Determinant factor of sharia credit card user in north of Bekasi city

Christophorus Indra Wahyu Putra[1] , Triana Yuniati[2] , Muhammad Richo Rianto[3], Dody Kurniawan[4], Agustian Zen[5]

[1,2,3,4,5] Faculty of Economic and Business, Universitas Bhayangkara Jakarta Raya, Indonesia

A R T I C L E I N F O

ABSTRACT

This study is a research that is used to measure the effect of income, financial literacy, credit attitude towards interest in using Sharia credit cards in North of Bekasi City, Indonesia. This research is a quantitative research where the object used is Sharia credit card. The technique used is a probability sampling technique using the Slovin formula. The number of samples used in this study were 100 respondents. The design used in this study is hypothesis testing using the structural equitation model (SEM) – SmartPLS 4.0. The results of this study provide an explanation that the variables of income and financial literacy have no effect on interest in using Sharia credit cards in North of Bekasi City. However, credit attitudes have an influence on interest in using Sharia credit cards in North of Bekasi City This research has a limited object of research which is only carried out on Sharia credit card users in North of Bekasi City. This can be a suggestion for future researchers. The novelty in this study combines the variables of income, financial literacy, credit attitude towards interest in using Sharia credit cards at in North of Bekasi City

Corresponding Author :

Triana Yuniati
Faculty of Economic and Business ,
Universitas Bhayangkara Jakarta Raya,
Jl Perjuangan, Bekasi, 14123, Indonesia,
Email: mrrianto@dsn.ubharajaya.ac.id

INTRODUCTION

Technological advances are growing rapidly, one of which is in terms of transactions for payment. In this era, humans have been able to create a payment system that is very helpful for transaction activities that can be used by humans, called APMK (Card Using Instrument). At this time there is an easy way to make payment transactions when we shop, namely by using a credit card (Sumarwan et al, 2009). The reason people are interested in using credit cards is that they are very easy to use, apart from being easy to use, credit cards can also be taken in cash. This is what makes people interested in using credit cards.

Credit cards have drawbacks such as the user being charged annual fees, late fees, and other fees. However, even though credit cards charge fees to the user, there are still many people who are interested in using them. Because credit cards can provide credit convenience for users and make transactions easier, credit cards also meet the needs of what the user wants. However, if the user is too comfortable using the credit card, so he cannot control expenses when making a purchase

transaction, it will cause a very high debt balance. Therefore, even though credit cards make it easier for users to make credit, the user must remain smart in managing expenses so that they are comfortable using a credit card.

Base on data Credit Card Transaction Values 2020 Notifies the number of transactions in the last 8 months of 2020 which was recorded at Rp. 142.9 trillion from 167.7 million. Even though there was a decrease of around 30.3% in the previous year which was recorded at Rp. 186.2 trillion from 218.5 million transactions. But more and more, the value of credit card transactions has increased again in November 2020. The public is still very interested in using these credit cards because using credit cards makes it easy for people to make transactions. (databoks.katadata.co.id, n.d.)

Many workers in North of Bekasi City use Sharia credit cards to meet all their needs and lifestyle. Different incomes can affect a person's attitude in determining his lifestyle. The higher the income, the greater the expenses. Having a credit card can help someone fulfill all their wishes even though it is more expensive than the actual price, because there is interest for every purchase of goods purchased using a credit card. Workers in North of Bekasi City often use Sharia credit cards to fulfill their needs, such as needs.

Staple in supermarkets, because using a credit card often offers discounted promotions (*discount*) so that many are interested in using a credit card. Today's people's lifestyles are more likely to have a consumptive nature as well as the lifestyle of employees in North of Bekasi City. In general, employees in North of Bekasi City have Sharia credit cards so that they can influence credit attitudes towards the company's environment in using credit cards.

Pre-Research on Interest in Using an Sharia Credit Card in North of Bekasi City, the results of the initial survey were on the object of research, the researchers conducted an initial survey of 36 employees in North of Bekasi City that the results of a survey conducted by researchers on interest in using Sharia credit cards were 78% of Sharia credit card respondents who answered agree, 16% of Sharia credit card respondents who answered neutral, and 6% of Sharia credit card respondents who answered disagree. It can be concluded that there are more respondents who are interested in using a Sharia credit card compared to respondents who answer neutrally and do not agree with using a Sharia credit card.

