for the perceived ease of use variable. People's attitudes toward supporting and using the electronic payment system are influenced by the ease of use of an application, according to the findings of this study. There's no denying that making the app easier to use requires educating the public on how to use it, whether through socialization or tutorials. All users should be able to easily understand the sentences used in the applications they use.

5. Influence of Attitude (Z) on Interest (Y)

Results from earlier hypothesis testing show that attitudes have no impact on people's interest in using electronic payments. PLS Bootstrapping yielded T-statistics of 1.334 1.96 and P-values of 0.183 0.05. People's feelings and beliefs about whether or not to accept payment as a means of combating the current pandemic play a large role in how the community views this solution. People's attitudes have no bearing on their willingness to use electronic payments, according to these findings. Those who oppose this application do so because it is difficult to use, has less attractive and informative features, and because the final information report it provides causes inconveniences for the general public.

CONCLUSION

The goal of this research is to examine the impact of the Muslim community on the use of e-payment fintech applications during a pandemic. Due to PLS Bootstrapping, three of the relationships were found to be significant, while two others had no effect. The perceived usefulness variable has a significant impact on public interest, as demonstrated by the benefits of providing convenience and comfort during this pandemic. In the minds of the general public, this application will make their jobs easier by allowing them to conduct financial transactions no matter where they are. People's attitudes and interests are greatly influenced by the perceived ease of use of a product. This app encourages the public to learn information systems quickly and easily. E-payments should be accepted, selected, and initiated. A person's attitude is a combination of their thoughts, feelings, and actions. When it comes to using electronic payments, attitudes play an important role. Because they believe that electronic payment users are satisfied and happy with the system.

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