Keynesia: International Journal of Economics and Business
E-ISSN: 2829-7253, P-ISSN: 2829-7725
Vol. 4 No 1. 2025, pp 1-15

The Influence of attitude, subjective norm, awareness, knowledge, and trust of Millennial and Gen Z on the adoption of fintech services in the sharia banking sector with facilitating conditions as a moderating variable

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ARTICLE INFO

Article history :

Received September 4th 2024

Revised October 2nd 2024

Accepted April 12th 2025

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ABSTRACT

Financial Technology (FinTech) has become a major innovation that influences people's financial behavior, changing the way payments are made easier. This research aims to study the factors that influence Millennials and Gen Z in Bandung in adopting FinTech services in the Sharia banking sector. These factors include attitudes, subjective norms, awareness, knowledge, trust and facilitating conditions. The data used in this research was collected through a questionnaire surveying 400 Sharia banking customers, limited to Millennials and Gen Z in Bandung. Data analysis carried out in this research using Partial Least Square Structural Equation Modeling (PLS-SEM). The findings of this study reveals that attitude, subjective norms, awareness, knowledge, and trust significantly influence consumer's intention to adopt FinTech services. This study also identifies that facilitating conditions, as a moderating factor, have a significant impact on both attitudes and awareness with regard to consumers' intentions to adopt FinTech services. However, facilitating conditions does not moderate the influence of subjective norms, knowledge, or trust on intention to adopt FinTech services. Fundamentally, this study investigates the factors influencing Sharia bank consumer's intentions to adopt FinTech services. The findings aim to provide valuable insights for FinTech and Sharia banking companies, as well as policymakers, in designing marketing strategies and product development that better align with the needs and preferences of Millennials and Gen Z.

Keywords : Financial Technology (FinTech); FinTech Adoption; Facilitating Conditions; Islamic Banking.

1. INTRODUCTION

The rapid development of the digitalization era, Financial Technology or commonly known as FinTech has become one of the main innovations that influences people's financial behavior. FinTech changes the way payments that initially had to be made face to face and carry a certain amount of cash, now transactions can be done remotely by making payments in seconds (Bank Indonesia Communication Department, 2018).

According to the Indonesian Joint Funding FinTech Association (AFPI, 2024), in 2014 the development of FinTech in Indonesia began to increase as seen from its users reaching IDR 6,447 trillion or an increase of 17.32% from the previous year. Technological advances and growing consumer demands have changed views on global competition, including the use of online systems as innovative digital tools to help businesses navigate and reduce competitive pressures (Wahyuningtyas et al., 2023).

In 2022, the rapid growth of the digital economy in Indonesia was recorded as the highest in Southeast Asia, with a value of US$77 billion or around Rp1,155 trillion (exchange rate of Rp15,000) (Financial Service Authority, 2023). According to the Indonesian FinTech Association in the Financial Services Authority (2023), the top three market shares of FinTech players are Jakarta with a value of 88%, followed by Bandung at 29.3%, and Surabaya at 28%. The rapid growth of technology has not only affected the conventional banking industry, but the sharia banking sector has also developed rapidly. Zubair (2022) stated that the popularity of sharia finance is increasing, including the banking, funding, and insurance industries which have grown 3% at an annual rate since 2017 and are expected to exceed $3.69 trillion in 2024. Yosamartha in Devega (2017) stated that the increasingly broad role of FinTech in the financial system has the potential to increase efficiency and inclusive finance, so that it can encourage economic growth and change the landscape of the financial system. However, Amanda (2023) explained that the use of conventional banks among the public is greater when compared to digital banks, which is 51 percent.

In Indonesia, the opportunities for sharia economics are very large, as stated by the World Population Review (2021) that Indonesia is a country with the largest Muslim population with a total of more than 231 million people. On the other hand, the number of Muslims in the city of Bandung in 2019 as stated by the Bandung City Central Statistics Agency (2020) was 1,731,636 people. This number of course dominates the total population of the city of Bandung at 2,469,589 people. With such high numbers, of course it affects public attention to the use of Islamic/sharia-based services in everyday life, especially sharia-based digital payment systems that are needed to accommodate the needs of the Muslim community which makes up 85% of the total population in Indonesia (Islamic Economics and Finance National Committee, 2019).

According to Yeptro (2024), Generation Y or Millennials are those born between 1981 and 1996 (aged 28-43 years in 2024) and Generation Z are those born between 1997 and 2012 (aged 12-27 years in 2024). The Bandung City Central Statistics Agency (2024) said that the number of residents based on interim projections by gender in Bandung City in 2023 reached 2,469,589 people. The number of millennials (aged 27-42 years in 2023) in Bandung City is 618,870 people. Meanwhile, the number of Gen Z residents (aged 11-26 years in 2023) is 634,577 people (Bandung City Central Statistics Agency, 2024b). With this data, it can be seen that around 50% of the population in Bandung City are Millennials and Gen Z.

