



## Analysis of the Influence of Community Perceptions in Ambon on Sharia Fintech

Erlin D. P. Nurlette<sup>1</sup>, Muhammad R. Nacikit<sup>2</sup>, Mar'atun Shalihah<sup>3</sup>, Muammar W. Maruahey<sup>4</sup>, Afdhal Yaman<sup>5</sup>, Fadli F. Malawat<sup>6</sup>, Arizal Hamizar<sup>7</sup>

<sup>1-7</sup>Institut Agama Islam Negeri Ambon

**Corresponding Author:** Arizal Hamizar, E-mail: hamizararizal@gmail.com

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### ABSTRACT

*This research aims to determine the perception of the people of Ambon city regarding the existence of sharia fintech in Ambon city. The population in this research is the people of Ambon city. The research method used is a quantitative method. The sample taken was 100 respondents using a questionnaire distribution technique with a Likert scale. Hypothesis testing uses multiple linear analysis methods with SPSS version 26 tools. The results of this research show that 1) Partially (T test), the product, promotion, place and non-usury variables have a significant influence on the dependent variable "y" because  $p\text{-value} < 0.05$ , while the physical evidence variable does not have a significant influence because the  $p\text{-value}$  is  $> 0.05$ . Simultaneously (F Test) The results of the analysis of perception variables regarding product, promotion, place, physical evidence and usury together influence people's interest in using sharia fintech. This influence is 67.5%. The remaining amount (32.5%) is influenced by other variables outside this research model. Findings underline the importance of enhancing product quality, innovative promotional strategies, and adherence to sharia principles in building consumer trust and interest in sharia fintech. Furthermore, this study reveals the potential of sharia fintech to serve as a more ethical financial alternative, fostering financial inclusion and aligning with the moral values of its users.*

**Keywords:** Public perception, sharia fintech, Quantitative Analysis.

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## INTRODUCTION

The shift in the Indonesian community's paradigm towards the banking and technology industry with the emergence of financial technology or fintech has become a new phenomenon. Fintech currently not only facilitates access to financial services but also changes the way people view their economic needs (He et al, 2017). The rapid development of the fintech industry in Indonesia is closely related to the surge in

consumer demand for financial services and solutions, as reported by the Fintech Adoption Index. A 2021 AMS survey indicated that 59% of fintech users are individuals from low-income segments earning IDR 5-15 million, primarily residing in Java, particularly in Jabodetabek. Financial technology is seen as a crucial factor in promoting financial inclusion and digital banking in Indonesia. However, alongside this positive development, concerns have arisen regarding the importance of regulations and consumer protection when operating in the Indonesian fintech market (Kharisma, 2021).

Illegal online loan applications have devastating effects on their victims (Subagiyo, Gestora & Sulistiyo, 2022). There are cases of individuals driven to suicide due to harassment and overwhelming interest from their loans. Some vulnerable members of the community have faced issues reported by the media. In Ambon City alone, about nine individuals have reported being victims of online loans to the police. Some P2P lending fintech users experience late payment calls or texts even just a few days overdue, receiving urgent demands for payment without prior notice. Moreover, threats or intimidation tactics are often employed to compel borrowers to settle their debts, leading to trauma (Martinez, 2024). Additionally, the repayment amounts can multiply significantly. Consequently, there is a negative sentiment surrounding illegal online loan applications, which have severe adverse effects on their victims.

