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Examining the Influence of Islamic Financial Literacy and Social Environment on Students' Interest in Islamic Banking Products

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ABSTRACT

Behavioral intention to use Islamic banking products among vocational high school students remains an important issue in supporting the development of Islamic financial inclusion in Indonesia. Although Islamic financial literacy has been widely promoted, empirical evidence regarding its influence on students' behavioral intention remains inconsistent. In addition, the role of the social environment in shaping students' intentions has received limited attention, particularly in vocational education. Therefore, this study aims to examine the effects of Islamic Financial Literacy and Social Environment on students' Behavioral Intention to use Islamic banking products.

This study employed a quantitative research approach using a saturated sampling technique involving all 51 students of the Islamic Banking Department at SMK Muhammadiyah 1 Surabaya. Data were collected through a structured questionnaire and analyzed using multiple linear regression. The findings reveal that Islamic Financial Literacy has a positive but statistically insignificant effect on Behavioral Intention ($\beta = 0.155$, $p = 0.224$), indicating that knowledge alone is insufficient to encourage students' intention to use Islamic banking products. In contrast, Social Environment has a positive and statistically significant effect on Behavioral Intention ($\beta = 0.777$, $p < 0.001$), suggesting that support from family, peers, teachers, and the surrounding environment plays a crucial role in shaping students' intentions. Simultaneously, both independent variables significantly influence Behavioral Intention, with the regression model explaining **67.4%** of the variance ($R^2 = 0.674$).

These findings imply that strengthening students' behavioral intention requires not only improving Islamic financial literacy but also fostering supportive social environments through collaboration among educational institutions, families, and Islamic banking stakeholders.

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1. INTRODUCTION

The Islamic banking industry has emerged as one of the fastest-growing sectors within the global Islamic financial system, supported by increasing public awareness of Sharia-compliant financial services and continuous regulatory development (OECD, 2024). In Indonesia, where Muslims constitute the majority of the population, Islamic banking has experienced sustained institutional and financial growth over the past decade. The Financial Services Authority (Otoritas Jasa Keuangan/OJK) reported that Islamic banking assets, financing, and third-party funds continued to increase in 2024, reflecting stronger public confidence in Sharia-compliant financial institutions (OJK, 2025). Similarly, Bank Indonesia emphasizes that strengthening the Islamic financial ecosystem is essential for promoting inclusive economic growth and enhancing national financial resilience. Nevertheless, despite these encouraging developments, the utilization of Islamic banking products remains relatively limited compared with their market potential. This discrepancy indicates that the expansion of Islamic banking institutions has not been fully accompanied by a corresponding increase in public willingness, particularly among younger generations, to adopt Islamic banking products as their primary financial services (Bank Indonesia, 2025; OJK, 2024).

Among the various demographic groups, vocational high school students represent a strategically important segment for the future development of Islamic banking. As members of Generation Z, these students are entering a transitional stage in which they begin to establish financiasugal habits, make independent financial decisions, and interact with formal financial institutions. Students enrolled in Islamic Banking vocational programs occupy an even more distinctive position because they receive structured instruction on Islamic economics, Sharia contracts, financial management, and Islamic banking operations through their formal curriculum. Such educational exposure should theoretically equip them with sufficient knowledge to recognize the principles, characteristics, and advantages of Islamic banking products. However, educational attainment alone does not necessarily guarantee that students will develop a stronger intention to use Islamic banking services in their personal financial activities. The persistence of this discrepancy raises an important question regarding whether formal financial education is sufficient to influence behavioral intention or whether other determinants play a more substantial role in shaping students' financial preferences.

One of the determinants most frequently associated with financial decision-making is Islamic financial literacy. Islamic financial literacy refers to an individual's knowledge, understanding, confidence, and ability to evaluate financial products and make financial decisions in accordance with Islamic principles. Previous studies consistently demonstrate that individuals with higher levels of Islamic financial literacy tend to possess better comprehension of Sharia contracts, distinguish more effectively between conventional and Islamic financial products, and exhibit greater awareness of Islamic financial practices (Muslichah & Sanusi, 2019; Suganda, 2025; Sugiarti, 2023). Consequently, Islamic financial literacy has often been regarded as a key cognitive factor that encourages the adoption of Islamic banking products and other Sharia-compliant financial services. Nevertheless, findings from recent studies suggest that the relationship between financial literacy and behavioral intention is not always straightforward. Financial decisions frequently involve not only cognitive evaluation but also psychological and social considerations that influence how knowledge is translated into actual behavioral intention (Trisanty & Sugiarto, 2025). These observations imply that although Islamic financial literacy provides an important cognitive foundation, it may not independently explain students' intention to use Islamic banking products.

Financial behavior, however, is rarely determined by knowledge alone. The literature on consumer behavior and financial decision-making emphasizes that individuals operate within a social context in which family members, peers, teachers, and the surrounding community continuously influence attitudes, preferences, and behavioral choices. During adolescence, these social influences become increasingly salient because young people tend to seek approval and guidance from significant others when making personal and financial decisions. Within the context of Islamic banking, parents may influence students' preferences through family financial practices, teachers may reinforce positive perceptions of Sharia-compliant finance through classroom learning, while peers may shape financial choices through daily interactions and social norms. Consequently, the social environment represents an important external factor that may either strengthen or weaken students' intention to use Islamic banking products. Previous studies have reported that supportive social environments significantly encourage financial literacy development, saving behavior, and the adoption of Islamic financial products, suggesting that subjective social influences remain an essential determinant of financial decision-making among young people (Rosita & Miranti, 2023; Setiawan, 2021; Soeparno et al., 2024).

