

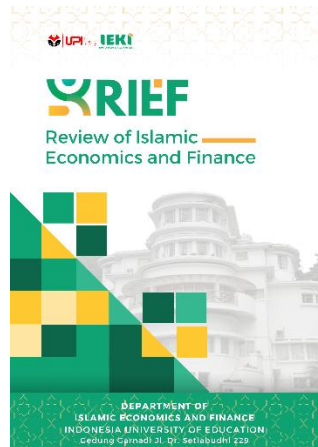
# The Influence of Islamic Financial Literacy, Religiosity, and Mental Accounting on Sharia Financing Decisions: Evidence from Jakarta

Ai Netty Sumidartiny  
STIAM I Institute, Indonesia.

## Article Info

**Paper Type:**  
Research Paper

Received: September 17, 2025  
Revised: October 29, 2025  
Accepted: November 11, 2025  
First Available online: November 30, 2025  
Publication Date: November 30, 2025



Sumidartiny, A.N. (2025). The influence of Islamic financial literacy, religiosity, and mental accounting on sharia financing decisions: Evidence from Jakarta. *Review of Islamic Economics and Finance*, 8(2), 351-368.

## Abstract

**Purpose** – Sharia financing decisions reflect individual choices to use financial products based on sharia principles influenced by several factors. This study analyzes the effect of Islamic financial literacy, religiosity, and mental accounting on Islamic financing decisions

**Methodology** - This study uses a quantitative method and uses SPSS to analyze the data collected. The subject of the study is residents in Jakarta, totaling 100 respondents.

**Findings** – The results show that Islamic financial literacy has no significant effect on sharia financing decisions. Religiosity and mental accounting have a positive impact. It is known that the coefficient of determination is 69%.

**Implication** - The findings contribute that Islamic financing decisions are influenced by psychological and spiritual factors, suggesting that consumer behavior theory in Islamic finance should integrate religious aspects with mental accounting.

**Keywords:** Behavioral finance; Islamic financial literacy; Mental accounting; Religiosity; Sharia financing decisions.

## 1. INTRODUCTION

The lack of public confidence in Islamic financing products remains a major challenge for the development of the Islamic finance industry in Indonesia. This is mainly due to public doubts about the sharia compliance of Islamic financial institutions (Syamsiyah et al., 2025). Public perceptions of Islamic financial institutions vary widely, influenced by individuals' understanding, experience, and knowledge of the system. Although considered more ethical for adhering to sharia principles such as the prohibition of interest and uncertainty, skepticism persists that their products resemble conventional ones. A key challenge is the public's limited understanding of profit-sharing mechanisms and the distinction between sharia-based and interest-based products. (Lailiya & Kusumaningtias, 2024)

Furthermore, the National Survey on Financial Literacy and Inclusion (SNLIK) by OJK and BPS in 2025, reveals that the level of Islamic financial literacy has reached 43.42%, while its inclusion rate remains stagnant at 13.41%. This indicates that although people are increasingly aware of Islamic finance concepts, many have yet to apply them in their daily financial activities. The low level of Islamic financial inclusion is mainly attributed to limited literacy, as well as insufficient education and promotion of Islamic financial products.

In fact, Indonesia which is known as one of the pioneer countries in the development of global Islamic finance, also plays a strategic role in encouraging the growth of the financial industry at the international level (Hibatullah & Nurcahyani, 2022). Loans obtained from conventional financial institutions contain an element of *riba* (interest), while this is prohibited in Islamic teachings. It includes unethical transactions because it refers to taking excessive profits from money loans (Belkhaoui et al., 2020). Sharia principles must be the reference for the operations of Islamic financial institutions. That is what distinguishes Islamic financial institutions from conventional. (Egresi & Belge, 2015; Haron & Adeyemi, 2016).

Sharia financing products has become an alternative for people who need funds for consumptive and productive needs that are free from usury. This will help improve the welfare of the community (Putra et al., 2023). In Islamic finance, *shahibul maal* (investor) and *mudharib* (manager) use a profit-sharing system. Risks and profits must be shared by all parties in the funding agreement (Fathonih et al., 2019; Hamza & Ben Jedidia, 2014). The operations of Islamic financial institutions are strictly governed by Islamic law, which prohibits any involvement in interest, gambling, and excessive uncertainty (Adnan et al., 2024).

The use of Sharia financing instruments can help fund sustainable industries, especially in Muslim countries (Kalkavan & Eti, 2021). Ishak, Kamaruddin, and Aderemi (2022), conducting a study in Malaysia, the result is that financing with the *mudharabah* crowdfunding scheme contributes to meeting the financial needs of the book publishing industry. Publishers need to meet several requirements when applying for financing to avoid cases of fraud. Financing with this scheme carries risks, but those risks can be minimized with strict management for risk mitigation. Islamic financing based on the profit and loss sharing principle, emphasizes that both parties must bear the consequences of capital financing and profit distribution. The repayments are not fixed in advance but depend on the actual performance and conditions of the business (Ramadhan & Violita, 2024).