1.1 Attitude

Attitude is part of the Theory of Reasoned Action (TRA) which was first expressed by Ajzen and Fishbein in 1988 which refers to a person's positive or negative beliefs that strengthen their intention to carry out certain behaviors (Oladapo et al., 2022). TRA and TPB, more specifically on attitudes, have been shown to have a positive and significant impact on the adoption of Islamic FinTech services (Maniam, 2024). Oladapo et al. (2022) explained that the intention of Islamic bank customers to adopt FinTech services is influenced by attitude. Darmansyah et al. (2021) explained that attitude has a positive and significant relationship with individual behavioral intentions in using Islamic

FinTech. Berakon et al. (2022) also proved that attitude significantly influences the adoption of FinTech services.

***H_1**. Attitude influences the intentions of Millennial and Gen Z consumers in Bandung to adopt FinTech services*

1.2 Subjective Norms

Martin Fishbein & Icek Ajzen developed a theory related to the Theory of Reasoned Action in 1967 and argued that subjective norms are one of the main determinants of behavioral intentions (Taherdoost in Maniam, 2024). Ajzen in Oladapo et al. (2022) emphasized that there is a significant influence of social factors, such as family, friends, and colleagues on individual behavior, such as when someone observes others using technology for financial transactions, they tend to adopt similar behavior. According to Maniam (2024), TRA and TPB, especially subjective norms, have been shown to have a significant positive impact on the adoption of Islamic FinTech services. Subjective norms have been shown to have a positive and significant relationship with individual behavioral intentions in using Islamic FinTech (Darmansyah et al., 2021).

***H_2**. Subjective Norms influences the intentions of Millennial and Gen Z consumers in Bandung to adopt FinTech services*

1.3 Awareness

Ajzen in Oladapo et al. (2022) explains that the Theory of Perceived Behavior in the Theory of Planned Behavior (TPB) has indicated that awareness is an external environmental factor that stimulates a person's intention to carry out a certain action. TPB itself according to Ajzen is an extension of the theory of the Theory of Reasoned Action which he put forward with Fishbein due to the limitations of the original TRA model in discussing behavior where a person has incomplete volitional control. In Srivastava et al. (2024) it is stated that awareness and use of FinTech services by users has increased globally to 64% in all countries. Awareness of FinTech among consumers is relatively high, including consumers who do not adopt FinTech itself (Jain & Raman, 2022). Darmansyah et al. (2021) proves that increasing individual awareness of FinTech in their daily life activities can increase individual intentions to use FinTech services.

***H_3**. Awareness influences the intentions of Millennial and Gen Z consumers in Bandung to adopt FinTech services*

1.4 Knowledge

Oladapo et al. (2022) explained the Theory of Perceived Behavior in the Theory of Planned Behavior (TPB) by Ajzen revealed that opportunities related to consumer knowledge will clarify their intention to accept it. Knowledge is a combination of information, context, understanding, interpretation, and re-reflection about a particular idea (Davenport et al. in Olapdapo et al., 2022). Knowledge can reduce the uncertainty felt about an innovation and can result in a higher rate of adoption, this is because someone who has initial knowledge tends to be more active than someone who does not have knowledge (Rogers in Ngo & Nguyen, 2024).

***H_4**. Knowledge influences the intentions of Millennial and Gen Z consumers in Bandung to adopt FinTech services*

1.5 Trust

In Saadah & Setiawan (2024), it is stated that what is meant by trust here is a broader understanding than trust in a person, but rather trust in a level of technology. Increasing a person's level of trust in technology can change their behavior and perceptions in adopting the technology (Ali et al., 2021). According to Stewart and Jürjens in Alsmadi (2024), trust in FinTech applications reflects user belief in the benefits and values contained therein. Maniam (2024) stated that in several studies, it has been confirmed that trust is a major consideration for users of Sharia FinTech, because all transactions are carried out in a virtual ecosystem. Jain & Raman (2022) stated that trust was concluded by researchers to have a positive effect on Fintech adoption. In attracting consumers to FinTech services, Riaz et al. (2023) also stated that trust is an important factor. Zarifis & Cheng (2022) also argue that trust can

also play an important role in shaping user intentions regarding FinTech adoption.

***H_5**. Trust influences the intentions of Millennial and Gen Z consumers in Bandung to adopt FinTech services*

1.6 Facilitating Conditions

Facilitating conditions describe how well a person recognizes the organizational infrastructure and information technology that will support them in adopting new technologies (Venkatesh and Davis in Srivastava et al. (2024). This is in the form of consumer attitudes or perspectives regarding technological resources, such as smartphones, applications, and relative websites, as well as support such as internet connectivity and technical assistance from service providers when using FinTech service interfaces (Xie et al., 2021). Todd in Shaikh et al. (2020) found that resource-based facilitating conditions were a significant determinant in predicting behavioral control. Eze in Utami et al. (2021) emphasized that financial capacity, internet facilities, technological skills, and the external environment significantly influence technology adoption in organizations.