Despite the growing body of literature examining Islamic financial literacy and social environment, previous empirical findings remain inconclusive. Several studies have concluded that Islamic financial literacy exerts a significant positive influence on individuals' intention to use Islamic banking products, indicating that greater financial knowledge encourages more favorable financial decisions (Muslichah & Sanusi, 2019; Suganda, 2025). In contrast, other studies report that financial literacy alone is insufficient to explain behavioral intention, as social influence, religiosity, trust, or other contextual factors may exert a stronger effect on individuals' financial choices (Pebrianti & Syarief, 2025). Similar inconsistencies have also been identified regarding the role of social environment, with some studies reporting a dominant positive influence while others indicate that its effect varies depending on demographic characteristics and educational background. These inconsistent findings demonstrate that the relationships among Islamic financial literacy, social environment, and behavioral intention have not yet been fully explained, thereby indicating the existence of an empirical gap in the current literature.

Beyond these inconsistent findings, the existing literature also reveals important contextual and conceptual gaps. Most previous studies have focused on university students, banking customers, or the general population, whereas relatively limited attention has been devoted to vocational high school students enrolled in Islamic Banking programs. More importantly, prior research has predominantly examined whether Islamic financial literacy influences behavioral intention without adequately explaining why individuals possessing sufficient financial knowledge do not always demonstrate a corresponding intention to use Islamic banking products. This unresolved issue reflects a knowledge–behavior gap, whereby cognitive understanding does not necessarily translate into behavioral intention. Addressing this conceptual gap is important because vocational students receive formal education in Islamic banking and are therefore expected to possess relatively higher levels of Islamic financial literacy than the general population. If these students still exhibit varying levels of intention to use Islamic banking products, other mechanisms beyond knowledge alone must be considered. Accordingly, this study argues that examining Islamic financial literacy together with social environment provides a more comprehensive explanation of students' intention to use Islamic banking products than investigating each factor independently. This conceptual perspective serves as the foundation for the theoretical framework developed in the following section.

The conceptual issues identified above can be more comprehensively explained through the Theory of Planned Behavior (TPB), which serves as the principal theoretical foundation of this study. TPB explains that behavioral intention is the most immediate antecedent of actual behavior and is primarily influenced by three determinants: attitude toward the behavior, subjective norms, and perceived behavioral control (Ajzen, 1991, 2020). Within this framework, knowledge functions as a background factor that shapes behavioral beliefs and attitudes rather than directly determining behavioral intention. Consequently, although vocational students may possess adequate Islamic financial literacy through formal education, such knowledge alone may not necessarily encourage their intention to use Islamic banking products. Instead, behavioral intention develops through a cognitive evaluation process that is simultaneously influenced by individual beliefs, perceived social expectations, and perceived behavioral control. Therefore, TPB provides a robust theoretical explanation for the knowledge–behavior gap identified in this study.

The explanatory power of TPB becomes particularly relevant in the context of vocational education. Students enrolled in Islamic Banking programs receive structured instruction regarding Islamic financial principles, Sharia contracts, and banking operations, which is expected to strengthen their cognitive understanding of Islamic financial services. Nevertheless, their financial decisions are also embedded within a broader social environment where parents, teachers, classmates, and close friends continuously shape behavioral expectations. According to TPB, these social influences constitute subjective norms, which significantly contribute to behavioral intention (Ajzen, 1991; Fishbein & Ajzen, 2010). Consequently, Islamic financial literacy and social environment should not be viewed as independent determinants but rather as complementary factors that jointly influence students' intention to use Islamic banking products. This theoretical perspective also explains why previous empirical studies have reported inconsistent findings regarding the effect of financial literacy on behavioral intention, particularly among adolescents and young adults.

Previous studies have widely applied TPB to explain consumers' intentions to adopt Islamic financial products.(Kaakeh et al., 2019) For example, several studies demonstrate that subjective norms, attitudes, and financial knowledge collectively influence individuals' willingness to use Islamic banking services, although the magnitude of these relationships varies across different populations and cultural settings (Ayyub et al., 2020; Saptasari & Aji, 2020; Sudarsono et al., 2023). Nevertheless, empirical evidence concerning vocational high school students remains scarce. Existing studies have predominantly focused on university students, bank customers, or the general public, leaving vocational students relatively underrepresented despite their formal educational background in Islamic banking. More importantly, previous research has generally emphasized the direct relationship between financial literacy and behavioral intention without explicitly explaining why sufficient financial knowledge does not always translate into actual intention. Consequently, the knowledge–behavior gap remains insufficiently explored, particularly among students who have already received structured Islamic banking education.