Society in Pakistan based on research Wahla, Hasan, and Bhatti (2018) having satisfaction in using car *ijarah* financing products. The community perceives that the implementation of car *ijarah* financing is following sharia compliance and has good service quality. This fact shows that sharia financing has become a choice for financing a car. In addition, among the factors influencing

customers' decisions on car ijarah financing are income and marital status. Based on the study by Tawfik and Elmaasrawy (2024) shows that companies' sharia compliance has an effect on sharia financing decisions.

The financing decision is an action by individuals or groups to make a decision using products from bank or non-bank institutions by agreeing on terms between the two parties (Darmawan & Fatiharani, 2019). The factor that has an influence on financing decisions at Islamic banks is Islamic financial literacy. Customers who have good literacy will have a tendency to make Islamic financing decisions (Arifin & Mukhlis, 2022; Multamuddin et al., 2023). Financial literacy is a type of human capital that contributes significantly to encouraging appropriate financial behavior, such as effective financial planning. In the context of Islamic finance, appropriate literacy permits a person to make the right decisions based on Sharia standards (Ahmad et al., 2020; Zulaihati et al., 2020).

Based on several studies, it is explained that what influences customer decisions is Islamic financial literacy. According to Dinc et al., (2021), islamic financial literacy is very important for Muslims, not only related to personal financial management, but also the good of the ummah. Knowledge of Islamic finance is important, because a Muslim can understand practices that are not in accordance with sharia. Islamic financial literacy is able to influence the customer's attitude towards the intention to be involved in the services of Islamic financial institutions (Hoque et al., 2022). The research of Salim et al., (2021) explain Islamic financial literacy affects the decision to use Islamic financial products, showing public understanding of the functions, benefits, and risks of Islamic financial services. Financial literacy encompasses knowledge, skills, and beliefs that shape an individual's attitudes and actions in making better financial decisions. This plays a role in influencing customers' behavior in utilizing Islamic financial products (Anggraini et al., 2024)

The next determinant is that religiosity can influence on customers to use Islamic financial products. A person's compliance with their god makes them careful in making financial decisions (Bananuka et al., 2020; Muslichah & Sanusi, 2019). A person's decision to use Islamic financing may be influenced by their level of religiosity because those who adhere to Islamic law more strongly are more likely to use Islamic financial products (Muslichah & Sanusi, 2019). The influence of customer religiosity indicates that religious values can play a key role in shaping interest in the use of sharia-based financing products (Ikhsanudin et al., 2024).

Then, religious understanding significantly contributes to strengthening the religiosity of individuals in daily life. This is evidenced by the preference of many individuals for sharia financing, as it is in line with their intention to avoid *riba* (*riba*), which is prohibited in Islamic law (Kartika & Budianto, 2024). Pratama & Utami (2023) argue that a financial approach that considers the level of individual religiosity can help increase the effectiveness of financial strategies, both from the perspective of individuals and financial institutions such as Islamic banks. El-Menouar (2014) explains that religiosity also regulates life for its adherents. Religion is a guideline for performing actions such as economic behavior (Asyari, 2016). Religiosity is a factor that influences people to use products of Islamic financial institutions such as banking (Bananuka et al., 2020)

Another factor is that mental accounting has an influence on a person's financial behavior (Dwi & Basuki, 2022). Mental accounting has a significant impact on a person in making financial decisions. Mental accounting plays an important role in the financial management of Muslim households, as it helps in effectively applying sharia financial literacy. With this understanding, individuals are more likely to make financial decisions that align with Islamic principles (Arisandy

et al., 2024). The principle of mental accounting is in line with Islamic values, which advocate for responsible and prudent financial planning and asset management (Sinaga et al., 2024). Mahapatra & Mishra (2020) explains that understanding mental accounting has the potential to improve financial decision-making, which will ultimately result in more organized financial planning.

The theoretical relevance section highlights the importance of Islamic financial literacy, religiosity, and mental accounting in shaping individuals' decisions to use sharia financing. These three factors are interrelated and contribute significantly to the understanding of customer behaviors in Islamic finance. While prior studies have explored these factors separately in relation to Islamic finance, there remains a critical gap in the literature regarding the combined interaction of these three determinants in influencing sharia financing decisions.

The research gap is evident as there has been no study that simultaneously tests the interaction of Islamic financial literacy, religiosity, and mental accounting within one comprehensive model explaining sharia financing decisions. Addressing this gap is crucial to gain holistic insights into the multifaceted drivers of customer financing choices in Islamic financial institutions.

