JOURNAL OF INFORMATION SYSTEMS AND TECHNOLOGY

Journal of Information Systems and Technology
ISSN 3110-4096 (online)
https://athallahpublishing.com/index.php/jaip/index

OPEN ACCESS

Vol. 2, No. 2, 2026

DOI: 10.64845/jistech.v1i2

An Information Systems Perspective on Islamic Financial Literacy and Digital Financial Management Behavior: Evidence from Tangerang City, Indonesia

Noval Wibisono
Universitas Terbuka, Indonesia
Corresponding Author: 053215529@ecampus.ut.ac.id

A B S T R A C T

The rapid development of information systems and digital financial services has transformed the way individuals access, manage, and make financial decisions. In this context, Islamic financial literacy plays an important role in shaping responsible financial management behavior, particularly in ensuring that financial decisions are consistent with Islamic principles, including the avoidance of riba, gharar, and maysir, as well as the promotion of transparency, fairness, and financial accountability. This study aims to examine Islamic financial literacy from an information systems perspective and its relationship with digital financial management behavior among communities in Tangerang City, Indonesia. Specifically, the study explores how knowledge and understanding of Islamic financial concepts, awareness of sharia-compliant financial products, and the ability to evaluate digital financial information contribute to individuals' financial planning, budgeting, saving, spending, and financial decision-making through digital platforms. This research employs a quantitative approach using a structured questionnaire distributed to respondents in Tangerang City. The collected data are proposed to be analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) to assess measurement validity, construct reliability, and the relationships among the research variables. The information systems perspective provides an analytical framework for understanding the interaction between financial knowledge, digital information accessibility, and technology-supported financial practices. The study is expected to contribute to the development of Islamic financial literacy research by integrating behavioral and technological

dimensions into the analysis of digital financial management. Its findings are also expected to provide practical insights for Islamic financial institutions, digital platform developers, educators, and policymakers in designing accessible, transparent, and sharia-compliant financial information systems that encourage responsible financial behavior and strengthen digital financial inclusion in urban communities.

Keywords: Islamic Financial Literacy; Information Systems; Digital Financial Management; Financial Management Behavior; Digital Financial Inclusion

Received:	Revised:	Accepted:	Available online:
01.07.2026	01.09.2026	01.10.2026	01.11.2026

INTRODUCTION

The rapid development of information and communication technology has significantly transformed the financial services industry, particularly in the way individuals access financial information, conduct transactions, and manage their personal finances. Digital banking, mobile payment applications, financial technology platforms, and online investment services have created new opportunities for individuals to organize their financial activities more efficiently. These developments have also changed financial management from conventional, manually administered practices into technology-supported activities involving digital budgeting, electronic payments, online savings, and real-time financial monitoring. However, the availability of digital financial services does not automatically ensure that individuals possess the knowledge and capability to make responsible financial decisions. Effective digital financial management requires not only access to technology but also sufficient financial literacy, information-processing skills, and awareness of the risks associated with digital transactions. Consequently, the relationship between financial knowledge and technology utilization has become an important issue in understanding contemporary financial behavior (World Bank, 2022; OECD, 2022).

Within this transformation, Islamic financial literacy represents an important dimension of financial capability, particularly for individuals who seek to manage their financial resources in accordance with Islamic principles. Islamic financial literacy extends beyond general knowledge

of saving, borrowing, investing, and financial planning because it also involves understanding the principles of riba (interest), gharar (excessive uncertainty), maysir (gambling), profit-sharing, zakat, and sharia-compliant financial contracts. Such knowledge can influence how individuals evaluate financial products, select financial institutions, allocate household income, and make decisions about consumption and investment. In the digital environment, these competencies become increasingly important because financial products and transaction mechanisms are presented through applications and electronic platforms that require users to assess information independently. Therefore, Islamic financial literacy can be understood as a combination of financial knowledge, sharia-based awareness, and the ability to apply relevant principles when using digital financial services (Firdausi & Kasri, 2022; Niswatin et al., 2023).

The importance of Islamic financial literacy is also reflected in Indonesia's financial inclusion landscape. The National Survey on Financial Literacy and Inclusion (SNLIK) conducted by the Financial Services Authority (OJK) and Statistics Indonesia (BPS) in 2024 reported a national Islamic financial literacy index of 39.11%, while Islamic financial inclusion reached 12.88%. These figures indicate a substantial difference between the population's understanding of Islamic financial services and its actual use of such services. The 2025 SNLIK subsequently reported an increase in Islamic financial literacy to 43.42%, while Islamic financial inclusion reached 13.41%. Although the improvement suggests progress in public understanding, the difference between literacy and inclusion remains an important concern. This situation raises questions about whether individuals who understand Islamic financial concepts are able to translate that knowledge into practical financial decisions, particularly when using digital financial platforms. In this regard, financial literacy should not be evaluated solely through knowledge indicators but also through its contribution to responsible financial behavior and the effective use of financial information systems (OJK & BPS, 2024; OJK & BPS, 2025).

From an information systems perspective, digital financial management behavior involves the interaction between individuals, financial information, and technology-based services. Digital financial platforms provide features that support transaction recording, account monitoring, electronic payments, budgeting, and financial planning.

These features can help users obtain financial information more quickly and make decisions based on accessible transaction histories. Nevertheless, the effectiveness of these systems depends on users' ability to understand the information presented, recognize potential risks, and use available features according to their financial needs. Digital financial literacy therefore complements Islamic financial literacy by providing the technical and evaluative capabilities required to use digital financial services safely and effectively. Research by Rahayu et al. (2022) demonstrates the relevance of digital financial literacy to saving, spending, and investment behavior among Indonesian millennials, while subsequent research has connected digital financial literacy with digital financial inclusion among Indonesian households (Rahayu et al., 2022; The nexus of digital financial inclusion, digital financial literacy and demographic factors, 2024).