Accordingly, this study contributes to the existing literature in three important ways. First, it addresses the conceptual gap by explaining the inconsistency between Islamic financial literacy and students' intention to use Islamic banking products through the perspective of the Theory of Planned Behavior. Second, it extends the application of TPB within the context of vocational education by examining the complementary roles of cognitive and social factors in shaping behavioral intention. Third, this study provides empirical evidence from vocational high school students majoring in Islamic Banking, a population that has received formal Islamic financial education but remains underrepresented in previous studies. These contributions are expected to enrich the literature on Islamic financial behavior while offering practical recommendations for educators, policymakers, and Islamic banking practitioners in developing more effective financial literacy and outreach programs.

Based on the theoretical arguments and empirical evidence presented above, this study aims to examine the influence of Islamic financial literacy and social environment on students' intention to use Islamic banking products among students of the Islamic Banking Department at SMK Muhammadiyah 1 Surabaya. Specifically, the study investigates the individual influence of each independent variable as well as their simultaneous contribution to students' behavioral intention. By integrating cognitive and social perspectives within the framework of the Theory of Planned Behavior, this study is expected to provide a more comprehensive explanation of the determinants of Islamic banking adoption among vocational high school students.

Based on the proposed theoretical framework, the hypotheses are formulated as follows:

H1: Islamic financial literacy has a positive and significant effect on students' intention to use Islamic banking products.

H2: Social environment has a positive and significant effect on students' intention to use Islamic banking products.

H3: Islamic financial literacy and social environment simultaneously have a positive and significant effect on students' intention to use Islamic banking products.

Figure 1 presents the conceptual framework of this study. Guided by the Theory of Planned Behavior, Islamic financial literacy is conceptualized as a cognitive antecedent that contributes to the formation of behavioral beliefs, whereas the social environment represents subjective normative influences that shape students' behavioral intention. Both variables are hypothesized to influence students' intention to use Islamic banking products individually and simultaneously, thereby forming the empirical model tested in this study.

2. METHODS

2.1. Research Design

This study employed a quantitative approach with an associative research design to examine the influence of Islamic financial literacy and social environment on students' intention to use Islamic banking products. A quantitative approach was considered appropriate because the study sought to test the relationships among predefined variables using numerical data and statistical analysis, thereby enabling objective hypothesis testing and empirical verification (Creswell & Creswell, 2018). The associative design was selected to identify both the individual and simultaneous effects of the independent variables on the dependent variable through multiple linear regression analysis.

The study was theoretically grounded in the Theory of Planned Behavior (TPB) proposed by Ajzen (1991), which explains that behavioral intention is determined by cognitive evaluation, subjective norms, and perceived behavioral control. Guided by this theoretical framework, Islamic financial literacy was conceptualized as a cognitive factor representing students' perceived understanding of Islamic financial concepts, whereas the social environment reflected external influences originating from parents, teachers, peers, and the school environment. Students' intention to use Islamic banking products was positioned as the dependent variable representing their behavioral intention toward Islamic financial services. Integrating these variables within the TPB framework enabled the study to examine the knowledge–behavior gap identified in the Introduction, namely that adequate financial knowledge does not necessarily translate into stronger behavioral intention without supportive social influences (Ajzen, 1991, 2020).

This research was conducted at SMK Muhammadiyah 1 Surabaya, Indonesia, during May 2026. The school was selected because it offers an Islamic Banking vocational program whose students receive formal instruction on Islamic banking principles, Sharia contracts, and Islamic financial products. Consequently, the research setting provided an appropriate context for examining whether students' perceived Islamic financial literacy and social environment influenced their intention to use Islamic banking products. Primary data were collected through a structured questionnaire administered directly to students in their classrooms, allowing all eligible respondents to participate under similar conditions and minimizing potential response bias.

2.2. Population and Sampling

The target population of this study comprised all students enrolled in the Islamic Banking Department of SMK Muhammadiyah 1 Surabaya, totaling 51 students during the 2026 academic year. Since the population size was relatively small and all students met the research criteria, this study employed a saturated sampling technique (census sampling), whereby every member of the population was included as a research respondent. Saturated sampling is recommended when the population is limited and accessible, allowing researchers to obtain comprehensive information while minimizing sampling error and improving the representativeness of the findings (Sugiyono, 2021).

Accordingly, the total sample consisted of 51 respondents, representing 100% of the target population. The questionnaires were administered directly to students during regular class sessions in May 2026, enabling all eligible respondents to participate under similar conditions. This procedure reduced the likelihood of non-response bias because every student present at the time of data collection had an equal opportunity to complete the questionnaire. Prior to questionnaire administration, respondents were informed about the purpose of the research, assured that their participation was voluntary, and guaranteed that all responses would remain confidential and be used solely for academic purposes.

The use of saturated sampling was considered appropriate because the primary objective of this study was to explain the relationships among variables within a specific educational context rather than to generalize the findings to a broader population. Consequently, including the entire population increased the accuracy of parameter estimation and strengthened the internal validity of the study by eliminating sampling selection bias. Nevertheless, the findings should be interpreted within the context of vocational high school students majoring in Islamic Banking and may not necessarily represent students from other educational institutions or demographic backgrounds.