## **2. LITERATURE REVIEW**

### **2.1 Islamic Financial Literacy**

Islamic Financial Literacy (IFL) is the knowledge of a muslim in managing finances based on sharia compliance (Albaity & Rahman, 2019). Rahim, Rashid, and Hamed (2016) explaining IFL is a person's ability based on knowledge, skills, and attitudes in managing finances in accordance with Islam. Within the framework of Islamic economics, Islamic financial literacy is typically conceptualized as an individual's competence in managing financial resources in accordance with Islamic teaching (Wijaya et al., 2024). IFL is able to influence the customer's attitude towards the intention to be involved in the services of Islamic financial institutions (Hoque et al., 2022). The increase in the IFL level will be followed by an increase in the decision to use products and services from Islamic financial institutions.

### **2.2 Religiosity**

Religiosity is an aspect of human life that is based on religious rules to maintain a relationship with god (Saleh, 2022). Zuhirsyan and Nurlinda (2018) state that religiosity is the integration of religious knowledge, feelings, and actions of a person in the context of worship to Allah. El-Menouar (2014) explains that religiosity also regulates life for its adherents. Religion is a guideline for performing actions such as economic behavior (Asyari, 2016). The study conducted by Noor (2025) as religiosity is closely intertwined with societal and cultural norms, it significantly influences individuals' financial choices. Religiosity is a factor that influences people to use products of Islamic financial institutions such as banking (Bananuka et al., 2020).

### **2.3 Mental Accounting**

According to Almeida et al, (2023) the concept of mental accounting, within behavioral finance, explains the ways in which people organize, classify, and evaluate financial occurrences. Every individual has a different mental accounting of how they earn and spend money (Santi et al., 2019). People use mental accounting as a means of self-control. The three components of mental

accounting are: mental budgeting, self-control, and short-term orientation (Thaler, 1985). Individuals have a role as evaluators of financial activities (Nurul and Hamidah 2021). Mental accounting can help a person make rational financial decisions (Ismia et al., 2024). Haryana (2017) mental accounting has a significant impact on consumers' decisions to obtain loans.

These three theoretical foundations provide a solid basis for understanding sharia financing decisions through distinct yet complementary perspectives. Islamic financial literacy emphasizes the importance of individuals' understanding of financial principles and products that align with Islamic law, although it often overlooks the socio-cultural context that shapes such understanding. Religiosity offers a framework to explain how religious values and adherence to Islamic teachings influence economic behavior; however, the assumption of homogeneous religiosity levels presents a limitation, given the diversity of individual religious practices.

Meanwhile, mental accounting contributes a cognitive perspective on financial management that is more personal and subjective, though it originates from general behavioral psychology and has not been fully aligned with Islamic financial norms and values. Therefore, while each theory has its own strengths, integrating these three perspectives is essential to develop a comprehensive and relevant framework for understanding sharia financing decisions.

Based on this synthesis, the conceptual framework of this research proposes that Islamic Financial Literacy, Religiosity, and Mental Accounting act as independent variables that jointly influence Sharia Financing Decisions as the dependent variable.

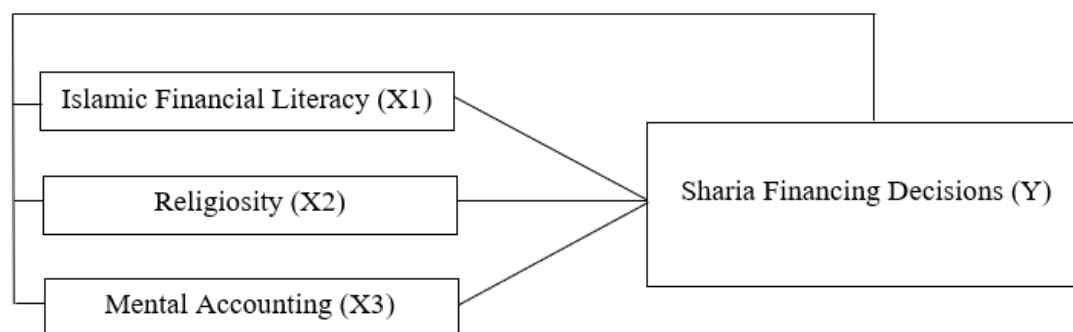


Figure 1. The Research Framework  
Source: Authors' Own (2025)

Some research hypotheses that explore the relationships between the three independent variables (Islamic financial literacy, religiosity, mental accounting) and the dependent variable (sharia financing decisions) are as follows:

- H1: Islamic Financial Literacy positively affects on Sharia Financing Decisions
- H2: Religiosity positively affects on Sharia Financing Decisions
- H3: Mental Accounting positively affects on Sharia Financing Decisions
- H4: Islamic Financial Literacy, Religiosity, and Mental Accounting has positive effects on Sharia Financing Decisions

### 3. METHODOLOGY

This study uses a quantitative method to analyze the collected data, focusing on gathering relevant information to understand respondents' behavior and perceptions regarding sharia financing decisions. Primary data was obtained through questionnaires. The sampling technique used is purposive sampling, chosen because the respondents were selected based on specific criteria, namely individuals who are customers of sharia financing. This approach ensures that the data collected are relevant and directly reflects the experiences and perspectives of those involved in Islamic financing practices.