***H_6**. Facilitating Conditions influences the intentions of Millennial and Gen Z consumers in Bandung to adopt FinTech services*

Previous studies have indicated that facilitating conditions play a crucial role in the adoption of FinTech services (Todd in Shaikh et al., 2020); Utami et al., 2021), but they do not consider facilitating conditions as a moderating variable. The literature review highlights the need to investigate other sectors of the finance industry and suggests that future studies could consider the impact of demographic variables such as age, gender, and education. Therefore, it can propose the following:

***H_7**. Facilitating conditions moderate the influence of (a) attitudes, (b) subjective norms, (c) awareness, (d) knowledge, and (e) trust of Millennial and Gen Z consumers in Bandung in adopting FinTech services*

The novelty of this research can enhance the theory of the correlation between attitudes, subjective norms, awareness, knowledge, trust, and facilitating conditions on the intentions of FinTech adoption, especially for Millennials and Gen Z consumers of Sharia banking in Bandung, Indonesia. This study highlights the influence of facilitating conditions that role as moderating variables. By understanding the correlation between these variables, it is expected to contribute valuable insights for FinTech service companies and Sharia banking in designing marketing and product development strategies that are more in line with the needs and preferences of Millennials and Gen Z and can contribute benefits to policy makers to be able to formulate more effective and relevant policies.

2. METHOD

This research employs a comprehensive and systematic approach. It aims to provide descriptive analysis, using quantitative methods to uncover causal relationships in the data. Utilizing an online questionnaire survey strategy with a sample of 400 participants, this research focuses on the individual as the unit of analysis, ensuring minimal researcher interference to maintain the authenticity of the responses. Conducted in the real world, the study captured a sense of current trends and behaviors through a cross-sectional design. Responses were measured using a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The sampling technique used is non-probability purposive sampling, where respondents are selected based on certain criteria to ensure that they provide relevant information for this study. The respondent criteria in this study are Millennial and Gen Z Sharia bank customers in Bandung. These characteristics collectively contribute to a nuanced understanding of the factors at play, providing valuable insights in the field. The research framework used in this study adopts the framework proposed by Oladapo et al. (2022), Alsmadi (2024), and Srivastava et al. (2024).

