THE FACTORS OF CONTINUANCE INTENTION TO USE ZAKAT APPLICATION IN MALAYSIA

FAKTOR-FAKTOR KELANGSUNGAN PENGGUNAAN APLIKASI ZAKAT DI MALAYSIA

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ABSTRACT

Technological advances in digitization and increased use of smartphones worldwide have made the management process easier and payments via mobile devices. The digitization method has begun to be recognized in the community where it allows the community to enjoy services in a flexible and easy way while doing their daily activities. This study examines the factors of continued use of digital zakat applications among the community. A total of 405 questionnaires were collected and SPSS was used to test the proposed theoretical model using technology acceptance (UTAUT) and intention to continue (ECM). The results of the study were analyzed descriptively and multiple regression. The results of the study found that the expectation of convenience is the main factor that influences the intention to continue using the digital zakat application among the Muslim community in Malaysia. The results of this study also show that the intention to continue using digital zakat applications is positive which is in line with the trend of using digital applications nowadays.

Keywords: Application Zakat Digital, ECM, UTAUT, Malaysia

Introduction

The Industrial Revolution 4.0 helped make things like computers and smartphones. These things have made it easier for people to talk and share things with each other online. This has been good for people Zakat is a part of Islam where people who have more money give a little bit of it to help those who don't have as much. It's one of the important things Muslims do. During worship, rich people can give a special gift called zakat from the things they own. (Meerangani et al., 2023)

The average internet user in Malaysia is between 16 and 64 years old, spending two hours and 47 minutes using social media every day, higher than the global average of two hours and 31 minutes, according to a Digital 202 report. Among other important findings of the report which examines social media and digital trends worldwide is that 40.9 internet users in Malaysia use banking, investment, and insurance websites or applications every month, surpassing the global benchmark at 27.7 percent. (Wartawan BH, 2023).

Rapid technological progress forces all industries to pivot towards virtual and online operations. The same is true for Zakat organizations, which are now embracing digitization through the use of apps. The Zakat on Touch application was introduced by the Board Zakat Negeri Kedah (LZNK). Many good advances in terms of the effectiveness of zakat collecting through online payment have resulted from the advancement of technology. In line with the company's modernization and innovation, the process of managing the collecting and distribution of zakat becomes more efficient, rapid, and effective (Razimi et al, 2016).

A good internal control system can make the zakat institution an institution that is effective and efficient in managing the collection and distribution of zakat. As a result, the implementation of zakat is able to achieve its noble objective of developing the socio-economic aspects of the community through the perfect distribution of wealth (Nazihah Musthaffa, 2017). The era of technology requires zakat management organizations to be able to transform themselves into the realm digital. Therefore, one of the aspects to create a quality zakat management system is the aspect of digital technology needs to be prioritized (Suginam, 2020)

In Malaysia, the emergence of FinTech has been recognized, with Banks Negara Malaysia (BNM) providing recommendations (sandbox) for regulating rules and legislation to supervise FinTech company activities. Furthermore, BNM has established one expert team (Financial Technology Enabler Group) that will develop FinTech policies. In light of this, Islamic financial institutions should seize the chance to improve services in line with the digitization era. (Khairil Faizal Khairi, 2021) In the modern era, zakat management organizations must be able to transform themselves into the digital arena. As a result, one of the things that must be prioritized in order to develop a competent zakat management system is digital technology (Suginam, 2020)

In general, the use of digital applications nowadays is very exciting all over the world in various aspects. However, is the use of this application relevant from all aspects and is the use of this figital application used continuously from time to time. Acceptance of digital technology is influenced by various factors, and so is the intention to continue using the application. The variety of applications developed can also cause confusion in the community. Therefore, this study will look at the community's views on the intention to continue using digital zakat applications provided by zakat institutions.

Research Objective & Questions

Research Questions

    i.   What are the continuous intentions to use of digital zakat applications among the community?

    ii.   What are the factors that influence users' continuous intention to use Digital Zakat Applications after using the application?