2.3. Variables and Measurement

This study involved two independent variables, namely Islamic financial literacy (X_1) and social environment (X_2), as well as one dependent variable, namely behavioral intention to use Islamic banking products (Y). Although the first variable is referred to as Islamic financial literacy throughout this article to maintain consistency with the research title, the operational measurement reflects students' perceived Islamic financial literacy, as it was assessed using a self-reported questionnaire rather than an objective knowledge test. This operationalization is consistent with previous studies that have employed self-assessment instruments to evaluate individuals' perceived understanding of financial concepts (Lusardi & Mitchell, 2014; OECD/INFE, 2023).

The questionnaire consisted of 24 measurement items, with each variable represented by eight statements. Islamic financial literacy was operationalized through four conceptual dimensions: fundamental knowledge of Islamic finance, knowledge of Islamic banking products, understanding of Sharia contracts, and application of Islamic financial principles. The social environment variable was measured through respondents' perceptions of influences originating from family, peers, teachers, and the school environment, reflecting the concept of subjective social influence emphasized in the Theory of Planned Behavior (Ajzen, 1991). Meanwhile, behavioral intention was measured through students' willingness, preference, future intention, and commitment to use Islamic banking products.

All questionnaire items were measured using a five-point Likert scale, ranging from 1 = strongly disagree to 5 = strongly agree. A higher score indicated a higher level of the measured construct. The questionnaire items were developed by adapting established concepts of Islamic financial literacy, social environment, and behavioral intention from previous literature and were subsequently adjusted to suit the characteristics of vocational high school students majoring in Islamic Banking. Prior to hypothesis testing, the instrument was evaluated through validity and reliability testing to ensure that all measurement items appropriately represented their respective constructs.

Table 1 summarizes the operational definitions, dimensions, and measurement scales employed in this study.

Table 1 Operational Definition of Research Variables

Variable	Operational Definition	Dimensions	Number of Items	Scale
Islamic Financial Literacy (X_1)	Students' perceived understanding of Islamic financial concepts, Islamic banking principles, Sharia contracts, and Islamic banking products obtained through formal learning experiences.	Fundamental Islamic financial knowledge; knowledge of Islamic banking products; understanding of Sharia contracts; application of Islamic financial principles	8	Likert (1-5)
Social Environment (X_2)	Students' perceptions of social influences received from family members, peers, teachers, and the school environment that may encourage or discourage the use of Islamic banking products.	Family influence; peer influence; teacher influence; school environment	8	Likert (1-5)
Behavioral Intention (Y)	Students' willingness and future intention to use Islamic banking products based on their preferences and planned financial behavior.	Willingness; preference; future intention; behavioral commitment	8	Likert (1-5)

2.4. Data Collection Procedure

Primary data were collected using a structured questionnaire administered to students of the Islamic Banking Department at SMK Muhammadiyah 1 Surabaya during May 2026. The questionnaire was distributed directly to respondents during regular classroom sessions to ensure that all eligible students had the opportunity to participate under similar conditions. This approach also enabled the researcher to provide standardized instructions regarding the purpose of the study and the questionnaire completion procedure, thereby minimizing the possibility of misunderstanding and incomplete responses.

Before completing the questionnaire, respondents were informed about the objectives of the study, the voluntary nature of their participation, and the confidentiality of the information provided. No personally identifiable information was disclosed during data processing, and all responses were used solely for academic research purposes. Respondents were also informed that they could decline participation or discontinue completing the questionnaire at any stage without any academic consequences. These procedures were implemented to uphold ethical standards in social science research and to encourage respondents to provide honest and unbiased responses (Creswell & Creswell, 2018).

The questionnaire consisted of two sections. The first section collected respondents' demographic information, including gender and educational level, while the second section measured the three research variables: Islamic financial literacy, social environment, and behavioral intention to use Islamic banking products. All responses were recorded using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). Prior to statistical analysis, the completed questionnaires were reviewed to ensure completeness, followed by data coding and entry into statistical software for subsequent analysis.

2.5. Instrument Validity and Reliability

Prior to hypothesis testing, the questionnaire was evaluated to ensure that it met the requirements of a valid and reliable research instrument. Instrument testing was conducted using validity and reliability analyses based on the responses of all 51 participants. These procedures were intended to verify that each questionnaire item appropriately measured the construct it represented and that the instrument produced consistent measurements across respondents (Hair et al., 2019).

Instrument validity was assessed using the Corrected Item–Total Correlation method. This technique evaluates the degree to which each questionnaire item correlates with the overall score of its corresponding construct after excluding the contribution of the item itself. An item was considered valid when its corrected item–total correlation exceeded the minimum acceptable threshold, indicating that the item adequately represented the underlying construct (Nunnally & Bernstein, 1944). The validity assessment was performed for all items measuring Islamic financial literacy, social environment, and behavioral intention.

Following the validity assessment, instrument reliability was evaluated using Cronbach's Alpha coefficient to determine the internal consistency of each construct. A Cronbach's Alpha value of 0.70 or higher was considered indicative of satisfactory reliability, demonstrating that the questionnaire items consistently measured the intended latent variables (Hair et al., 2019; Nunnally & Bernstein, 1944). Reliability analysis was conducted separately for the three research variables before proceeding to further statistical analyses.

The results of the validity and reliability tests confirmed that the questionnaire fulfilled the required measurement standards and was therefore appropriate for subsequent statistical analyses. Detailed results of these tests are presented in the Results section.