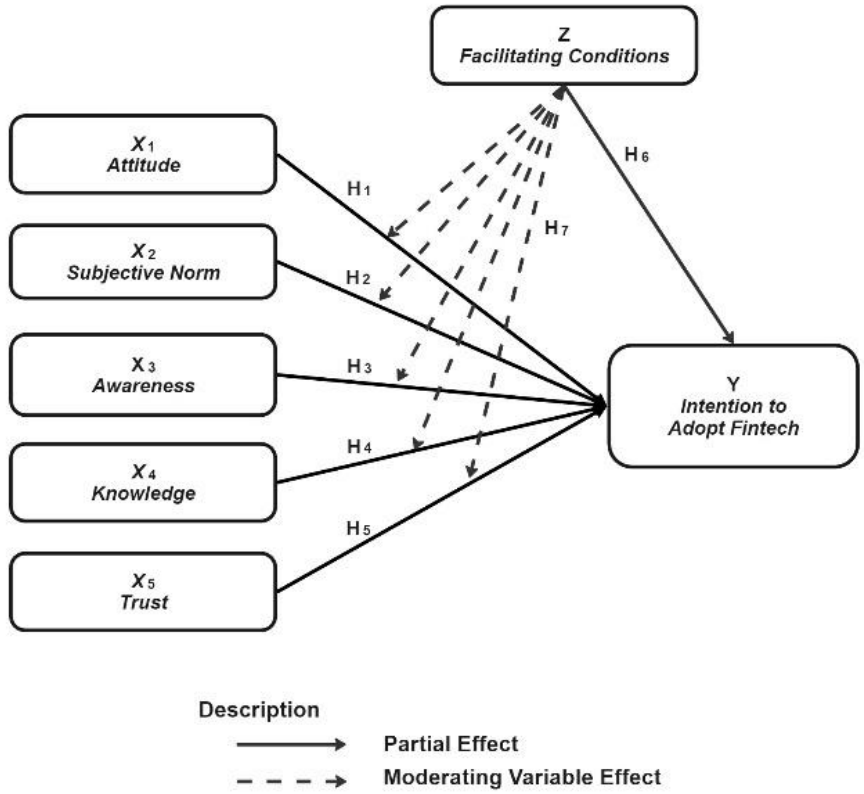

Figure 1. Research Framework

SEM is an analysis procedure with a model that integrates structural equation models and measurement equation models (Adachi, 2016). Structural Equation Modeling (SEM) is divided into two types, Partial Least Squares Structural Equation Modeling (PLS-SEM) and Covariance Based Structural Equation Modeling (CB-SEM). PLS-SEM is usually intended to develop a theory in exploratory research, while CB-SEM is usually used for research that confirms or rejects a theory (Hair et al., 2022). PLS aims to help researchers obtain values from latent variables that are used for prediction (Ghozali, 2021). In Zailani et al. (2019), PLS is said to be a causal modeling pathway that aims to increase the variance that has been described from the dependent latent construct. In this study, the data was analyzed using the PLS-SEM model which was processed using SmartPLS 4 software, because the data was proven not to be normally distributed. As explained by Hair et al. (2022), there are no distribution assumptions for PLS-SEM, because PLS-SEM is a nonparametric method.

Table 1. Measures Sources

Variable	Items	References
Attitude	6	Oladapo et al. (2022); Maniam (2024); Darmansyah et al. (2021); Berakon et al. (2022)
Subjective Norms	4	Oladapo et al. (2022); Maniam (2024); Darmansyah et al. (2021)
Awareness	6	Oladapo et al. (2022); Darmansyah et al. (2021); Ahmad et al. (2019)
Knowledge	4	Oladapo et al. (2022); Ngo & Nguyen (2024)
Trust	3	Ali et al. (2021); Alsmadi (2024); Chan et al. (2022)
Facilitating Conditions	3	Srivastava et al. (2024); Rahim et al. (2023); Xie et al. (2021)
Intention	5	Oladapo et al. (2022); Alsmadi (2024); Srivastava et al. (2024); Ngo & Nguyen (2024); Ali et al. (2021); Maniam (2024); Darmansyah et al. (2021); Rahim et al.

Variable	Items	References
		(2023)

Source: *This table shows the sources of the study constructs and item and is done by the author

This study employed an online questionnaire distributed to respondents via Google Forms, incorporating a comprehensive approach to data collection. The research focuses on seven key variables, measured through 31 carefully crafted items on an ordinal scale. The target population comprises Millennials and Gen Z in Bandung, totalling 1,253,447 individuals. This broad demographic was refined to focus specifically on Sharia bank customers within these generational cohorts. A non-probability sampling technique, specifically purposive sampling, was utilized to ensure the selection of relevant respondents. The final sample size consisted of 400 respondents, providing a robust dataset for analysis. The questionnaires were meticulously distributed to Sharia bank customers from the Millennial and Gen Z residing in Bandung, ensuring that the study captures pertinent insights from this specific demographic.

Table 2. Variable and Measures

Variable	Code	Items
Attitude	AT1	I believe using FinTech for my banking transactions is a good idea
	AT2	The FinTech platform makes banking operations faster
	AT3	I will feel confident when I use FinTech for my transactions with the bank
	AT4	FinTech will encourage me to transact online
	AT5	FinTech makes banking transactions more efficient
	AT6	FinTech is user-friendly
Subjective Norms	SN1	My family believes that using FinTech will provide better banking services
	SN2	My colleagues consider that using FinTech is convenient
	SN3	People around me use FinTech for their banking transactions
	SN4	My friends think that FinTech is better than traditional banking system
Awareness	AW1	I am familiar with the benefit of FinTech services
	AW2	I am aware of the importance of FinTech in conducting banking activities
	AW3	I am not concerned about using FinTech services
	AW4	I have been exposed to the types of FinTech services
	AW5	I am not interested to use FinTech services at all
	AW6	I do not know much about FinTech services
Knowledge	KN1	I have knowledge to use FinTech services
	KN2	I know it is better to use FinTech in conducting my banking activities
	KN3	I am usually interested to know more about FinTech services
	KN4	Using FinTech will provide opportunity to control my banking activities
Trust	TR1	I trust that Islamic fintech platforms ensure the security and privacy of users' financial information
	TR2	I trust that Islamic fintech platforms offer products and services that align with my ethical and religious beliefs
	TR3	I trust that Islamic fintech platforms use technology responsibly to serve their customers better
Facilitating Conditions	FC1	I have the resources (smartphones, relative applications, internet, etc.) necessary to use FinTech Services
	FC2	I have the knowledge (financial, internet usage, etc.) necessary to use FinTech Services
	FC3	I can get help from others when I have difficulties using FinTech Services
Intention	IN1	I intend to use FinTech when conducting banking transactions
	IN2	I will be attracted to the bank that provides FinTech services
	IN3	I will feel comfortable when I use FinTech services in the future
	IN4	I strongly recommend the use of FinTech services
	IN5	I am interested in using FinTech for banking transact

Source: *This table shows the sources of the study constructs and item and is done by the author

Validity and reliability testing was carried out in this research. The data analysis technique used is Partial Least Squares Structural Equation Model (PLS-SEM) with SmartPLS 4 software by analyzing the results of the measurement model (outer model), structural model (inner model) and hypothesis testing. Hypothesis testing is carried out using the bootstapping technique.