Research Objectives

    i.   To determine the acceptance factor of digital zakat in the Muslim community in Malaysia.

ii.   To determine the factors that influence the continued intention of using the digital zakat application among the Muslim community in Malaysia

Conceptual Framework and Hypothesis Development
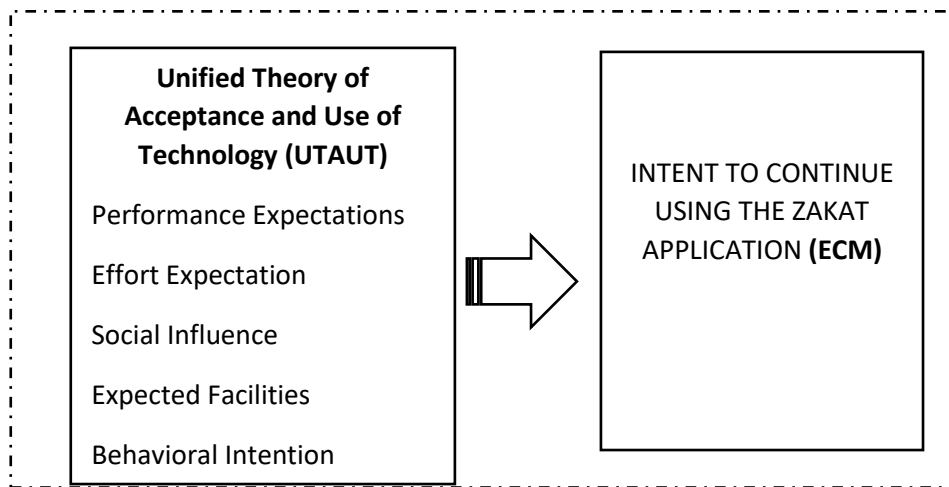
Figures: Expectation-Confirmation Model (ECM)

i.   **Unified Theory of Acceptance and Use of Technology (UTAUT)**

The unified theory of acceptance and use of technology (UTAUT) is a technology acceptance paradigm proposed by Venkatesh and colleagues in their paper "User acceptance of information technology: Towards a unified view." The purpose of the UTAUT is to explain user intents to use an information system as well as subsequent usage behavior. In this study, UTAUT is a factor of acceptance to the use of digital zakat applications. There are five elements used to measure the acceptance of the use of digital technology. Among them are performance expectations, effort expectations, social influence, ease expectations, and behavioral intentions. Venkatesh et al. (2003)

ii.   **Expectation-Confirmation Model**

This study uses ECM to examine the community's desire to continue using digital technology applications in performing zakat or searching for information related to zakat. The unified theory of acceptance and use of technology (UTAUT) is a theory that states that consumers will confirm their pre-purchase expectations with post-purchase perceived performance to determine their level of satisfaction and then influence thier repurchase intention. (Bhattacharjee A,2001)

Methodology

This study used quantitative research methods. Data was collected using a survey approach to understand the determinants of continuous intention to use zakat digital mobile in Malaysia. The questionnaire was developed based on the conceptual framework discussion.

Analysis & Discussion

i. Demographic

Item		N	Percent%
Gender	Male	134	33.0
	Female	272	67.0
	Unmarried	100	24.6
	Married	263	64.8
	Others	42	10.3
Ages	21-30 Years	127	31.3
	31- 40 Years	142	35.0
	41- 50 Years	103	23.9
	51> above	39	9.6
Academic Level	SPM	35	8.6
	STPM/ Diploma	73	18.0
	Bachelor	236	58.1
	Sarjana / PhD	62	15.3
Occupation	Government	179	44.1
	Private	128	31.5
	Self-work	76	18.7
	Retired	17	4.2