Furthermore, the expansion of digital financial services creates opportunities as well as behavioral challenges. The World Bank's Global Findex research documents the growing importance of digital payments in facilitating financial transactions and expanding access to formal financial services. Digital payments can make transactions more convenient and reduce dependence on cash, while account-based services can support saving and financial recordkeeping. However, convenience may also encourage impulsive consumption, unplanned spending, excessive reliance on short-term credit, and insufficient evaluation of financial risks. Users may make transactions quickly without considering their income capacity, spending priorities, or the long-term consequences of financial commitments. In Islamic financial management, these challenges also involve evaluating whether financial products and transactions comply with sharia principles. Accordingly, digital financial management behavior should encompass more than the frequency of application use; it should include financial planning, expenditure control, saving discipline, informed decision-making, and the responsible selection of sharia-compliant digital services (World Bank, 2022; OJK & BPS, 2025).

The relationship between Islamic financial literacy and financial management behavior has received increasing attention in recent studies. Purboningrum and Fathoni (2023), for example, examined Islamic financial literacy, financial attitudes, and subjective norms in relation to personal financial management, identifying the importance of financial

behavior as a mechanism connecting financial knowledge and management practices. Similarly, Sheda and Muharrami (2023) investigated Islamic financial literacy in the digital era and highlighted its relevance to financial management behavior. These studies provide a foundation for understanding how sharia-based financial knowledge may shape individual financial decisions. However, the growing use of digital financial platforms requires the discussion to move beyond conventional financial management and consider how individuals access, interpret, and apply financial information through technology. This distinction is important because possessing knowledge of Islamic financial principles does not necessarily mean that individuals can effectively use digital financial tools to implement those principles in their daily financial activities (Purboningrum & Fathoni, 2023; Sheda & Muharrami, 2023).

In addition, the adoption of Islamic financial technology is influenced by several factors, including perceived usefulness, ease of use, trust, financial literacy, and perceptions of sharia compliance. Digital financial systems can provide access to Islamic banking, electronic payment facilities, online financing, and other sharia-based financial services. Nevertheless, users need adequate information to distinguish between products that genuinely comply with Islamic principles and services that merely use Islamic financial terminology in their marketing communication. Trust in the platform, clarity of transaction information, data security, and transparency of fees are therefore relevant considerations in digital financial decision-making. Recent research on Islamic fintech adoption in Indonesia has incorporated financial literacy, trust, and sharia compliance into technology acceptance analysis, illustrating the importance of combining behavioral and technological perspectives when examining digital Islamic finance (La Husen & Iriani, 2026). This perspective suggests that information systems should be examined not merely as transaction instruments but also as environments in which financial knowledge is accessed, evaluated, and translated into individual behavior (La Husen & Iriani, 2026).

Tangerang City provides a relevant urban context for examining these issues because the use of digital services and the management of household finances are closely connected to everyday economic activities. Residents may encounter a variety of financial products and digital payment facilities in shopping, transportation, education,

household expenditure, and business transactions. Such circumstances create opportunities for more efficient financial management but also require users to develop the ability to evaluate financial information and control digital spending. Differences in income, education, occupation, age, access to technology, and familiarity with Islamic financial products may also contribute to variations in financial management behavior. The national SNLIK findings show that financial literacy and inclusion differ across demographic and regional categories, reinforcing the importance of investigating financial behavior within specific urban communities rather than assuming that national indicators represent every local population equally (OJK & BPS, 2025). Accordingly, the Tangerang City context offers an opportunity to examine how Islamic financial knowledge relates to the practical use of digital financial information and services in everyday financial management.

Despite the growing body of research on Islamic financial literacy, digital financial literacy, and financial behavior, an important research opportunity remains in integrating these dimensions through an information systems perspective. Previous studies have examined Islamic financial literacy in relation to personal financial management, while other studies have focused on digital financial literacy and financial inclusion or the adoption of Islamic financial technology. These research streams provide useful insights but do not fully explain how Islamic financial knowledge is associated with financial management behavior in an environment increasingly mediated by digital information systems. In particular, the ability to understand sharia principles, access digital financial information, evaluate the features of financial applications, and use digital services to support budgeting and expenditure control deserves further examination. This study therefore positions digital financial management behavior as a practical outcome that reflects how individuals apply financial knowledge and interact with technology-supported financial services. The integration of these dimensions is expected to extend the discussion of Islamic financial literacy from knowledge and awareness toward its application in digital financial practices (Firdausi & Kasri, 2022; Rahayu et al., 2022; Tazkia & Suryomurti, 2024).

Based on this background, this study aims to examine Islamic financial literacy and digital financial management behavior among the community in Tangerang City, Indonesia, from an information systems

perspective. Specifically, the study focuses on the extent to which individuals' understanding of Islamic financial principles, knowledge of sharia-compliant financial products, and ability to evaluate financial information are reflected in their use of digital financial services for budgeting, saving, spending, transaction monitoring, and financial decision-making. The study also seeks to provide an understanding of the role of digital financial environments in supporting responsible financial practices that are consistent with Islamic values. By connecting Islamic financial literacy with digital financial management behavior, this research is expected to contribute to the development of interdisciplinary studies in Islamic finance, information systems, and behavioral finance. Practically, the findings may provide insights for Islamic financial institutions, digital platform developers, educators, and policymakers in designing financial information systems that are accessible, transparent, secure, and responsive to users' sharia-based financial needs. Ultimately, strengthening Islamic financial literacy alongside effective digital financial practices may support more responsible financial decision-making and contribute to the development of inclusive and sustainable Islamic digital finance in Indonesia (Niswatin et al., 2023; OJK & BPS, 2025; La Husen & Iriani, 2026).