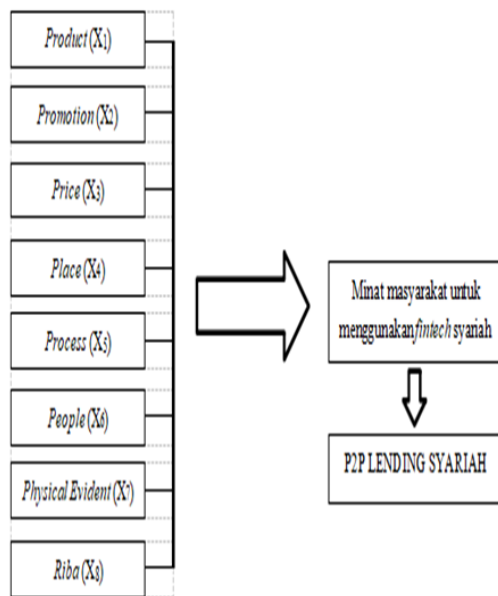
The concept of sharia fintech has emerged as a more ethical financial alternative in line with Islamic principles (Rabbani, Khan & Thalassinis, 2020). In its operations, sharia fintech offers financial products and services designed to comply with Islamic law, including prohibitions against *riba* (interest), speculation, and adherence to ethical business values. Perception is the process by which an individual selects, organizes, and interprets information inputs to create meaningful representations. The community's perception of sharia fintech may vary based on cultural backgrounds, education, and individual or group understanding (Atiqah, 2024). Personal experiences or those of others with sharia fintech and the reputation of the companies involved can influence public perception (Oladapo et al, 2022). Some individuals may have a positive understanding of sharia fintech, making them more inclined to accept and use these services, while others may have doubts or uncertainties. Additionally, the incidents involving online loan providers can damage public perception of fintech. Therefore, education, transparency, and effective communication from sharia fintech companies can help enhance understanding and foster positive perceptions among potential users of these products and services (Chong, 2021).

The research object in this study is the community of Ambon City. This focus is due to the phenomenon of illegal online loans that aligns with the topic investigated by the researcher and is supported by data indicating a high usage of fintech, making it an intriguing subject for study.

## RESEARCH METHODOLOGY

This study uses a quantitative method with a descriptive approach. Quantitative research is based on the collection and analysis of numerical data to explain, predict, and control the phenomena of interest. Data was collected through a questionnaire, with variables in this study consisting of an independent variable, which is the community's perception, and a dependent variable, which is the community's interest in using sharia fintech. The sample for this study was determined using the Slovin technique with a 10% margin of error, resulting in a total of 100 samples. The data analysis techniques employed include descriptive statistical analysis, instrument testing consisting of validity and reliability tests, classical assumption tests including normality, heteroscedasticity, multicollinearity tests, and multiple linear regression analysis using SPSS 22. The indicators within the perception variable are: Product, Promotion, Price, Place, Process, People, Physical Evidence, and Riba. The indicators for the community's interest in using sharia fintech are:

**Ho1:** Product has a positive influence on the interest in using sharia P2P lending services.



**Ho2:** Promotion has a positive influence on the interest in using sharia P2P lending services.

**Ho3:** Price has a positive influence on the interest in using sharia P2P lending services.

**Ho4:** Place has a positive influence on the interest in using sharia P2P lending services.

**Ho5:** Process has a positive influence on the interest in using sharia P2P lending services.

**Ho6:** People have a positive influence on the interest in using sharia P2P lending services.

**Ho7:** Physical Evidence has a positive influence on the interest in using sharia P2P lending services.

**Ho8:** Riba has a positive influence on the interest in using sharia P2P lending services.

## RESULT & DISCUSSION

### Data Instrument Testing

The validity test aims to assess the accuracy of the instrument in measuring the perception variables regarding product, promotion, price, place, process, people, physical evidence, and riba. The validity test calculations use the Corrected Item-Total Correlation data obtained with the help of SPSS. The instrument is considered valid if the value in the Corrected Item-Total Correlation column is greater than 0.2. Based on the validity test results for all the variables mentioned above, it shows that all items used in this study are valid, as the correlation values in the Corrected Item-Total Correlation column exceed 0.2. After conducting the validity test and obtaining valid statement items, the next step is to perform a reliability test using Cronbach's Alpha formula. The instrument is deemed reliable if the Alpha value is greater than 0.6. The analysis using the SPSS program yields the reliability test results as shown in the following table:

### Classical Assumption Testing

The normality test is conducted to determine whether the data is normally distributed. Data is considered normally distributed if the significance value is greater than 0.05 in the one-sample Kolmogorov-Smirnov test.

		Unstandardized Residual
N		100
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. deviation	.38017873
Most Extreme Differences	Absolute	.086
	Positive	.065
	Negative	-.086
Kolmogrov-Smirnov Z		.086
Asymp. Sig. (2-tailed)		.063 <sup>c</sup>

Based on the results of the normality test, the significance value is 0.063, which is greater than 0.05; therefore, it can be concluded that the residual values are normally distributed.