Interest in using Sharia credit cards in the north of Bekasi City is influenced by four factors, namely income, financial literacy, lifestyle, credit attitudes. Income is one of the main determinants of Sharia credit card usage. Here they argue that someone who has a high income is more interested in Sharia credit cards and mostly pays bills on time (Khalid et al., 2013). Income earned by someone to meet their needs and desires, and Sharia credit cards make it easier for users to buy goods outside of the income that can be obtained in installments (Khalid et al., 2013). Income has a significant effect on interest in using a credit card.

Financial Literacy as knowledge to manage finances. The level of financial literacy is a very important factor in determining the consumer's financial behavior (Shih & Chen, 2014). Good financial literacy will have a positive impact on increasing savings, daily finances, and improving long-term quality of life (Navickas et al., 2014). However, financial literacy has weaknesses that can lead to inappropriate financial decisions (Chen et al., 2006). Someone tends to have excessive debt if their financial literacy is low (Chien & Devany, 2010) because debts are paid late (Gathergood, 2012). The level of financial literacy is a significant factor in determining consumer decision making. Creditors with high financial literacy have credit cards that incur lower fees than those with low literacy (Disney & Gathergood, 2013).

Attitude (*Attitude*) is defined as an individual's positive or negative feelings about performing a behavior (Dash et al., 2012). Then attitude can determine someone to use a credit card. Attitude is a feeling that can be influenced by the surrounding environment when using a credit card. Attitude has a significant effect on the interest in using a credit card.

A credit card is a non-cash payment tool in the form of a plastic tool that is often used in certain places that facilitate its use. Credit cards are still an attraction among the public. Because the

existence of a credit card makes it easier for users to fulfill all their wants and needs. Often there are promotions that attract people to use them. Even though there is an annual fee, monthly to interest is not a problem for users. Interest in use is a person's desire to continue using an item (Sekti, 2013).

Here are two factors that generate interest, namely internal and external factors (Shaleh, 2009) Internal factors consist of encouragement from within the individual, social motives, and emotional factors. Encouragement from within the individual is defined as something that leads to needs that arise from within the individual. This drive is a kind of physical drive, motive, self-defense from hunger, as well as curiosity. Furthermore, social motives are defined as something that leads to adjustment to the environment or activities to fulfill social needs, such as working, gaining status, getting awards. The third internal factor is emotional. Emotional factors mean that interest is closely related to feelings or emotions, success in activities driven by interest will bring pleasure and strengthen existing interests. Conversely, failure will reduce the individual's interest. Meanwhile, external factors consist of four components, namely economic status, education, situational (people and environment) and psychological state.

In this study, the factors that influence interest are the internal factors of individual motivation and the external factors of economic status. Internal factors of individual motivation according to (Sudrajat, 2010) consist of perceptions, beliefs or beliefs, personal expectations, needs, feelings of pleasure or displeasure and satisfaction. According to (Hurlock, 2006), when economic status improves, people tend to expand their interests to include things they were not able to do before. Conversely, if economic status declines due to family responsibilities or less advanced businesses, then people tend to narrow their interests. In this study, economic status is measured by income.

According to economics, income is the maximum value that can be consumed by someone in a period by expecting the same state at the end of the period as the original state. The definition of income according to economics covers the possibility of changes in more than the total assets of the business entity at the beginning of the period and emphasizes the amount of static value at the end of the period. In other words, income is the amount of increase in assets due to changes in valuation that are not caused by changes in capital and debt (John J, 2003).

The source of company income is divided into (three) source. According to (Suparmoko, 2010), there are 3 (three) classes of income. From Salary or Wages, a person's income obtained after working for a certain period of time, usually one month. But there are also salaries paid per day and per week. Apart from that From own Business, income from total sales of goods or services after deducting total production costs. For example, income from selling at a store. And than from other income, usually other income is obtained outside of salary and own business. Other income is obtained without any business activities, for example from renting out houses, cars, other valuable assets, or from investments.