METHOD

This study employs a quantitative research approach with an explanatory research design to examine the relationship between Islamic financial literacy and digital financial management behavior among the community in Tangerang City, Indonesia. The quantitative approach is selected because the research focuses on measuring individual knowledge, perceptions, and financial practices through structured indicators and examining the relationships between the research constructs. From an information systems perspective, the study considers digital financial services as technology-based environments that facilitate access to financial information, transaction processing, financial monitoring, and decision-making. The research is designed to understand how individuals' knowledge of Islamic financial principles is reflected in their financial management practices when interacting with digital platforms. The explanatory design enables the researcher to assess

the extent to which Islamic financial literacy contributes to variations in digital financial management behavior (Creswell & Creswell, 2023; OECD, 2022).

The research population consists of individuals residing in Tangerang City who have experience using digital financial services, such as mobile banking, digital payment applications, Islamic banking applications, or other financial technology platforms. Respondents are selected using a purposive sampling technique based on several criteria: they must be residents of Tangerang City, be at least 17 years old, have experience using digital financial services, and be sufficiently familiar with financial transactions conducted through digital platforms. The sample size should be determined based on the population characteristics, the number of indicators, and the statistical requirements of the analytical model. Primary data are collected through a structured questionnaire distributed directly or electronically to eligible respondents. The questionnaire uses a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree), to measure respondents' perceptions, knowledge, and financial management practices. Secondary data are obtained from relevant publications issued by the Financial Services Authority (OJK), Statistics Indonesia (BPS), Bank Indonesia, and other academic sources related to Islamic financial literacy and digital financial services (Hair et al., 2022; OJK & BPS, 2025).

The research model consists of two main constructs: Islamic financial literacy as the independent variable (X) and digital financial management behavior as the dependent variable (Y). Islamic financial literacy is measured through indicators covering knowledge of Islamic financial principles, understanding of sharia-compliant financial products, awareness of riba, gharar, and maysir, knowledge of Islamic saving and financing mechanisms, and the ability to evaluate financial decisions based on sharia principles. Meanwhile, digital financial management behavior is assessed through indicators related to digital budgeting, expenditure monitoring, saving behavior, transaction management, financial planning, and responsible decision-making when using digital financial applications. The information systems perspective is incorporated by examining respondents' ability to access, understand, evaluate, and utilize financial information provided by digital platforms. These indicators are intended to capture the practical relationship

between financial knowledge and technology-supported financial management (Rahayu et al., 2022; Widyastuti et al., 2024).

Data analysis is conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM), which is appropriate for examining relationships between latent constructs measured through multiple indicators. The analytical procedure begins with data screening to identify incomplete responses, inconsistent answers, and potential measurement errors. The measurement model is subsequently evaluated through indicator reliability, internal consistency reliability, convergent validity, and discriminant validity. The structural model is assessed by examining path coefficients, coefficient of determination (R^2), effect sizes (f^2), and predictive relevance where applicable. The proposed structural relationship is expressed as follows:

$$\mathbf{Y=\beta_0+\beta_1X+\varepsilon}$$

Where Y represents digital financial management behavior, X represents Islamic financial literacy, β_0 is the constant, β_1 is the estimated relationship coefficient, and ε represents the error term. The analysis is intended to determine whether Islamic financial literacy has a statistically significant relationship with digital financial management behavior among respondents in Tangerang City. The interpretation will consider the direction and magnitude of the estimated coefficient, statistical significance, and explanatory power of the research model (Hair et al., 2022).

Finally, the findings are interpreted by connecting the statistical results with information systems theory, Islamic financial literacy, and previous empirical studies. Particular attention is given to how knowledge of sharia principles may support responsible use of digital financial services, including financial planning, expenditure control, saving discipline, and informed transaction decisions. The study also considers the implications of digital financial information accessibility and users' ability to evaluate the information provided by financial applications. Ethical research principles are maintained through voluntary participation, informed consent, confidentiality, and the use of collected data exclusively for academic purposes. Since the research focuses on a specific urban community, its findings are interpreted within the geographical and demographic context of Tangerang City rather than generalized automatically to the entire Indonesian population.

RESULTS AND DISCUSSION

Islamic Financial Literacy as a Foundation for Responsible Financial Decision-Making

Islamic financial literacy is an important foundation for developing responsible financial management behavior because it provides individuals with the knowledge and understanding required to make financial decisions consistent with Islamic principles. Unlike conventional financial literacy, which generally emphasizes knowledge of financial products, budgeting, saving, credit, and investment, Islamic financial literacy also incorporates normative and ethical considerations derived from Islamic economic teachings. These considerations include the prohibition of riba, avoidance of gharar and maysir, the principles of fairness and transparency in transactions, and the importance of responsible wealth management. Individuals who understand these principles are expected to possess a stronger basis for evaluating financial products and determining whether financial activities are consistent with sharia requirements. Consequently, Islamic financial literacy should be understood not merely as familiarity with Islamic financial terminology but also as the ability to apply relevant principles when making everyday financial decisions (Firdausi & Kasri, 2022; Niswatin et al., 2023).