3. RESULTS AND DISCUSSION

3.1 RESULT

The researchers utilized sample data from 400 respondents for testing and measurement. The demographic breakdown of the collected data revealed that 52% of the respondents were female and 48% were male. 52% being Millennials and 48% belonging to Generation Z. Regarding educational attainment, 47% of the respondents held a Bachelor's degree, 24% had a Diploma, another 24% had completed High School or an equivalent qualification, and 5% held a Master's degree. Marital status varied, with a slight majority of 51% being unmarried and 49% married.

Table 3. Respondents' Characteristics

Characteristics	Unit	%
Gender		
Female	210	52%
Male	190	48%
Generation		
Millennials	207	52%
Z	193	48%
Education		
Bachelor's degree	188	47%
Diploma	95	24%
High School or an equivalent qualification	98	24%
Master's degree	19	5%
Marriage status		
Unmarried	200	51%
Married	195	49%

Source: *This table shows the characteristics of the respondents and was conducted by the author

3.1.1 Evaluation of the Measurement Model (Outer Model)

Table 4. Loading Factor and the Average Variance Extracted (AVE)

Variable	Item	*Loading Factor* (*Outer Loading* > *0,7)*	*Average Variance Extracted* (AVE > 0,5)
Attitude	AT1	0,864	0,701
	AT2	0,814	
	AT3	0,809	
	AT4	0,842	
	AT5	0,844	
	AT6	0,850	
	AT x FC	1,000	
Subjective Norms	SN1	0,841	0,741
	SN2	0,805	
	SN3	0,824	
	SN4	0,791	
	SN x FC	1,000	
Awareness	AW1	0,887	0,685
	AW2	0,856	
	AW3	0,865	
	AW4	0,852	
	AW5	0,853	
	AW6	0,851	
	AW x FC	1,000	
Knowledge	KN1	0,819	0,708
	KN2	0,803	
	KN3	0,771	
	KN4	0,816	

Variable	Item	*Loading Factor* (*Outer Loading* > *0,7)*	*Average Variance Extracted* (AVE > 0,5)
	KN x FC	1,000	
Trust	TR1	0,885	0,644
	TR2	0,842	
	TR3	0,890	
	TR x FC	1,000	
Facilitating Conditions	FC1	0,817	0,665
	FC2	0,862	
	FC3	0,803	
Intention to Adopt FinTech	IN1	0,867	0,762
	IN2	0,831	
	IN3	0,860	
	IN4	0,834	
	IN5	0,814	

Source: *This table shows the characteristics of the respondents and was conducted by the author

Table 4 shows the results of the convergent validity test by paying attention to the loading factor value with the condition (outer loading > 0.7) and the average variance extracted value with the condition (AVE > 0.5) (Ghozali, 2021). Through these data, it can be proven that all measurement indicators for each variable are declared valid or pass the applicable criteria, because the outer loading value for all indicators has a result of more than 0.7 and all latent variables in this study can be declared valid or pass the applicable criteria. applies, because all latent variables have an AVE value > 0.5.

Kusbiantara & Hendayani (2022) state that discriminant validity relates to the principle that states that measuring instruments from different variables or constructs should not be highly correlated. The method to determine is through the test with reflexive indicators through SmartPLS 4 software by observing the Fornell-Larcker criterion and HTMT (Heterotrait-monotrait Ratio) indicators. Table 5 presents the results of the Fornell-Larcker Criterion analysis, indicating that the constructs exhibit good discriminant validity. This is evidenced by the diagonal values in the table, representing the square root of the AVE, and the values below them, representing the inter-construct correlations. The results meet the criterion, as the diagonal values (square root of AVE) are greater than the inter-construct correlations.

A good and acceptable HTMT value is a value that is below 0.90 (HTMT <0.90), where this value means that discriminant validity has been achieved between pairs of reflective constructs (Henseler et al. in Ghozali, 2021). The results of the HTMT calculation in this study which was carried out using SmartPLS 4 software can be seen in Table 6. with the results that all values are in a position less than 0.90. Therefore, the construct can be said to have good discriminant validity because it meets the requirements of the HTMT value <0.90.