According to Mulyanto (Yogasnumurti et al., 2020), Income in the form of money. Is all income in the form of money which is regular and which can be received usually as a reward for services. Income in the form of money such as Salaries and wages earned from basic work, side work and overtime work. Apart from that, own business which includes such as net proceeds from own business, commission, sales of home handicrafts. Investment returns, which is income earned from land ownership rights. Apart from that Social benefits, income earned from social work. Income in the form of goods is any income that is regular in nature but not always in the form of remuneration and received in the form of goods and services and received in the form of goods and services. Income in the form of goods is income in the form of Part payment of wages and salaries formed in such as rice, flames, transportation, housing, recreation. Goods consumed at home are as follows such as use of goods produced from home, rent incurred on the house itself that is occupied. Receipts that are not income are receipts in the form of such as savings withdrawal, collection of receivables, sale of used goods, loan of money, gifts/givings.

According to (Atkinson & Messy, 2012) defines Financial Literacy as a combination of awareness, knowledge, skills, attitudes and behaviors needed to make good financial decisions and ultimately achieve individual financial well-being. Financial literacy also needs to be applied more broadly to form a society that has good competitiveness in realizing financial welfare without exception (Kusumaningtuti & Gecep, 2018).

Financial knowledge is closely related to personal well-being. Financial knowledge and skills in managing personal finances are essential in everyday life. Financial difficulties are not just a function of income (low income). Errors in financial management such as misuse of credit lines and lack of financial planning can also lead to financial hardship (Yanto et al., 2020).

Financial planning can also lead to financial hardship. Financial constraints can lead to stress and low self-confidence. The existence of financial knowledge and financial knowledge will assist individuals in managing personal financial plans, so that individuals can maximize the time value of money, and individuals will obtain greater benefits and will improve their standard of living (Yushita, 2017).

Attitude, which is often referred to as attitude, is a statement about objects, people and events. It describes how a person feels about something. Attitude has a helping power or motivation that can be considered appropriate or appropriate. Attitude is not just a record of events that have passed or have passed. However, attitudes can determine whether people should take sides in something or be someone who has a minus or plus side in themselves, besides that attitudes determine what is liked, expected, and desired, and more often than not put aside what is not desired, and what they should avoid or dislike (Mardiastika, 2019).

Attitudes often come from misunderstood thinking where attitudes are not innate but attitudes come from the environment and also one's experience. Not just from birth or carried based on genetics. Income is an influence on interest in using a credit card. Income is all receipts in the form of money or in the form of goods originating from other parties or industrial products which are valued on the basis of an amount of money from assets that are in effect at that time. Income is a person's source of income to meet daily needs and is very important for the survival and livelihood of a person directly or indirectly (Besri, 2018) The higher a person's income, the higher the interest in using a credit card.

There are several factors that can influence attitude formation (Pantow & Fista, 2018) namely as follows: Personal experience, the influence of other people who are considered important. Other people who are around us are one of the social components that influence our attitudes, the influence of Culture, and than Mass Media, and educational institutions and religious institutions, and influence of emotional factors

The level of financial literacy is also a significant factor that determines the decision to use a credit card. Creditors with low financial literacy have credit cards that incur higher fees than those with high literacy (Disney & Gathergood, 2013). The higher the understanding of credit cards, the better prepared they are to use credit cards and pay larger installments (Chien & Devany, 2010). The greater the knowledge of financial literacy, the greater someone who is interested in using a credit card. The Framework of thought ia an important part in the thinking process to describe the relation of variable in research (Handayani & Rianto, 2021).

Based on the phenomena and arguments, several hypotheses are concluded Income has an effect on to interest using Sharia credit card in North of Bekasi City as the first hypothesis. Financial Literacy has an effect on to interest using Sharia credit card in North of Bekasi City as the second hypothesis and credit atittude has an effect on to interest using Sharia credit card in North of Bekasi City as the third hypothesis.