In practical terms, Islamic financial literacy can influence several aspects of individual financial management, including income allocation, consumption decisions, saving behavior, and the selection of financial products. Knowledge of Islamic saving mechanisms, for example, can help individuals understand the differences between conventional interest-based arrangements and sharia-compliant contracts. Similarly, understanding profit-sharing arrangements can support more informed decisions when individuals consider investment or financing products offered by Islamic financial institutions. Such knowledge is particularly relevant in an environment where financial products are increasingly promoted through digital channels. Users may encounter various products through mobile applications, websites, and social media without necessarily receiving direct assistance from financial service providers. Therefore, the ability to interpret product information and understand its contractual characteristics becomes an essential component of financial literacy (OJK, 2024; OECD, 2022).

The importance of Islamic financial literacy also relates to the ethical dimension of financial management. Islamic economic principles

emphasize that wealth should be acquired, allocated, and utilized responsibly. Financial management is therefore not limited to maximizing individual consumption or financial returns but also involves balancing personal needs, family responsibilities, social obligations, and long-term welfare. The practice of allocating income for essential needs, maintaining savings, avoiding excessive debt, and fulfilling zakat obligations reflects the integration of financial capability and Islamic ethical values. This perspective places financial behavior within a broader framework of accountability and social welfare. In this respect, Islamic financial literacy can support individuals in developing financial priorities that are not only economically rational but also consistent with the principles of justice, moderation, and social responsibility (Firdausi & Kasri, 2022; Niswatin et al., 2023).

From an information systems perspective, financial literacy also determines how effectively individuals interpret and use financial information presented through digital platforms. A digital banking application may provide information about account balances, transaction histories, financing costs, savings products, and investment opportunities. However, access to such information does not automatically guarantee that users understand its implications. Individuals with limited financial knowledge may experience difficulties in distinguishing between different financial products, evaluating fees, identifying risks, or recognizing whether a particular transaction complies with sharia principles. In contrast, individuals with stronger Islamic financial literacy may be better positioned to assess the information provided and relate it to their financial objectives. Thus, the value of a financial information system depends not only on its technological capabilities but also on the knowledge and judgment of the individuals who use it (OECD, 2022; Rahayu et al., 2022).

The relationship between Islamic financial literacy and financial behavior can also be explained through the distinction between knowledge and practical application. Financial knowledge provides the cognitive foundation for decision-making, but its influence on actual behavior may depend on financial attitudes, personal discipline, income conditions, and access to financial services. An individual may understand the importance of saving but still experience difficulty maintaining regular savings because of limited income or competing household expenses. Similarly, an individual may understand the

prohibition of riba but lack sufficient information to evaluate the contractual structure of a digital financing product. Therefore, Islamic financial literacy should be examined in relation to the practical conditions under which financial decisions are made. This distinction is important because financial education programs should not focus exclusively on the transmission of knowledge but should also strengthen users' ability to apply that knowledge in real financial situations (Purboningrum & Fathoni, 2023; OECD, 2023).

In the context of Tangerang City, these issues are relevant because urban communities interact with diverse financial services and digital payment facilities in their everyday activities. Financial decisions may involve household budgeting, transportation expenses, education payments, food purchases, savings, and other consumption needs. As digital payment systems become more accessible, individuals increasingly need to manage financial information and transactions across different applications and service providers. Islamic financial literacy may provide a framework for evaluating these activities by encouraging users to consider not only convenience and cost but also transparency, contractual fairness, and sharia compliance. Nevertheless, the extent to which such knowledge is translated into behavior needs to be examined through empirical data collected from residents. The national financial literacy indicators published by OJK and BPS provide a broader policy context, but they cannot substitute for specific evidence concerning the financial practices of households in Tangerang City (OJK & BPS, 2024; OJK & BPS, 2025).

The Role of Digital Financial Information Systems in Supporting Financial Management Behavior

The development of digital financial information systems has changed the way individuals organize and conduct their financial activities. Financial services that previously required direct interaction with bank employees or physical payment facilities can now be accessed through mobile applications and internet-based platforms. These systems enable users to check account balances, transfer funds, make payments, monitor transactions, access savings facilities, and obtain information about financial products. From an information systems perspective, digital financial services function as platforms that connect users with financial information and transaction-processing facilities. Their

usefulness is reflected in their ability to provide timely information, simplify financial procedures, and support decision-making. However, the effectiveness of these systems depends on the extent to which users understand the information provided and can translate technological features into appropriate financial practices (World Bank, 2022; OECD, 2022).

One important contribution of digital financial systems is the improvement of financial information accessibility. Through digital banking and payment applications, users can obtain transaction records and account information without relying entirely on manual documentation. Transaction histories, payment notifications, balance summaries, and account statements can help individuals identify their spending patterns and evaluate the allocation of their income. These functions are relevant to personal financial management because effective budgeting requires accurate information about income and expenditure. When individuals regularly review their digital transaction records, they may become more aware of unnecessary spending, recurring expenses, and opportunities to increase savings. Nevertheless, access to transaction records does not automatically produce disciplined financial behavior. Users must actively interpret the information and use it to evaluate their financial priorities. Digital financial literacy therefore becomes an important complement to the technological features provided by financial applications (Rahayu et al., 2022; Widyastuti et al., 2024).

Digital platforms can also support the development of more structured budgeting practices. Budgeting involves determining financial priorities, estimating expenditure, allocating income, and monitoring the consistency between planned and actual spending. Some digital financial services provide transaction categorization, spending summaries, reminders, and notifications that can assist users in monitoring their financial activities. These features can reduce the effort required to record daily transactions and make financial information more accessible. For households, such facilities may help distinguish between essential expenditure, discretionary consumption, savings, and financial obligations. From an information systems perspective, the availability of these features represents an opportunity to improve the quality of financial decision-making by transforming transaction data into information that users can understand and apply. However, users still

need adequate financial knowledge to determine whether their expenditure patterns are consistent with their available resources and long-term objectives (OECD, 2022; World Bank, 2022).