Table 5. Fornell-Larcker Criterion

	AT	SN	AW	KN	TR	FC	IN
AT	0,837						
SN	0,640	0,815					
AW	0,753	0,611	0,861				
KN	0,556	0,598	0,604	0,802			
TR	0,613	0,563	0,605	0,539	0,873		
FC	0,356	0,211	0,351	0,238	0,181	0,828	
IN	0,756	0,728	0,746	0,659	0,708	0,141	0,842

Source: *This table shows the characteristics of the respondents and was conducted by the author

Table 6. HTMT

	AT	SN	AW	KN	TR	FC	IN	FC x AT	FC x SN	FC x AW	FC x KN	FCx TR
AT												
SN	0,73											
AW	0,82	0,69										
KN	0,64	0,73	0,69									
TR	0,70	0,67	0,68	0,65								
FC	0,42	0,26	0,41	0,29	0,22							
IN	0,83	0,84	0,82	0,77	0,81	0,16						
FC x AT	0,31	0,05	0,06	0,05	0,04	0,69	0,08					
FC x SN	0,07	0,25	0,14	0,22	0,14	0,22	0,19	0,23				
FC x AW	0,06	0,12	0,25	0,09	0,03	0,61	0,05	0,40	0,44			
FC x KN	0,04	0,25	0,12	0,16	0,13	0,22	0,15	0,12	0,68	0,49		
FCx TR	0,05	0,16	0,04	0,13	0,09	0,23	0,08	0,28	0,53	0,32	0,69	

Source: *This table shows the characteristics of the respondents and was conducted by the author

Referring to the reliability test results shown in Table 7. using SmartPLS 4 software, it can be seen that the composite reliability and Cronbach's alpha values of each variable in this study have met the criteria. The criteria achieved are that the Cronbach's alpha and composite reliability values of each variable are > 0.7. Thus, it can be concluded that the model of this study has good or valid reliability.

Table 7. Cronbach's Alpha and Composite Reliability

Variable	Cronbach's Alpha	Rule of Thumb Cronbach's Alpha	Composite Reliability (rho_c)	Rule of Thumb Composite Reliability
Attitude	0,915	0,7	0,934	0,7
Subjective Norms	0,832	0,7	0,888	0,7
Awareness	0,930	0,7	0,945	0,7
Knowledge	0,815	0,7	0,878	0,7
Trust	0,843	0,7	0,905	0,7
Facilitating Conditions	0,778	0,7	0,867	0,7
Intention to Adopt FinTech	0,897	0,7	0,924	0,7

Source: *This table shows the characteristics of the respondents and was conducted by the author

Table 8. R-square

	R-square	R-square adjusted
Intention to Adopt FinTech	0,810	0,805

Source: *This table shows the r-square for the study variable and is done by the author

It is determined that the model from this study is robust and strong, as indicated by an R-square value greater than 0.75, specifically 0.810. According to Ghozali (2021), an R-square value of 0.75 demonstrates a strong model, 0.50 indicates a moderate model, and 0.25 reflects a weak model. This R-square value indicates that the intention to adopt FinTech is influenced by 81%, or 80.5% after adjustment (Adjusted R-square), by factors such as attitude, subjective norms, awareness, knowledge, trust, and facilitating conditions. The remaining 19%, or 19.5% after adjustment (Adjusted R-square), suggests that the intention to adopt FinTech is influenced by other factors not included in this study.