The multicollinearity test is used to determine whether the independent variables in the regression model are correlated with each other. Multicollinearity can be assessed using the tolerance and variance inflation factor (VIF). If the Variance Inflation Factor (VIF) is less than 10 and the Tolerance (TOL) is greater than 10% (0.10), then multicollinearity does not occur in the regression model.

The analysis results indicate that there is multicollinearity in two variables, namely process and physical evidence. Therefore, a multicollinearity test was performed

again using the data elimination method (multicollinearity with the pairwise correlation method).

Variabel	Tolerance	VIF
Product	.237	4.211
Prmotion	.296	3.378
Place	.320	3.129
Physical Evidence	.146	6.870
Non riba	.133	7.500

The heteroscedasticity test aims to show that the variance of each variable is the same for all observations. If the variance of the residuals remains constant across observations, it is referred to as homoscedasticity. The testing method used is Spearman's rho. This method is one way to test for heteroscedasticity issues in the regression model. If the two-tailed significance value is greater than 0.05, it can be concluded that heteroscedasticity does not occur; if the two-tailed significance value is less than 0.05, it indicates the presence of heteroscedasticity.

	Unstandardized Residual
Product	.548
Prmotion	.462
Price	.720
Place	.473
Process	.607
People	.501
Physical Evidence	.474
Non riba	.570

## Hypothesis Testing

The T-test is used to assess the impact of perceptions regarding product, promotion, price, place, process, people, physical evidence, and riba on the community's interest in using sharia fintech on a partial basis (individually). This is done by comparing the calculated T value with the table T value (T\_Table) using a significance level of 0.05.

Independe nt Variable	Regression Coefficient	t-value	Sign	Kesimpulan Statistik
<i>Product</i>	-0,109	-2,931	0,004	There is an influence of perception about product on the interest in using sharia fintech.
<i>Promotion</i>	0,141	4.981	0,000	There is an influence of perception about promotion on the interest in using sharia fintech
<i>Place</i>	-0,086	-2.869	0,005	There is an influence of perception about place on the interest in using sharia fintech.
<i>Phyisc.evd</i>	0,049	1,169	0,245	There is no influence of perception about physical evidence on the interest in using sharia fintech.
<i>nonriba</i>	.202	4.422	0,000	There is an influence of perception about non-riba on the interest in using sharia fintech.

The results of the T-test indicate that the variables product, promotion, place, and non-riba have a significant influence on the dependent variable "y" since their p-values are less than 0.05, while the variable physical evidence does not have a significant influence because its p-value is greater than 0.05.

Thus, the variables product, promotion, place, and non-riba significantly affect the dependent variable "y" as their p-values are less than 0.05, while physical evidence does not significantly influence it because its p-value exceeds 0.05. From the regression analysis, the regression model obtained is as follows:

$$Y = 0.707 - 0.109 \text{ product} + 0.141 \text{ promotion} - 0.086 \text{ place} + 0.049 \text{ physical evidence} + 0.202 \text{ riba} + e$$

The F-test is used to assess the simultaneous (combined) effect of perceptions regarding product, promotion, place, physical evidence, and riba on the community's interest in using sharia fintech by comparing the calculated F value with the table F value ( $F_{Table}$ ) using a significance level of 0.05.

Variabel	Tolerance	VIF
Product	.237	4.211
Prmotion	.296	3.378
Place	.320	3.129
Physical Evidence	.146	6.870
Non riba	.133	7.500

The results of the F-test indicate that the significance value is 0.000, which is less than 0.05, thus H1 is accepted. This means there is a linear relationship between perceptions of product, promotion, place, physical evidence, and riba with the community's interest in using sharia fintech.

### **Coefficient of Determination Test**

The coefficient of determination ( $R^2$ ) test is used to assess how well the independent variables explain the variation in the dependent variable.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0,822 <sup>a</sup>	0,675	0,658	0,394

The results of the coefficient of determination test show that the R-squared value is 0.675. This means that the influence of perceptions regarding product, promotion, place, physical evidence, and riba on the community's interest in using sharia fintech is 67.5%. The remaining 32.5% is influenced by other variables outside the scope of this study.