2.6. Data Analysis Technique

The collected data were analyzed using IBM SPSS Statistics through a series of statistical procedures designed to answer the research objectives and test the proposed hypotheses. Before conducting hypothesis testing, the questionnaire data underwent a preliminary screening process, including data editing, coding, and tabulation, to ensure data completeness and consistency. Descriptive statistics were subsequently generated to summarize respondents' characteristics and provide an overview of the distribution of each research variable.

The quality of the research instrument was evaluated through validity and reliability testing. Instrument validity was assessed using the Corrected Item–Total Correlation method to determine whether each questionnaire item appropriately represented its corresponding construct. Instrument reliability was then examined using Cronbach's Alpha coefficient to evaluate the internal consistency of each variable. Only items that satisfied the predetermined validity and reliability criteria were retained for further statistical analysis (Hair et al., 2019).

Prior to estimating the regression model, the data were subjected to the classical assumption tests, consisting of normality, multicollinearity, and heteroscedasticity tests. The normality test was conducted to examine whether the regression residuals followed a normal distribution. Multicollinearity testing was performed using Tolerance and Variance Inflation Factor (VIF) values to ensure that the independent variables were not highly correlated with one another. Meanwhile, the heteroscedasticity test was conducted to verify that the residual variance remained constant across different levels of the independent variables. These procedures were carried out to ensure that the multiple linear regression model fulfilled the assumptions required for unbiased parameter estimation (Hair et al., 2019).

The hypotheses were tested using multiple linear regression analysis to examine both the individual and simultaneous effects of Islamic financial literacy and social environment on students' behavioral intention to use Islamic banking products. The significance of the individual regression coefficients was evaluated using the t-test, whereas the overall regression model was assessed using the F-test. In addition, the coefficient of determination (R^2) was calculated to determine the proportion of variance in behavioral intention explained by the independent variables included in the model. Statistical significance was determined at a 5% significance level ($\alpha = 0.05$). The sequence of data analysis employed in this study is illustrated in Figure 2.

3. FINDINGS AND DISCUSSION

3.1. Instrument Testing

Before testing the proposed hypotheses, the quality of the research instrument was evaluated through validity and reliability analyses to ensure that all questionnaire items appropriately measured their respective constructs. Instrument testing is an essential prerequisite for quantitative analysis because valid and reliable measurement instruments enhance the credibility and accuracy of subsequent statistical findings (Hair et al., 2019).

The validity of the questionnaire was assessed using the Corrected Item–Total Correlation method. The results indicate that all measurement items exceeded the minimum acceptable criterion for construct validity, demonstrating that each item was capable of representing its intended construct. Consequently, all questionnaire items were retained for further statistical analysis.

Table 2 Instrument Validity Test

Variable	Number of Items	Corrected Item–Total Correlation	Interpretation
Islamic Financial Literacy	8	0.433–0.712	Valid
Social Environment	8	0.361–0.800	Valid
Behavioral Intention	8	0.647–0.822	Valid

As presented in Table 2, all corrected item–total correlation coefficients exceeded the recommended threshold, indicating satisfactory construct validity. The findings confirm that each questionnaire item consistently reflected the latent variable it was designed to measure and therefore fulfilled the validity requirements for subsequent statistical analyses.

Following the validity assessment, the internal consistency of each construct was evaluated using Cronbach's Alpha. The results are summarized in Table 3.

Table 3 Instrument Reliability Test

Variable	Cronbach's Alpha	Interpretation
Islamic Financial Literacy	0.868	Highly Reliable
Social Environment	0.849	Highly Reliable
Behavioral Intention	0.920	Highly Reliable

The reliability analysis demonstrates that all research variables achieved Cronbach's Alpha coefficients well above the recommended minimum value of 0.70, indicating a high level of internal consistency. Among the three constructs, Behavioral Intention exhibited the highest reliability coefficient ($\alpha = 0.920$), followed by Islamic Financial Literacy ($\alpha = 0.868$) and Social Environment ($\alpha = 0.849$). These findings indicate that the measurement instrument produced consistent responses across all respondents and was therefore considered reliable for hypothesis testing and multiple linear regression analysis.

3.2. Descriptive Statistics

Descriptive statistical analysis was conducted to provide an overview of the distribution of the research variables before hypothesis testing. The analysis included the number of observations, minimum score, maximum score, mean, and standard deviation for each variable. These statistics offer preliminary insights into respondents' perceptions of Islamic financial literacy, social environment, and behavioral intention to use Islamic banking products.

Table 4 Descriptive Statistics of Research Variables

Variable	N	Minimum	Maximum	Mean	Standard Deviation
Islamic Financial Literacy	51	21	40	31.22	4.83
Social Environment	51	14	40	28.73	5.27
Behavioral Intention	51	14	40	28.98	5.61

As shown in Table 4, all variables were measured from 51 respondents, reflecting the entire population of students enrolled in the Islamic Banking Department. The descriptive statistics indicate that Islamic Financial Literacy obtained the highest mean score (M = 31.22; SD = 4.83), suggesting that respondents generally perceived themselves as having a relatively good understanding of Islamic financial concepts, Islamic banking products, and Sharia principles acquired through their vocational education.