The table above shows the background of respondents in Selangor, Kuala Lumpur, and also the state of Kedah who have answered the survey that has been distributed. The results of the study found that a total of 108 respondents were male, while 192 were female respondents. While for the age category, the 31–40-year-old category is the highest category among the respondents of this study, which is a total of 105 people. Followed by the age group of 21-30 years with a total of 99 people. While for the age category 41 years - 50 years there are 66 people. For the category of 51 years and above, a total of 30 people. Next for the level of education, the results of the study also found that 162 respondents had a Bachelor's Degree, followed by 62 people with a STPM/Diploma education. As for the Master's / PhD education category, there are 44 people, and finally the SPM category, 27 people. In this study, it was also found that 122 respondents were civil servants, while 95 people worked in the private sector, 66 were self-employed. The results of the study found that 16 of the respondents were retirees. Next, the results of the study found that a total of 264 respondents had made zakat payments through zakat applications provided by zakat institutions.

Table 5.2 Statistics on the use of digital applications for zakat payments

	Item	N	Percent
Types of Applications Used?	Zakat Institution Application (Z.O.T/	231	57%

Snap Pay	41	10%
Touch N Go	69	17%
Shopee	80	20%
Boost	110	27%
Others	15	3.7%
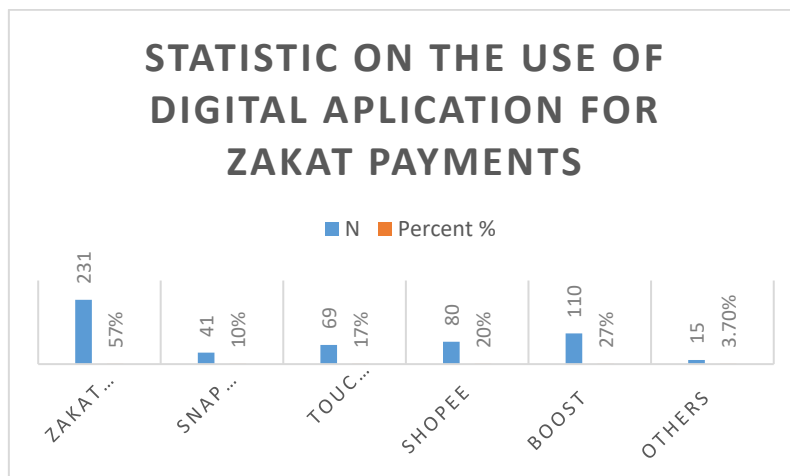
Based on table 5.2 above showing the statistics of zakat payment through digital application payment by respondents. The results of the study found that 231 (57%) of the respondents paid zakat through digital applications developed by zakat institutions such as Zakat on Touch (ZOT), Zakat Selangor. Next, a total of 41 (10%) respondents uses Snap Pay for zakat payment. As for payment using Touch N Go, a total of 69 people with a percentage of 17%.

A total of 80 people with a percentage of 20% use Shopee for zakat payment. In addition, zakat payments were also made through Boost by 110 (27%) respondents. While 15 people (3.7%) respondents paid zakat through other digital applications.

Table 5.3 Analysis of the Acceptance Level of Digital Zakat Applications

Unified Theory of Acceptance and Use of Technology (UTAUT) (UTAUT)	N	Mean	Std. Deviation
Performance expectancy	405	4.17	.70687
Effort expectancy	405	4.13	.85188
Social Influence	405	4.08	.90139
Facilitating conditions	405	4.20	.84892
	405	4.13	.78223

Behavioral intentions

Total Min	**405**	**4.14**

Table 5.2 shows the results of the study on the overall descriptive analysis of the level of acceptance of the use of digital zakat applications in Malaysia. The results of the study found that the level of acceptance of using the digital zakat application is high with a mean value of M=4.14. The highest mean value is the expectation of convenience item, with a mean value of 4.20, followed by expectation of performance with a mean value of 4.17. Next is the mean value of M= 4.13 which is the expected effort and behavioral intention among the respondents. While the social influence shows a mean value of M=4.08. Overall, the level of acceptance of the digital zakat application among the community is at a good level. The results of the study found that expected performance and convenience are the highest variables for measuring the acceptance of digital zakat applications.