The statistical findings of this study demonstrate that specific factors, such as product perception, promotion, place, and adherence to sharia principles (non-riba), significantly influence the community's interest in using sharia fintech in Ambon. Each variable contributes uniquely to shaping consumer behavior, as evident from both

partial and simultaneous testing. This discussion will contextualize these results by integrating insights from previous research to deepen the understanding of these influences. The significant impact of product perception aligns with findings by Andespa et al. (2024), who emphasize that innovative, sharia-compliant financial products attract Muslim consumers. This underscores the importance of tailoring products to meet ethical and practical needs, ensuring compliance with Islamic principles while addressing user preferences. The challenge for sharia fintech providers lies in consistently improving product quality to build trust and reliability, which directly influences consumer satisfaction and loyalty.

The role of promotion is critical in capturing consumer interest. Previous studies, such as those by Hollebeek & Macky (2019), highlight how clear and consistent marketing efforts can foster trust and awareness among potential users. In this study, the promotion variable significantly affects the dependent variable, suggesting that targeted campaigns emphasizing the ethical and practical advantages of sharia fintech could effectively convert awareness into adoption. Digital platforms, in particular, have been identified as vital in amplifying promotional messages to wider audiences. The influence of place reflects the unique dynamics of fintech services, where physical location plays a secondary role to convenience and accessibility. Similar findings by Singh, Sahni & Kovid (2022) reveal that fintech users prioritize digital accessibility over traditional physical proximity. In Ambon, the practical convenience offered by sharia fintech services compensates for the perceived disadvantages of location, enabling users to prioritize time efficiency and transactional ease.

The non-riba variable, representing the adherence to Islamic principles, emerged as a strong determinant of consumer interest. This is consistent with Bouterraa et al. (2024), who found that religious values significantly drive the adoption of sharia financial products among Muslim consumers. The assurance of riba-free transactions aligns with the moral and spiritual convictions of the target audience, reinforcing the ethical superiority of sharia fintech over conventional alternatives. However, the insignificant impact of physical evidence on consumer interest is worth noting. Unlike traditional businesses where tangible elements such as office presence or branding influence customer trust, fintech relies heavily on digital interactions.

This finding aligns with Cho & Sagynov (2015), who observed that in digital financial services, functional reliability and ease of use outweigh the importance of physical attributes. The coefficient of determination ( $R^2$ ) indicates that 67.5% of the variation in community interest is explained by the studied variables, leaving 32.5% attributed to factors outside this model. These external factors may include digital literacy, personal financial habits, or external economic conditions, as suggested by Kumar et al. (2023). Understanding these influences could provide avenues for future research to develop a more holistic model of consumer behavior in sharia fintech.



Broader implications of these findings highlight the need for strategic education and outreach efforts in Ambon. Awareness campaigns focusing on the ethical advantages of sharia fintech, coupled with transparent operational practices, can mitigate negative perceptions caused by unethical fintech players, as highlighted in Ahmed, Rasheed & Talha (2019). Engaging community leaders and leveraging social influence could further enhance public trust and acceptance.

## **CONSLUSION**

The perceptions that influence interest in using fintech are as follows: Perception of Product: Despite the negative perceptions of sharia fintech products, they still affect user interest. It is essential for service providers to focus on enhancing product quality, innovation, and effective communication strategies. Perception of Promotion: Positive perceptions of promotions significantly impact public interest. Clear, engaging, and educational promotional strategies are needed to attract attention and build trust. Perception of Place: Although there are negative perceptions regarding location, the convenience and practicality offered by fintech remain crucial factors in user decisions. Users focus more on time efficiency and transaction security than on the physical location of service providers. Perception of Non-Riba: Non-riba has a significant influence on increasing user interest in sharia fintech. Users tend to choose services that align with sharia principles to ensure their transactions are consistent with their beliefs and moral values.

The majority of respondents in this study are unaware of sharia fintech, particularly sharia P2P lending, indicating challenges in the socialization and education of sharia financial services in Ambon City. A lack of public understanding regarding the concepts, benefits, and mechanisms of sharia fintech can hinder the growth and adoption of these services. Intensive efforts in socialization and education are necessary from the government, sharia financial institutions, and the community to raise awareness and understanding of sharia fintech, especially in Ambon City. This study has limitations regarding the research location, as it only focuses on the community in Ambon. Additionally, the variables and indicators used are limited to the marketing mix. Therefore, future research is expected to expand the focus by incorporating more relevant variables.

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