The role of digital financial systems becomes more complex when viewed through the principles of Islamic finance. Digital platforms may provide access to Islamic banking services, sharia-compliant savings products, Islamic investment instruments, and financing facilities. These services create opportunities for users to conduct financial transactions while maintaining consideration of sharia principles. Nevertheless, the digital presentation of a product does not, by itself, establish its compliance with Islamic law. Users need to understand the underlying contract, the rights and obligations of the parties, the applicable fees, and the distribution of risks or returns. For example, users evaluating a digital Islamic financing product should understand the contractual structure and distinguish it from other financing arrangements. Financial information systems should therefore provide transparent descriptions of products, accessible contractual information, and clear explanations of transaction costs. These characteristics can help users make informed decisions and reduce the risk of misunderstanding financial services (Firdausi & Kasri, 2022; OJK, 2024).

Information quality is another important dimension in the relationship between digital financial systems and financial management behavior. A financial application may contain extensive information, but its usefulness depends on the accuracy, clarity, relevance, and timeliness of the information presented. Users need to understand transaction descriptions, fees, payment schedules, account balances, and product characteristics before making financial decisions. Poorly explained information or complicated interfaces may create difficulties, particularly for users with limited financial and digital literacy. In the context of Islamic finance, information quality also concerns the clarity of sharia-related product descriptions and contractual arrangements. A system that presents financial information in an understandable and transparent manner can support users in comparing alternatives and evaluating potential consequences. Therefore, information quality should be considered an important aspect of technology-supported financial management rather than merely a technical feature of digital applications (OECD, 2022; Widyastuti et al., 2024).

Security and trust are equally important because digital financial management involves the use of personal data, account credentials, transaction information, and electronic payment facilities. Users may face risks associated with phishing, unauthorized access, fraudulent applications, identity theft, and misleading financial offers. These risks can influence their willingness to use digital financial services and may also affect the quality of their financial decisions. In this regard, responsible digital financial behavior requires awareness of data protection, secure authentication, verification of transaction details, and careful evaluation of financial information received through electronic channels. Financial literacy can help users recognize potential risks and understand the importance of maintaining control over their financial accounts. For Islamic financial services, trust is also associated with the expectation that transactions are conducted transparently and in accordance with sharia principles. Consequently, the development of digital financial systems should integrate usability, information transparency, security, and accountability (OECD, 2023; OJK, 2024).

Another important issue is the relationship between digital convenience and consumption behavior. Digital payment systems reduce the practical barriers associated with making transactions, allowing users to complete purchases quickly and conveniently. Although this development can improve transaction efficiency, it may also make expenditure less visible when users do not regularly monitor their account balances and transaction histories. The ease of completing electronic payments may encourage unplanned purchases, particularly when applications integrate payment facilities with promotional offers, shopping platforms, and short-term credit services. This situation demonstrates that technological convenience should be accompanied by financial self-control. Individuals need to establish spending limits, evaluate their ability to pay, and distinguish between essential and discretionary purchases. Islamic financial literacy can reinforce these practices through the principles of moderation, avoidance of wastefulness, and responsible consumption (Rahayu et al., 2022; OECD, 2023).

In Tangerang City, digital financial information systems can be examined as part of the everyday financial environment of urban communities. Residents may use digital banking and payment applications for household purchases, transportation, education,

business transactions, and other financial activities. The use of these services creates opportunities to improve transaction efficiency and access to financial information. At the same time, differences in education, income, occupation, age, and experience with digital technology may influence how effectively individuals use available services. Some users may utilize digital applications primarily as payment instruments, while others may use them for budgeting, savings, and financial monitoring. This variation indicates that the presence of digital financial services should not be treated as equivalent to effective digital financial management. Research on digital financial literacy and inclusion in Indonesia emphasizes the importance of considering users' capabilities and demographic characteristics when examining the use of digital financial services (Widyastuti et al., 2024).

Accordingly, digital financial information systems should be understood as enabling environments rather than independent determinants of responsible financial behavior. Their contribution depends on the interaction between system functionality, information quality, user capability, and individual financial discipline. Islamic financial literacy can strengthen this interaction by helping individuals interpret financial information according to both economic considerations and sharia values. When users understand financial principles and can access reliable information through digital systems, they have a stronger basis for evaluating financial products, controlling expenditure, and organizing savings. However, these relationships need to be examined empirically to determine whether differences in Islamic financial literacy are associated with differences in digital financial management behavior among the residents of Tangerang City. This approach positions the information system as an important context for understanding how financial knowledge is translated into practical financial activities (Rahayu et al., 2022; Widyastuti et al., 2024).

The Relationship Between Islamic Financial Literacy and Digital Financial Management Behavior: Implications for Tangerang City

Digital financial management behavior refers to the ways individuals plan, organize, monitor, and evaluate their financial activities through technology-based services. This behavior includes preparing budgets, controlling expenditure, maintaining savings, monitoring transactions, evaluating financial products, and making financial

decisions based on available information. In an increasingly digital financial environment, these activities are no longer limited to conventional financial records or direct interactions with financial institutions. Individuals can use digital applications to monitor financial conditions, conduct transactions, and obtain information that supports financial planning. Nevertheless, the effectiveness of digital financial management depends on users' ability to understand financial information and apply it to their personal circumstances. Islamic financial literacy is therefore relevant because it provides the knowledge and ethical foundation needed to guide financial decisions in accordance with sharia principles (Rahayu et al., 2022; Widyastuti et al., 2024).