The Social Environment variable recorded a mean score of 28.73 with a standard deviation of 5.27, indicating moderate variation in respondents' perceptions regarding the influence of family, peers, teachers, and the school environment. Meanwhile, Behavioral Intention achieved a mean score of 28.98 and a standard deviation of 5.61, suggesting that although respondents generally demonstrated a positive intention to use Islamic banking products, the level of intention varied among individuals.

Overall, the observed standard deviation values were considerably lower than their respective mean values, indicating that the responses were reasonably concentrated around the average and that no excessive dispersion was evident. Furthermore, the ranges between the minimum and maximum scores suggest sufficient variability across all constructs, supporting the suitability of the data for subsequent inferential analyses, including the classical assumption tests and multiple linear regression analysis.

3.3. Classical Assumption Test

Prior to multiple linear regression analysis, the data were examined through a series of classical assumption tests to ensure that the regression model satisfied the statistical requirements for hypothesis testing. The assumptions evaluated in this study included normality, multicollinearity, and heteroscedasticity.

3.3.1. Normality Test

The normality test was conducted to determine whether the regression residuals followed a normal distribution. The results of the Shapiro–Wilk test indicated a significance value of 0.110, which exceeded the predetermined significance level of 0.05. Therefore, the residuals were normally distributed, indicating that the normality assumption for multiple linear regression analysis was satisfied.

Table 5 Normality Test

Test	Significance	Criterion	Result
Shapiro–Wilk	0.110	Sig. > 0.05	Normally Distributed

3.3.2. Multicollinearity Test

The multicollinearity test was performed to determine whether a high correlation existed between the independent variables. The assessment was based on the Tolerance and Variance Inflation Factor (VIF) values. A regression model is considered free from multicollinearity when the tolerance value is greater than 0.10 and the VIF value is less than 10.

Table 6 Multicollinearity Test

Variable	Tolerance	VIF	Interpretation
Islamic Financial Literacy	0.583	1.714	No multicollinearity
Social Environment	0.583	1.714	No multicollinearity

As shown in Table 6, both independent variables produced tolerance values above 0.10 and VIF values well below 10. These findings indicate that Islamic Financial Literacy and Social Environment were not highly correlated with one another, confirming that the regression model did not suffer from multicollinearity.

3.3.3. Heteroscedasticity Test

The heteroscedasticity test was performed using the Glejser test to determine whether the residual variance remained constant across observations. A regression model is considered free from heteroscedasticity when the significance value of each independent variable exceeds 0.05.

Table 7 Heteroscedasticity Test (Glejser Test)

Variable	t-value	Significance	Criterion	Interpretation
Islamic Financial Literacy	1.386	0.172	Sig. > 0.05	No heteroscedasticity
Social Environment	-0.898	0.373	Sig. > 0.05	No heteroscedasticity

As presented in Table 7, both independent variables produced significance values greater than 0.05. Specifically, Islamic Financial Literacy obtained a significance value of 0.172, while Social Environment recorded 0.373. These findings indicate that the regression model does not suffer from heteroscedasticity, suggesting that the variance of the residuals remains constant across observations. Therefore, the assumption of homoscedasticity was satisfied, and the regression model was considered appropriate for subsequent hypothesis testing.

3.4. Multiple Linear Regression Analysis

Multiple linear regression analysis was employed to examine the effects of Islamic Financial Literacy and Social Environment on students' Behavioral Intention to use Islamic banking products. This analysis aimed to determine the magnitude and direction of the relationships between the independent variables and the dependent variable, as well as to evaluate the explanatory power of the proposed regression model.
The overall performance of the regression model is presented in Table 8.

Table 8 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.821	0.674	0.660	3.269

As presented in Table 8, the regression model produced an R Square value of 0.674, indicating that 67.4% of the variation in students' Behavioral Intention can be explained jointly by Islamic

Financial Literacy and Social Environment. The remaining 32.6% of the variance is attributable to other factors outside the scope of the present study. Furthermore, the Adjusted R Square value of 0.660 indicates that the model maintains a strong explanatory capability after accounting for the number of predictors included in the analysis.

Table 9 ANOVA Results

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	1061.42	2	530.71	49.620	<0.001
Residual	513.56	48	10.70		
Total	1574.98	50			

The ANOVA results demonstrate that the regression model is statistically significant ($F = 49.620$; $p < 0.001$). These findings indicate that Islamic Financial Literacy and Social Environment, when considered simultaneously, significantly explain variations in students' Behavioral Intention to use Islamic banking products. Consequently, the proposed regression model is considered statistically appropriate for hypothesis testing.

The estimated regression coefficients are presented in Table 10.

Table 10 Multiple Linear Regression Coefficients

Variable	Unstandardized Coefficient (B)	t-value	Sig.
Constant	1.835	0.587	0.560
Islamic Financial Literacy	0.155	1.233	0.224
Social Environment	0.777	6.755	<0.001

Based on the regression coefficients, the estimated regression equation is expressed as follows: Behavioral Intention = 1.835 + 0.155(Islamic Financial Literacy) + 0.777(Social Environment).