The results of the above study show that the acceptance of digital technology is also positive in the Muslim community to carry out the responsibility of giving zakat. This positive reception is in line with the increasing use of digital financial services throughout the ASEAN region. Digital payment applications are the most used after social media with 84 percent of survey respondents having used digital payments. (Hasnan, 2022)

1.1 Analysis of Dominant Factors Affecting the Intention to Continue Using the Digital Zakat Application

Table 5.3: Multiple Linear Regression Analysis

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.952[a]	**.906**	**.905**	.21575

A. Predictors: (Constant), Prestasi,Niat, Usaha, Sosial, kemudahan

B. Dependent Variable: Meneruskan

ANOVA[a]

	Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	178.445	5	35.689	**766.721**	.000[b]
	Residual	18.573	399	.047		
	Total	197.018	405			

Coefficients

	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.

1	(Constant)	.472	.070		6.774	.000
	Performance expectancy	.075	.032	.076	2.325	.021
	Effort expectancy	.234	.025	.286	9.188	.000
	Social Influence	.238	.020	.307	11.728	.000
	Facilitating conditions	.265	.029	.323	9.187	.000
		.080	.018	.090	4.537	.000
	Behavioral intentions					

a. Dependent Variable: *Niat Meneruskan*

A. Dependent Variable: *Meneruskan*

B. Predictors: (Constant), Performance expectancy, Effort expectancy, Social Influence, Facilitating conditions, Behavioral intentions

Based on the table 5.3 above, it was found that the level of technology acceptance influences the intention to continue using the digital zakat application by 95.2% percent. The table of ANOVA table produced also shows that there is a significant relationship between the technology acceptance variable and the intention to continue using the digital zakat application among the Muslim community in Malaysia with a Sig value below 0.05.

Next is a table, Coefficient shows the regression coefficient values for the five predictor variables that influence the intention to continue using the digital zakat application among the Muslim community in Malaysia. In the table, the Beta value represents the regression coefficient for the five predictor variables (performance expectations (β=.076, $p<0.05$) effort expectations (β=.286, $p<0.05$), social influence (β=.307, $p<0.05$), expectation of convenience (β=.323, $p<0.05$), and behavioral intention) (β=.090, $p<0.05$).

The findings of the study show that the level of motivation (F=766.721, $p<0.05$) contributes as much as 95.2% percent to the intention to continue using the digital zakat application among the community. This shows that the expectation of convenience (β=.323$p<0.05$) is the main indicator or predictor of the intention to continue using the digital zakat application. The combination of technology acceptance level (UTAUT) (β=.472, $p<0.05$) adds 6.7 percent more influence on the intention to continue using the digital zakat application among the community. The findings of the study also show that the five factors of technology acceptance contribute to the intention to continue using zakat applications provided by zakat institutions.

The study of continued intention to use technology is very important because inconsistent use of technology will cause waste. In addition, as an organization that is the backbone of the Islamic economy, the organization should examine the need and relevance of the use of digital zakat applications in increasing the credibility of management, increasing zakat collection, facilitating collection and distribution, and so on.

Nowadays it can be seen that the diversity of digital technology has been implemented in line with the development of IR 4.0 digital technology, as well as the involvement of the zakat party in the implementation of digital technology whether it is developing its own zakat application, and also collaborating with external companies known as *wakalah zakat* collection. However, the variety of

zakat applications that have been developed or the digital zakat facilities that have been expanded cause confusion among the community to use the zakat application that coincides.

Limitations and Future Research

Despite the research results and implications mentioned above, this study has the following limitations. The results cannot be generalized to all zakat organizations in Malaysia, because in this study there are 3 states that represent only three zakat organizations, of which the three organizations selected are based on zakat collection and digital zakat implementation. In terms of directions for future research, it is possible to provide a more comprehensive basis for marketing strategies by categorizing users of zakat applications according to motivation, purpose, demographic characteristics, and usage behavior and analyzing the differences between groups using these applications.

Conclusion

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Conflict of Interest

Authors declares no conflict of interest in publishing this article.

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