The relationship between Islamic financial literacy and digital financial management behavior can first be explained through the budgeting dimension. Budgeting requires individuals to identify their income, determine expenditure priorities, allocate funds for essential needs, and establish savings targets. Islamic financial literacy may strengthen this process by encouraging individuals to manage wealth responsibly, avoid excessive consumption, and consider financial obligations such as zakat. When these principles are applied through digital financial applications, users can monitor income and expenditure more systematically. Digital transaction records may provide information about spending patterns, while financial planning features can help users establish expenditure limits. However, the effectiveness of such practices depends on whether individuals have the discipline to review financial information and adjust their spending behavior. Thus, Islamic financial literacy may contribute to digital budgeting by combining financial planning skills with ethical considerations concerning the use of wealth (Purboningrum & Fathoni, 2023; Firdausi & Kasri, 2022).

The second dimension concerns saving behavior and the ability to maintain financial reserves. Saving is an important component of financial management because it enables individuals to prepare for future needs, manage unexpected expenses, and achieve long-term financial objectives. Islamic financial literacy can influence saving decisions by improving individuals' understanding of sharia-compliant savings products and the contractual principles underlying these services. Digital banking applications may support saving practices through electronic account management, transaction notifications, automatic transfers, and balance monitoring. These facilities can make saving more accessible and

reduce the administrative effort required to manage financial accounts. Nevertheless, the availability of digital savings features does not guarantee consistent saving behavior. Individuals still need to establish realistic financial targets, prioritize saving within their income constraints, and avoid using savings for unnecessary consumption. Therefore, the combination of Islamic financial knowledge and effective use of digital financial services may provide a stronger foundation for disciplined saving behavior (OECD, 2022; OJK, 2024).

The third dimension involves expenditure control and responsible consumption. Digital payment systems provide convenience in conducting transactions, but the ease of payment may reduce the visibility of expenditure when individuals do not regularly evaluate their financial activities. Users may make frequent small purchases that accumulate into substantial expenditure over time. Islamic financial principles provide an ethical framework for addressing this challenge through moderation, avoidance of wastefulness, and prioritization of genuine needs. Individuals with adequate Islamic financial literacy may be more aware of the importance of balancing consumption with savings and other financial responsibilities. When supported by digital transaction histories and expenditure notifications, this understanding can encourage users to identify unnecessary purchases and evaluate their consumption patterns. The relationship is therefore not limited to the ability to use a digital application but also concerns how financial knowledge influences the decisions made through that application (Rahayu et al., 2022; OECD, 2023).

A further dimension is the ability to evaluate digital financial products and services. The growing number of financial applications and online financial offers requires users to compare product characteristics, transaction costs, contractual conditions, and potential risks. Islamic financial literacy can help users identify the principles that should guide the selection of financial products, including fairness, transparency, and avoidance of prohibited transaction elements. For example, individuals considering digital financing services need to understand the structure of the contract, the obligations involved, the applicable charges, and the consequences of delayed payments. Without sufficient knowledge, users may focus primarily on the convenience or speed of the service rather than evaluating its financial and sharia implications. Consequently, Islamic financial literacy may improve the quality of digital financial

decisions by encouraging users to assess products more carefully before entering into financial transactions (Firdausi & Kasri, 2022; Niswatin et al., 2023).

The relationship can also be interpreted through the broader concept of digital financial inclusion. Access to digital financial services creates opportunities for individuals to participate in formal financial activities, but effective participation requires the ability to understand and use these services appropriately. Digital financial literacy is therefore relevant to the process of transforming access into meaningful financial participation. Widyastuti et al. (2024) discuss the relationship between digital financial inclusion, digital financial literacy, and demographic factors in Indonesia, demonstrating the importance of examining both individual capabilities and contextual characteristics. In the context of Islamic finance, this discussion can be extended by considering whether individuals possess the knowledge required to evaluate digital financial services according to sharia principles. The integration of Islamic financial literacy and digital financial capabilities may thus support more informed participation in digital financial systems.

Demographic characteristics may also influence the relationship between Islamic financial literacy and digital financial management behavior. Age, educational attainment, employment, income, and experience with digital technology can affect how individuals access and interpret financial information. Younger users may have greater familiarity with digital applications, while other groups may rely more heavily on assistance or conventional financial channels. However, familiarity with technology should not automatically be interpreted as financial competence. A person may be highly proficient in using digital payment applications but have limited understanding of financial planning, saving discipline, or sharia-compliant financial products. Conversely, an individual with strong financial knowledge may experience difficulties using certain digital services because of limited technological experience. These differences demonstrate why the relationship between Islamic financial literacy and digital financial management behavior needs to be assessed within the demographic and socioeconomic conditions of the research population (OECD, 2022; Widyastuti et al., 2024).

Tangerang City provides a relevant setting for examining these relationships because residents engage in a range of household,

employment, commercial, and consumption activities that increasingly involve digital financial services. Digital payments and mobile banking can support everyday transactions, while online financial information provides opportunities to compare services and monitor financial activities. However, the benefits of these systems may differ among individuals depending on their financial knowledge, income conditions, educational background, and experience using technology. For some households, digital financial services may primarily function as convenient payment instruments. For others, these services may become part of broader financial management practices involving savings, budgeting, and expenditure monitoring. The research therefore needs to distinguish between the use of digital applications as transaction tools and their use as instruments for managing financial resources. This distinction is important for evaluating whether Islamic financial literacy is associated with more systematic and responsible digital financial practices among the community in Tangerang City (OJK & BPS, 2025; Rahayu et al., 2022).