The regression equation indicates that both independent variables exhibit positive regression coefficients, suggesting that improvements in Islamic Financial Literacy and Social Environment are associated with an increase in students' Behavioral Intention. However, the magnitude and statistical significance of these effects differ. The coefficient for Islamic Financial Literacy is positive but statistically insignificant ($\beta = 0.155$; $p = 0.224$), whereas Social Environment demonstrates a positive and statistically significant effect ($\beta = 0.777$; $p < 0.001$). These findings indicate that Social Environment contributes more substantially to explaining students' Behavioral Intention than Islamic Financial Literacy within the proposed regression model.

3.5. Hypothesis Testing and Discussion

This section discusses the research findings by comparing the empirical results with the proposed hypotheses, the Theory of Planned Behavior (TPB), and previous empirical studies.

H1: The Effect of Islamic Financial Literacy on Behavioral Intention

The first hypothesis proposed that Islamic Financial Literacy positively influences students' Behavioral Intention to use Islamic banking products. However, the regression analysis revealed that Islamic Financial Literacy did not have a statistically significant effect on Behavioral Intention ($\beta = 0.155$; $t = 1.233$; $p = 0.224$). Therefore, H1 is rejected.

Although the respondents generally demonstrated relatively high levels of Islamic financial literacy, this knowledge did not necessarily translate into a stronger intention to use Islamic banking products. This finding suggests the existence of a knowledge–behavior gap, in which possessing knowledge alone is insufficient to stimulate behavioral intention. Within the framework of the Theory of Planned Behavior, knowledge functions as a background factor that indirectly shapes behavioral beliefs rather than directly determining behavioral intention. Consequently, students who understand Islamic banking principles may still hesitate to use Islamic banking services if other supporting factors are absent (Ajzen, 1991; Lusardi & Mitchell, 2014).

This finding is consistent with several previous studies reporting that financial literacy alone is not always a significant predictor of behavioral intention, particularly among young individuals who have limited financial autonomy or practical experience with financial services (Mindra et al., 2022). In the context of vocational high school students, theoretical understanding acquired in the classroom may not immediately encourage actual interest in using Islamic banking products because financial decisions are often influenced by external circumstances beyond individual knowledge.

H2: The Effect of Social Environment on Behavioral Intention

The second hypothesis proposed that Social Environment positively influences students' Behavioral Intention to use Islamic banking products. The empirical results support this hypothesis, indicating a positive and statistically significant relationship between Social Environment and Behavioral Intention ($\beta = 0.777$; $t = 6.755$; $p < 0.001$). Therefore, H2 is accepted. This result indicates that students' intentions are strongly shaped by social influences originating from family members, peers, teachers, and the surrounding educational environment. According to the Theory of Planned Behavior, subjective norms represent perceived social expectations that encourage individuals to perform particular behaviors (Ajzen, 1991). Therefore, when students receive positive encouragement from important people around them, they are more likely to develop stronger intentions to use Islamic banking products.

The finding is consistent with previous studies demonstrating that social influence is among the strongest determinants of Islamic banking adoption. In educational settings, teachers and peers contribute to reinforcing students' confidence in Islamic financial products, while family members often play an important role in shaping financial preferences and future banking decisions (Aydin & Akben Selcuk, 2019; Mindra et al., 202. Similarly, recent evidence from Indonesia indicates that social influence significantly affects consumers' decisions to adopt Islamic banking services, highlighting the importance of social interaction and environmental support in promoting Islamic financial inclusion.

H3: The Simultaneous Effect of Islamic Financial Literacy and Social Environment on Behavioral Intention

The third hypothesis proposed that Islamic Financial Literacy and Social Environment simultaneously influence students' Behavioral Intention. The ANOVA results confirmed that the regression model was statistically significant ($F = 49.620$; $p < 0.001$). Accordingly, H3 is accepted.

The model explained 67.4% of the variance in Behavioral Intention ($R^2 = 0.674$), indicating substantial explanatory power. These findings suggest that although Islamic Financial Literacy was not individually significant, its contribution should not be interpreted as irrelevant. Instead, behavioral intention appears to emerge through the interaction between students' knowledge and the surrounding social environment. In other words, knowledge provides the cognitive foundation for decision-making, whereas social influence acts as the driving force that transforms understanding into behavioral intention.

From a practical perspective, these findings imply that improving Islamic financial literacy alone may not be sufficient to increase students' intentions to use Islamic banking products. Educational institutions should also create supportive social environments by strengthening the roles of teachers, parents, and peer groups in promoting Islamic financial awareness. This recommendation is consistent with recent evidence showing that behavioral intention is more likely to develop when financial knowledge is reinforced by institutional support, social trust, and credible communication regarding Islamic financial products (Darmawan & Prasasti, 2026). Such collaborative efforts may enhance students' confidence in applying their knowledge and encourage greater acceptance of Islamic banking products, thereby supporting broader initiatives to improve Islamic financial inclusion in Indonesia.

4. CONCLUSION AND IMPLICATIONS

4.1. Conclusion

This study examined the influence of Islamic Financial Literacy and Social Environment on students' Behavioral Intention to use Islamic banking products among students of the Islamic Banking Department at SMK Muhammadiyah 1 Surabaya. Using a quantitative research approach with saturated sampling and multiple linear regression analysis, this study sought to identify the extent to which both variables contribute to students' intentions to adopt Islamic banking products.