RESEARCH METHOD

The type of research used in this study uses quantitative research methods. Quantitative is research that is clausal (explaining the relationship between two or more variables) and the relationship that is cause and effect on the independent and dependent variables (Sujarweni, 2018). This method aims to test a theory or hypothesis in order to strengthen or even reject the theory or hypothesis of the results of previous research on the effect of income, lifestyle, credit attitudes on interest in using credit cards. The object of research that I will do at Sharia Credit Card in North of Bekasi City, because in my opinion workers at Sharia Credit Card are more likely to use credit cards as a non-cash transaction tool.

This research stage is the writing of a research report which aims to provide an overall picture. In the writing stage, researchers use, books and journals related to these variables. This research was conducted at Sharia Credit Card, which is located in the East Bekasi area. Operational limitation is the determination of limits that further explain the specific characteristics that are more substantive than a concept (Sujarweni, 2018). As for what is an operational limitation in this study so as not to deviate from other discussions, namely Income (X1), Financial Literacy (X2), Credit Attitudes (X3) and the Dependent Variable (Y) Interest in Using Credit Cards.

According (Sugiyono, 2019) population is a generalization area consisting of objects or subjects that have certain qualities and characteristics set by researchers to study and then draw conclusions. Based on the research place set, the population that is used as the object in this study is all credit card users at Sharia. According to (Sugiyono, 2019) the sample is part of the number and characteristics possessed by the population. If the population is large and research is not possible to study the population, for example due to limited funds, energy and time, research can use samples taken by the population.

The sampling technique used in this research is the. Simple Sampling (Probablity Sampling). According to (Sugiyono, 2019) Simple Sampling (Probability Sampling) A simple random sample is a sample taken in such a way that each research unit or elementary unit of the population has the same opportunity to be selected as a sample.

The technique used for data collection in this study, namely Questionnaire (questionnaire) is a data collection technique by giving a set of questions or written questions to respondents to answer. Respondents here are credit card users in North of Bekasi City who have sharia credit cards and have income. So that the results of the respondent's filling are responses and answers to various questions posed in the questionnaire sheet. The questionnaire used in this study is a closed model because the answers have been listed in the questionnaire and the measurement uses a Likert scale (Sujarweni, 2018).

This study refers to the opinion (Hair et al., 2019) in determining the sample where the number of indicators is multiplied by the number 5-10. In this study there are 20 indicators, so the calculation is 20x5. Based on the results of the calculation, the minimum number of samples in this study was 100 respondents.

The measurement of variables in this study uses a Likert scale of 1 – 5 adopted from research (Nursal et al., 2022). Strongly disagree = 1, disagree = 2, neutral / doubtful = 3, agree = 4 and strongly agree = 5. This study uses the SmartPls analysis tool to test the feasibility of the data and draw conclusions in the hypothesis. The outer model test and the inner model test are the analytical tools that will be used in this study.

RESULTS AND DISCUSSIONS

Test of results in this study used the results of the outer model test. Based on the results of the validity test, all statement items meet the requirements > 0.7 and there are several items from the statement that must be eliminated because they do not meet the validity requirements.

Table 1. Validity test

Variable	Cronbach's Alpha	Rho_A	Composite	AVE
Income	0.820	0.828	0.893	0.737
Financial Literacy	0.913	0.978	0.931	0.732
Credit Attitude	0.864	0.872	0.936	0.880
Interest	0.865	0.875	0.903	0.652

Results Based on the reliability test results above, it can be concluded that the Cronbach's alpha value for each income variable is 0.820, financial literacy is 0.913, credit attitude is 0.864, and interest variable is 0.865. Meaning that the value is above 0.7 so it can be stated that the data used in this study suitable for use in the next stage.