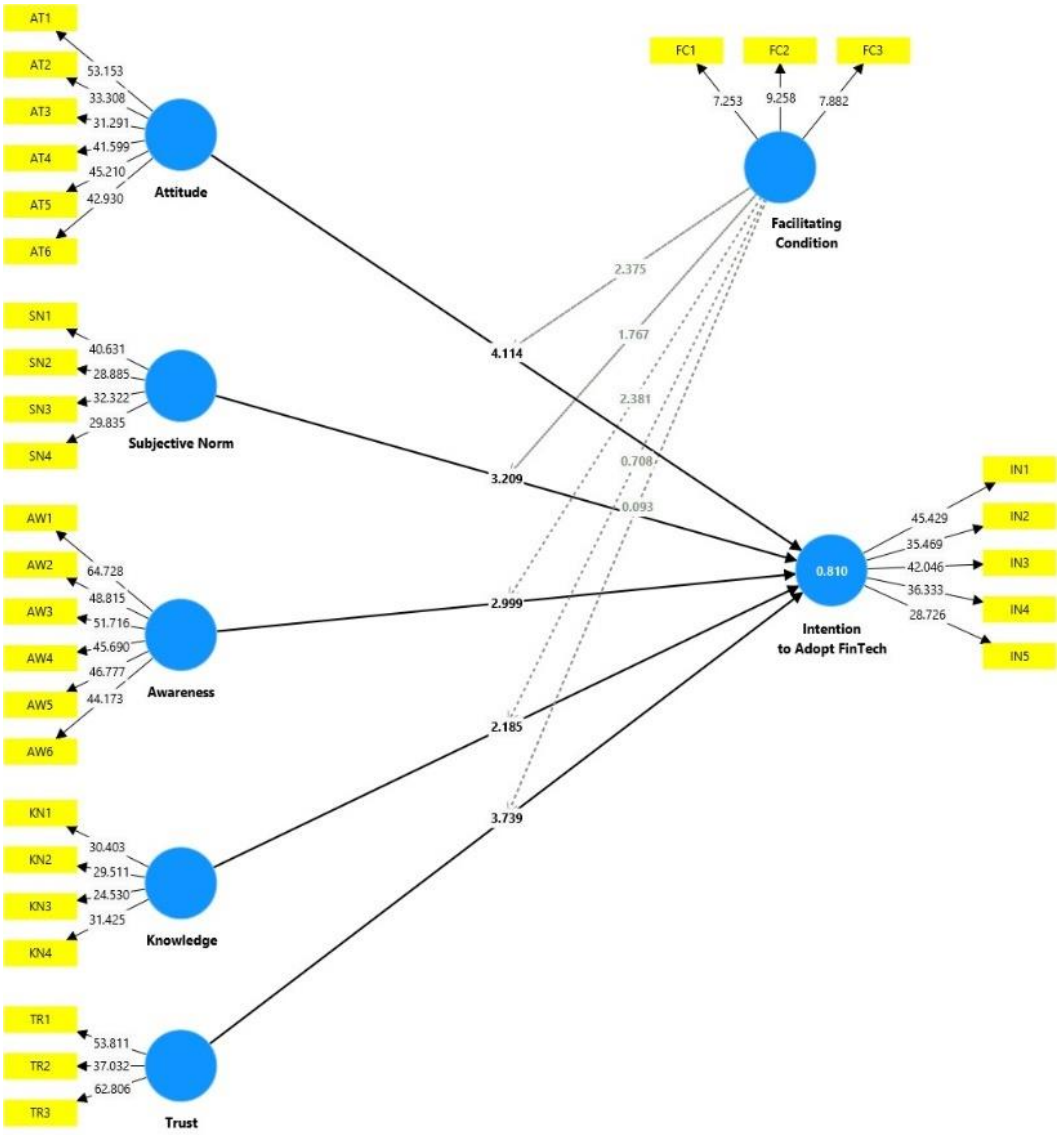

Figure 2. Structural Model (Inner Model)

Table 9. Hypothesis Test

Hypothesis	Variable	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistic	P values	Path Coefficients	Decision
H_1	AT → IN	0,366	0,372	0,089	4,114	0,000	0,366	Supported
H_2	SN→ IN	0,194	0,186	0,060	3,209	0,001	0,194	Supported
H_3	AW → IN	0,199	0,195	0,066	2,999	0,003	0,199	Supported
H_4	KN → IN	0,103	0,103	0,047	2,185	0,029	0,103	Supported
H_5	TR → IN	0,190	0,193	0,051	3,739	0,000	0,190	Supported
H_6	FC → IN	-0,012	-0,007	0,038	0,306	0,759	-0,012	Not Supported
H_{7a}	FC x AT → IN	0,112	0,113	0,047	2,375	0,018	0,112	Supported
H_{7b}	FC x SN → IN	-0,090	-0,085	0,051	1,767	0,077	-0,090	Not Supported
H_{7c}	FC x AW →	0,084	0,086	0,035	2,381	0,017	0,084	Supported

Hypothesis	Variable	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistic	P values	Path Coefficients	Decision
H_{7d}	FC x KN → IN	-0,039	-0,030	0,055	0,708	0,479	-0,039	Not Supported
H_{7e}	FC x TR → IN	-0,005	-0,017	0,057	0,093	0,926	-0,005	Not Supported

Source: *This table shows the r-square for the study variable and is done by the author

The outcomes of the hypothesis testing and path analysis reveal that the majority of the proposed relationships are statistically significant. Hypotheses H_1 (AT -> IN), H_2 (SN -> IN), H_3 (AW -> IN), H_4 (KN -> IN), and H_5 (TR -> IN) are all supported with significant p-values ($p < 0.05$) and positive path coefficients, suggesting that these factors positively influence the intention to adopt FinTech. Additionally, the interactions of FC with AT (H_{7a}) and AW (H_{7c}) are also significant, indicating that facilitating conditions moderate these relationships. However, H_6 (FC -> IN), H_{7b} (FC x SN -> IN), H_{7d} (FC x KN -> IN), and H_{7e} (FC x TR -> IN) are not supported, suggesting no significant direct effect of facilitating conditions on intention, nor a significant moderating effect of facilitating conditions on subjective norms, knowledge, or trust in this context.

3.2 DISCUSSION

These results validate that intention to adopt FinTech is influenced by attitude. This finding is in line with previous studies which state that FinTech adoption is influenced by attitudes (Berakon et al., 2022; Darmansyah et al., 2021; Maniam, 2024; Oladapo et al., 2022). Therefore, the attitudes of Millennials and Gen Z influence their intention to adopt FinTech especially in Sharia banking. As consumers have a more positive attitude towards technology if they have positive ideas (Singh & Sharma, 2023).