From a theoretical perspective, the relationship between Islamic financial literacy and digital financial management behavior can be represented as a direct relationship between financial knowledge and individual financial practices. Islamic financial literacy functions as the independent construct, while digital financial management behavior represents the dependent construct. The proposed relationship is based on the assumption that individuals with stronger knowledge of Islamic financial concepts may be better equipped to evaluate financial information, select appropriate products, plan expenditure, and use digital financial services responsibly. Nevertheless, the relationship should not be interpreted as necessarily uniform across all individuals. Income limitations, access to financial services, digital competence, family responsibilities, and personal attitudes may influence the extent to which knowledge is translated into behavior. The research model therefore provides a framework for examining the relationship rather than presuming that Islamic financial literacy alone explains every aspect of digital financial management (Purboningrum & Fathoni, 2023; Hair et al., 2022).

The proposed structural relationship can be expressed as follows:

$$ Y=\beta_0+\beta_1X+\varepsilon $$

Where:

- Y represents digital financial management behavior.
- X represents Islamic financial literacy.
- β_0 represents the constant.
- β_1 represents the estimated relationship between Islamic financial literacy and digital financial management behavior.
- ε represents the error term.

The proposed model indicates that Islamic financial literacy is expected to have a positive relationship with digital financial management behavior. This expectation is based on the argument that greater knowledge of Islamic financial principles can strengthen individuals' ability to evaluate financial information, organize expenditure, maintain savings, and select financial products responsibly. However, the direction, magnitude, and statistical significance of this relationship must be established through the analysis of actual survey data. The PLS-SEM approach can be used to assess the measurement quality of the constructs and evaluate the proposed structural relationship. The analysis should include indicator reliability, internal consistency, convergent validity, discriminant validity, path coefficients, and the coefficient of determination. Such procedures provide a systematic basis for evaluating whether the proposed model is supported by empirical evidence (Hair et al., 2022).

The practical implications of this study concern the development of financial education and digital financial services that integrate technological capability with Islamic financial principles. Islamic financial institutions can strengthen public understanding by providing clear explanations of sharia-compliant products, contractual arrangements, transaction costs, and financial risks through their digital platforms. Educational institutions and financial literacy programs can also develop learning materials that connect Islamic financial knowledge with practical activities, such as digital budgeting, savings planning, expenditure monitoring, and responsible use of electronic payments. In addition, digital platform developers can improve the quality of financial information by presenting transaction summaries, expenditure notifications, and product explanations in accessible language. These initiatives may help users move beyond basic access to financial services toward more informed and responsible financial management practices (OECD, 2023; OJK, 2024).

At the policy level, the integration of Islamic financial literacy and digital financial capability is relevant to the broader agenda of strengthening financial inclusion in Indonesia. Financial inclusion should not be measured only by the availability of accounts or the number of digital transactions but also by the ability of individuals to use financial services in ways that support their economic welfare. The difference between Islamic financial literacy and Islamic financial inclusion reported in the national SNLIK results highlights the importance of examining how financial knowledge is translated into actual financial participation. For Tangerang City, local financial education initiatives could be developed by considering the needs and characteristics of different community groups, including students, employees, entrepreneurs, and households. Such initiatives should combine education about Islamic financial products with practical training in digital financial management, consumer protection, and financial risk awareness (OJK & BPS, 2024; OJK & BPS, 2025).

Overall, the discussion indicates that Islamic financial literacy and digital financial management behavior are conceptually connected through the ability of individuals to understand, evaluate, and apply financial information in technology-supported environments. Islamic financial literacy provides the normative and cognitive foundation for making financial decisions consistent with sharia principles, while digital financial systems provide the facilities through which financial activities can be recorded, monitored, and managed. Their interaction may support budgeting discipline, saving behavior, expenditure control, and informed selection of financial services. However, the actual strength of this relationship among residents of Tangerang City must be determined through empirical testing. By examining the relationship from an information systems perspective, this study is expected to contribute to a more integrated understanding of Islamic financial literacy, digital technology use, and responsible financial management behavior in Indonesia.

CONCLUSION

This study highlights the importance of Islamic financial literacy in shaping digital financial management behavior among the community in Tangerang City, Indonesia, from an information systems perspective.

Islamic financial literacy provides individuals with the knowledge and understanding required to manage financial resources in accordance with sharia principles, including the avoidance of riba, gharar, and maysir, as well as the promotion of transparency, fairness, moderation, and financial responsibility. In the context of digital transformation, such knowledge becomes increasingly relevant because individuals are required to evaluate financial information, understand digital financial products, and make responsible decisions when using technology-based financial services. The discussion indicates that digital financial information systems provide opportunities to improve personal financial management through transaction monitoring, budgeting, electronic payments, savings management, and access to financial product information. However, technological accessibility alone does not guarantee responsible financial behavior. The effective use of digital financial services depends on users' financial knowledge, digital capabilities, awareness of security risks, and ability to evaluate the sharia compliance of financial products. Therefore, integrating Islamic financial literacy with digital financial capabilities is important for encouraging disciplined budgeting, responsible consumption, regular saving, and informed financial decision-making.

The study also emphasizes the need to strengthen the relationship between financial education and the development of inclusive Islamic digital financial services. Islamic financial institutions, educational institutions, policymakers, and digital platform developers should improve public access to understandable financial information, provide practical Islamic financial education, and develop secure and transparent digital services. In particular, financial literacy initiatives in Tangerang City should consider the socioeconomic and technological characteristics of different community groups to ensure that digital financial services support meaningful financial participation.