The findings reveal that Islamic Financial Literacy does not have a statistically significant effect on Behavioral Intention. Although the respondents generally possessed a satisfactory understanding of Islamic banking concepts, contracts, and financial principles, this knowledge alone was insufficient to encourage stronger intentions to use Islamic banking products. These findings indicate that cognitive understanding does not automatically translate into behavioral intention, suggesting that additional supporting factors are necessary to transform knowledge into actual intention.

In contrast, Social Environment was found to have a positive and statistically significant influence on Behavioral Intention. The results demonstrate that encouragement and support from family members, peers, teachers, and the surrounding educational environment play an important role in shaping students' intentions to use Islamic banking products. This finding indicates that students are more likely to develop favorable behavioral intentions when they are exposed to positive social interactions and supportive environments regarding Islamic financial services.

Furthermore, the simultaneous analysis confirms that Islamic Financial Literacy and Social Environment jointly have a significant effect on Behavioral Intention, with the proposed regression model explaining 67.4% of the variation in students' behavioral intention. This result suggests that while financial literacy provides an essential foundation of knowledge, the presence of a supportive social environment substantially strengthens students' willingness to adopt Islamic banking products.

Overall, this study contributes to the growing body of literature on Islamic financial behavior by demonstrating that improving students' behavioral intention requires not only strengthening Islamic financial literacy but also fostering supportive social environments within educational institutions. These findings provide empirical evidence that educational strategies aimed at promoting Islamic banking among vocational high school students should integrate knowledge development with active involvement from teachers, families, peers, and other stakeholders to encourage greater acceptance of Islamic banking products.

4.2. Practical Implications

The findings of this study provide several practical implications for educational institutions, Islamic banking practitioners, and policymakers in promoting the adoption of Islamic banking products among vocational high school students.

For educational institutions, particularly vocational schools offering Islamic Banking programs, the findings suggest that improving students' Islamic financial literacy alone may not be sufficient to strengthen their behavioral intention to use Islamic banking products. Therefore, learning activities should not only emphasize theoretical knowledge of Islamic banking principles and contracts but also incorporate experiential learning approaches, such as case-based learning, banking simulations, internships, guest lectures from Islamic banking professionals, and educational visits to Islamic financial institutions. These activities may provide students with practical exposure and strengthen the relationship between classroom learning and real-world financial decision-making.

For Islamic banking institutions, the results indicate that the social environment plays a more influential role in shaping students' behavioral intentions than knowledge alone. Consequently, Islamic banks should expand educational outreach beyond conventional financial literacy campaigns by actively collaborating with schools, teachers, parents, and local communities. Programs such as financial education seminars, student ambassador initiatives, school partnership programs, and community engagement activities may create stronger social support systems that encourage students to become more familiar with and confident in using Islamic banking products.

The findings also have implications for policymakers and regulators responsible for promoting Islamic financial inclusion. Policies aimed at increasing the utilization of Islamic banking services among young people should integrate financial education with broader community-based approaches that involve educational institutions, families, and other relevant stakeholders. Such collaborative strategies are expected to create supportive social environments that reinforce students' intentions and contribute to the sustainable development of Islamic financial inclusion in Indonesia.

Overall, this study suggests that strengthening behavioral intention requires a balanced strategy that combines knowledge development with supportive social influences. While Islamic financial literacy remains an essential educational objective, its effectiveness may be substantially enhanced when accompanied by positive social interactions and active engagement from various stakeholders within the educational ecosystem.

4.3. Limitations and Future Research

Despite providing valuable insights into students' behavioral intention to use Islamic banking products, this study has several limitations that should be considered when interpreting the findings.

First, this study was conducted only among students of the Islamic Banking Department at SMK Muhammadiyah 1 Surabaya. Although saturated sampling was employed to include the entire population of the department, the findings may not fully represent vocational high school students in other schools or regions with different educational, cultural, or socioeconomic characteristics. Therefore, caution should be exercised when generalizing the results beyond the context of this study.

Second, this study focused exclusively on two independent variables, namely Islamic Financial Literacy and Social Environment, in explaining students' Behavioral Intention. Although the regression model demonstrated substantial explanatory power, a proportion of the variation in behavioral intention remained unexplained, indicating that other factors may also influence students' intentions. Future studies are encouraged to incorporate additional variables, such as religiosity, attitude, perceived behavioral control, trust, perceived usefulness, or financial self-efficacy, to obtain a more comprehensive understanding of students' behavioral intention toward Islamic banking products.

Third, the study adopted a cross-sectional quantitative design, which captures respondents' perceptions at a single point in time. Consequently, the findings cannot fully explain changes in behavioral intention over time or provide deeper insights into the reasons underlying students' responses. Future researchers are therefore encouraged to employ longitudinal designs or mixed-method approaches that combine quantitative surveys with qualitative interviews or focus group discussions to obtain richer and more comprehensive evidence.

Finally, future studies are also recommended to expand the research setting by involving multiple vocational schools or educational institutions from different regions of Indonesia. A broader sample would enhance the generalizability of the findings and provide a more comprehensive understanding of the factors influencing students' behavioral intention to use Islamic banking products across diverse educational contexts.

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