Results of Hypothesis - Inner model
The results of hypothesis testing in this study indicate a relationship between the independent and dependent variables indicated by the following path model:
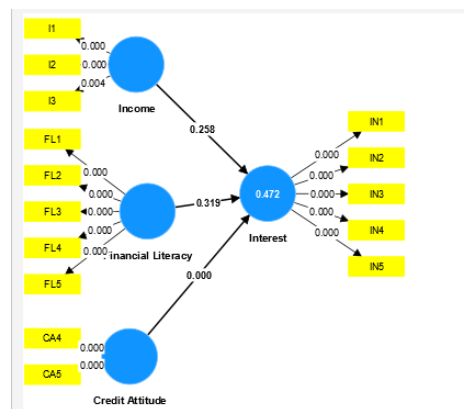

Figure 1. Inner model from smart PLS

Table 2. Inner Model Test

Variable	Original Sampel	Sampel Mean	Standard Deviation	T Statistic	P Value
Income -> Interest	0.210	0.178	0.185	1.133	0.258
Financial Literacy -> Interest	0.143	0.171	0.144	0.997	0.319
Credit Attitude -> Interest	0.516	0.505	0.115	4.484	0.000

Based on the results of the inner test above, it can be concluded that the has an effect of Income to Interest Using Sharia Credit Card in North of Bekasi City with a p-value of 0.258 which means it is bigger than the significance level of 0.05 (0.258 > 0.05) so that it is concluded that there has an influence between Income to Interest Using Sharia Credit Card in the North of Bekasi City, so the results of this study prove that hypothesis 1 (H1) is reject. The results of the inner test in this study also found that the finance literacy variable has an no effect on Interest Using Sharia Credit Card in the North of Bekasi City, because the p value of 0.319 is bigger than the 0.05 significance level where (0.319 < 0.05) means the hypothesis (H2) reject. The results of the inner test in this study also found that credit attitude has an effect on Interest Using Sharia Credit Card in the North of Bekasi City. because the p value was 0.000 smaller than the 0.05 significance level where (0.000 < 0.05) means the hypothesis (H3) received.

Discussion

Based on the results of the analysis of data obtained from the income variable, it does not affect the interest in using Sharia credit card. Thus the H1 hypothesis in this study was rejected. This shows that there is no effect of income on interest in using Sharia credit card in the North of Bekasi City. With a credit card, it will be additional income for workers to use it. The results of this study are in line with research (Nisa, 2018) that income has no effect on interest in using a credit card.

Based on the results of the data analysis obtained from the financial literacy variable, it has no effect on the interest in using Sharia credit card. Thus the H2 hypothesis in this study was rejected. This shows that there is no effect of financial literacy on interest in using Sharia credit card in the North of Bekasi City. Financial literacy in this study can be interpreted as the financial knowledge of Sharia credit card users. Sharia Credit card users in the North of Bekasi City to have a credit card are not based on their financial literacy knowledge but only based on their desire to use a credit card.

The results of this study are in line with research (Destiana Restu, 2016) financial literacy has no effect on interest in using a credit card where a person does not have to have financial literacy knowledge to own a credit card. In addition, an understanding of religious knowledge that still views credit cards as haram is still a consideration for asking employees to use sharia credit cards

Based on the results of the data analysis obtained from the credit attitude variable, it has a positive effect on the interest in using Sharia credit card. Thus the H4 hypothesis in this study is accepted. This shows that there is an influence of credit attitudes on the intention to use Sharia credit card in the North of Bekasi City. The results of this study are in line with research (Dash et al, 2011) that credit attitudes have an effectinterest in using a credit card where a person can influence his environment to use a credit card.

CONCLUSION

Based on the results of research analysis and discussion regarding the effect of income, financial literacy, lifestyle, credit attitudes on interest in using Sharia credit cards in the North of Bekasi City. First hypothesis (H1), namely the income variable, is rejected, so it can be interpreted that income has no significant effect on interest using sharia credit cards in the North of Bekasi City and the second hypothesis (H2), namely the financial literacy variable, is rejected, so it can be interpreted that financial literacy has no significant effect on interest using sharia credit cards in the North of Bekasi City. The third hypothesis (H3), namely the credit attitude variable, is accepted so that it can be interpreted that credit attitudes have a significant effect on interest in using Sharia credit cards in the North of Bekasi City. This research has the limitation that it was only conducted in the city of North Bekasi with the independent variables namely income, financial literacy and credit atituted. The researcher hopes that future research will cover a wider area with more respondents. Future research can also add independent variables from external factors such as the social environment.

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