REFERENCES

Budiyanto, F., Soetjipto, B. E., & Churiyah, M. (2026). The influence of Islamic financial literacy and risk perception on the financial management behavior of student e-wallet users with self-control as a mediating variable. Economina, 5(5). https://doi.org/10.55681/economina.v5i5.2117

Dina, S., & Utama, S. (2024). Cashless behavior among Yogyakarta Muslim students: Digital financial literacy and QRIS payment intention. SHS Web of Conferences, 204, 02007. https://doi.org/10.1051/shsconf/202420402007

Fadillah, A. N., & Lubis, D. (2024). The influence of Islamic financial literacy, Islamic financial inclusion, and financial behavior on the investment decisions of Generation Z in West Java. Falah: Jurnal Ekonomi Syariah, 9(1), 1–16. https://doi.org/10.22219/jes.v9i1.29286

Fadiyah, N. L., & Widodo, H. (2024). Financial technology and literacy shaping students' financial management with digital literacy. Indonesian Journal of Law and Economics Review, 19(4). https://doi.org/10.21070/ijler.v19i4.1160

Firdausi, M. R. A., & Kasri, R. A. (2022). Islamic financial literacy amongst Muslim students in Indonesia: A multidimensional approach. Jurnal Al-Muzara'ah, Special Issue, 77–94. https://doi.org/10.29244/jam.specialissue2022.77-94

Gunawan, A., Asmuni, A., & Siregar, S. (2021). Islamic financial literacy and financial behavior: The case of Muhammadiyah community in Medan City. Journal of Accounting and Investment, 22(3), 500–516. https://doi.org/10.18196/jai.v22i3.10043

Hoirullah, H., & Adiba, E. M. (2026). The effect of digital literacy and sharia financial literacy on consumptive behavior in purchasing Muslim fashion with the use of sharia digital payment. Academia Open, 11(1). https://doi.org/10.21070/acopen.11.2026.13187

Idrus, M., Laekkeng, M., Djamereng, A., Tenriwaru, T., & Safar, I. (2026). Bridging FinTech adoption to sustainable financial behavior: The mediating roles of financial literacy and inclusion in Indonesia. International Review of Management and Marketing, 16(4), 305–310. https://doi.org/10.32479/irmm.22708

Kusumawardhani, R., Prihatin, W., Damanik, J. M., & Mubarokah, S. (2025). Digital financial literacy and consumer financial behavior in emerging markets: Evidence from Indonesia. Jurnal Ekonomi dan Bisnis, 28(2), 491–512. https://doi.org/10.24914/jeb.v28i2.15565

Lidiana, Arsuni, & Madrianah. (2024). The effect of financial technology (FinTech) and financial literacy on the financial behaviour of millennials in Indonesia: The mediating role of financial attitude. Journal of Business and Behavioural Entrepreneurship, 8(1), 60–68. https://doi.org/10.21009/JOBBE.008.1.08

Muna, N. H., Ismiati, B., Wibowo, F. W., & Kamal, A. H. (2025). Pengaruh penggunaan fintech payment dan financial knowledge terhadap financial management behavior pada pelajar Muslim di Yogyakarta. Journal of Islamic Economic and Law, 2(2), 33–43. https://doi.org/10.59966/jiel.v2i2.1875

Niswatin, Santoso, I. R., Amaliah, T. H., Monoarfa, R., & Hulopi, T. U. K. (2023). Factors and actors in the development of Islamic financial literacy: Experience from Indonesia. Business and Economic Research, 8(7). https://doi.org/10.26668/businessreview/2023.v8i7.2667

Putriana, S., Harimurti, F., & Kinanthi, A. D. (2026). The role of financial self-efficacy in digital financial literacy and financial behavior: Evidence from Indonesia. Jurnal RAK (Riset Akuntansi Keuangan), 10(2), 204–220. https://doi.org/10.31002/rak.v10i2.3314

Rahayu, R., Ali, S., Aulia, A., & Hidayah, R. (2022). The current digital financial literacy and financial behavior in Indonesian millennial generation. Journal of Accounting and Investment, 23(1), 78–94. https://doi.org/10.18196/jai.v23i1.13205

Rohmania, A. S., Sholihah, E., & Nurhapsari, R. (2024). Developing Islamic financial literacy in improving Islamic financial behavior towards the financial well-being of MSMEs: The moderating effect of e-payment usage. Journal of Islamic Economics Lariba, 9(2). https://doi.org/10.20885/jielariba.vol9.iss2.art2

Sarlawa, R. (2025). Digital financial literacy and financial behavior: Pathways to inclusion and resilience. Jurnal Ilmiah Manajemen Kesatuan, 13(6), 5709–5718. https://doi.org/10.37641/jimkes.v13i6.4460

Setiawan, D., Nidar, S. R., & Cupian. (2026). Sharia, digital, and financial literacy in action: Transforming social capital and digital finance into micro-enterprise well-being through financial behavior. Indonesian Journal of Islamic Negotiation, 14(2). https://doi.org/10.15575/ijni.v14i2.57252

Sofiana, R., Airin, N., & Utama, S. (2026). Determinants of students' consumptive behavior: Evidence from sharia financial literacy, financial behavior, peer pressure, and fintech payment in Yogyakarta. Shahih: Journal of Islamicate Multidisciplinary, 11(1). https://doi.org/10.22515/shahih.v11i1.15994

Widyastuti, U., Respati, D. K., Dewi, V. I., & Soma, A. M. (2024). The

nexus of digital financial inclusion, digital financial literacy and demographic factors: Lesson from Indonesia. Cogent Business & Management, 11(1), 2322778. https://doi.org/10.1080/23311975.2024.2322778

Wijaya, H. R., Hati, S. R. H., Ekaputra, I. A., & Kassim, S. (2024). The impact of religiosity and financial literacy on financial management behavior and well-being among Indonesian Muslims. Humanities and Social Sciences Communications, 11, Article 830. https://doi.org/10.1057/s41599-024-03309-6