The results validate that the intention to adopt FinTech is influenced by subjective norms. This finding is in line with previous studies which state that FinTech adoption is influenced by subjective norms (Darmansyah et al., 2021; Maniam, 2024). Therefore, prevailing subjective norms within the Millennial and Generation Z environment influence their intention to adopt FinTech, specifically in Sharia banking. As explained by Ajzen in Oladapo et al. (2022), which explains that there is a significant influence of social factors such as family, friends, and coworkers on individual behavior, such as when someone observes others using technology for financial transactions, they tend to do similar behavior.

The results validate that the intention to adopt FinTech is influenced by awareness. This result is in line with previous studies that say that FinTech adoption is influenced by awareness (Ahmad et al., 2019; Darmansyah et al., 2021; Oladapo et al., 2022). Therefore, the awareness of Millennials and Gen Z is said to be able to influence their intention to adopt FinTech, particularly in Islamic banking. As stated by Darmansyah et al. (2021) who proved that increasing individual awareness of FinTech in their daily life activities can increase individual intentions to use FinTech services.

This finding confirms that knowledge influences the intention to adopt FinTech. This result is consistent with previous studies which show that knowledge plays an important role in FinTech adoption (Darmansyah et al., 2021; Ngo & Nguyen, 2024; Oladapo et al., 2022). Therefore, the knowledge of Millennials and Gen Z can influence their intention to adopt FinTech, especially in the context of Sharia banking. As knowledge can reduce the uncertainty felt about an innovation and can result in higher adoption rates (Rogers in Ngo & Nguyen, 2024).

The results validate that the intention to adopt FinTech is influenced by trust. This result is in line with previous studies which state that there is an influence of trust on FinTech adoption Alsmadi (2024); Ali et al. (2021); Chan et al. (2022). Therefore, the conclusion is that the trust of Millennials and Gen Z is said to be able to influence their intention to adopt FinTech, especially in Islamic banking. As of the increase of a person's level of trust in technology can change their behavior and perceptions in adopting that technology (Ali et al., 2021).

This finding produces information that facilitating conditions do not directly affect the intention to adopt FinTech. However, facilitating conditions moderate the influence between attitude and awareness on the intention to adopt FinTech. While facilitating conditions do not moderate the influence between subjective norms, knowledge, and trust on the intention to adopt FinTech.

This study makes an important contribution to the understanding of factors influencing FinTech adoption intention, particularly in the context of Islamic banking among Millennials and Generation Z in Bandung, Indonesia. By highlighting the moderating role of facilitating conditions, the findings of this study reveal the complex dynamics between these factors and key determinants of FinTech adoption intention such as attitude, subjective norms, awareness, knowledge, and trust. This study emphasizes the importance of tailoring FinTech solutions to the unique needs of Millennials and Generation Z. This indicates the need for the development of Islamic fintech products and policies that are in line with the specific preferences of these two generations. Overall, this study offers valuable insights for FinTech companies and Islamic banking institutions in designing more relevant marketing and product development strategies. In addition, this study also provides benefits for policymakers in understanding the factors influencing FinTech adoption by Millennials and Generation Z, thus enabling more effective and appropriate policy formulation.

This research certainly has limitations, including the fact that it was only conducted within the scope of one city, which was Bandung, Indonesia. Differences in the geographical location of the respondents may result in different findings along with differences in habits, available information, and prevailing culture. Therefore, future research should consider a wider geography and if possible, involve industry stakeholders. In this study, data was collected only through online questionnaire surveys, it would be better in the future if data is collected not only through online questionnaire surveys, but also by conducting interviews, especially with stakeholders and community representatives. Future researchers are also expected to examine other factors that influence FinTech adoption intention that are not mentioned in this study, especially external factors such as prevailing policies and political conditions.

4. CONCLUSION

The rapid development of the digitalization era, Financial Technology or commonly known as FinTech has become one of the main innovations that influences people's financial behavior. The Islamic banking sector is also not free from its influence. This study presents insights related to the factors that influence the Millennial and Gen Z generations in Bandung in adopting FinTech services in the Islamic banking sector.

The findings of this study indicate that attitudes, subjective norms, awareness, knowledge, and trust have a significant effect on consumer intentions to adopt FinTech services. This study also identifies that facilitating conditions, as a moderating factor, have a significant impact on consumer attitudes and awareness of consumer intentions to adopt FinTech services. However, facilitating conditions do not affect the intention to adopt FinTech services and also do not moderate the influence of subjective norms, knowledge, or trust on the intention to adopt FinTech services.

These findings provide valuable insights for FinTech and Sharia banking companies, as well as policymakers, in designing marketing strategies and product development that better align with the needs and preferences of Millennials and Gen Z.

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