The data for this study were collected through the distribution of questionnaires from respondents who are users of Islamic financial products in the Jakarta area. The respondents represented a diverse demographic profile in terms of age (20 to above 55 years), occupation (employees, civil servants, and entrepreneurs), and monthly income (ranging from below IDR 3 million to above IDR 8 million).

The subject of the study is residents in Jakarta. The researcher chose Jakarta, considering that Jakarta is the center of the economy and business in Indonesia. It is possible that there will be an increase in the use of sharia financing which is not only used for productive needs such as business capital, but also for consumption.

Determination of the number of samples based on the Lemeshow formula with an error rate of 10% is used (Levy & Lemeshow, 2013):

$$n = \frac{Z^2 P(1 - P)}{D^2}$$

$$n = \frac{1,96^2 \cdot 0,5(1 - 0,5)}{0,10^2}$$

$$n = \frac{0,9604}{0,01}$$

$$n = 96,04$$

Because the population of respondents is wide, 100 respondents were obtained. The researcher gave a questionnaire using a 5-point likert scale (strongly disagree – strongly agree) to the respondents to measure each item.

This research uses three independent variables, islamic financial literacy, religiosity, and mental accounting, and one dependent variable, namely sharia financing decisions. Each variable is operationalized through questionnaire indicators measured using a likert scale:

- a. Islamic financial literacy: financial attitude, knowledge, and behavior.
- b. Religiosity: ritual, ideological, intellectual, experiential, and consequential dimensions.
- c. Mental accounting: mental budgeting, self-control, and short-term orientation.
- d. Sharia financing decisions: employee performance, product satisfaction, information provision, relative recommendations, and service quality.

The data obtained will be measured by multiple regression analysis to determine the influence and significance of each variable, approach using SPSS ver 26 to obtain empirical results.

## 4. RESULTS AND DISCUSSION

### 4.1 Respondent Demographics

Respondents who filled out the questionnaire based on the categories of age, job, and amount of income because they focused on their decision to finance at Islamic financial institutions. Here is the data:

Table 1. Respondents' Age

Age	Total
20-25 years	29
25-34 years	20
35-44 years	20
45- 54 years	22
> 55 years	9
	100

Source: Data processed by author (2025)

The age distribution of the respondents shows that the largest proportion falls within the 20–25 years age group, accounting for 29% of the total respondents. This is followed by the 45–54 years age group, which represents 22%. Both the 25–34 years and 35–44 years age groups each make up 20% of the respondents. The smallest proportion is seen in the group aged over 55 years, comprising only 9% of the total. This data highlights that most participants are relatively young, with more than half (69%) being under the age of 45.

Table 2. Respondents' Job

Job	Total
Employee	48
Civil servants (ASN)	8
Entrepreneur	10
Others	34
	100

Source: Data processed by author (2025)

Based on the data, most respondents work as employees, accounting for 48% of the total. Civil servants (ASN) represent the smallest group, making up only 8%. Entrepreneurs comprise 10% of respondents. Meanwhile, 34% fall under the “Others” category, which includes individuals with different types of work or those who chose not to disclose their job for privacy reasons. Overall, the data indicates that nearly half of the respondents are employees.

Table 3. Respondents' Income

Income	Total
< Rp 3 million	19
Rp. 3 million - Rp. 5 million	31
Rp. 5 million - Rp. 8 million	21
> Rp. 8 million	29
	100

Source: Data processed by author (2025)

The income distribution of the respondents shows that the largest group earns between Rp. 3 million Rp. 5 million, accounting for 31% of the total. This is followed closely by those earning more than Rp. 8 million, who make up 29%. Respondents with incomes ranging from Rp. 5 million to Rp. 8 million represent 21% of the total. Meanwhile, the smallest portion, 19%, consists of those earning less than Rp. 3 million. Overall, the data indicates that most respondents have a monthly income above Rp. 3 million.

#### 4.2 Validity Test

The validity test is carried out by testing the questionnaire instrument to ensure the instrument can measure the variable being researched. Data is valid if  $r_{statistics} > r_{table}$ . The  $r_{table}$  value with 100 respondents by 0,196. From all questionnaires the  $r_{statistics}$  value more than 0,196. All questionnaire instruments are valid.

#### 4.3 Reliability Test

The reliability test measures the consistency of the questionnaire in measuring variables. Reliable questionnaires if they get the same answers when used at different times, or by different respondents. The result was Cronbach's Alpha  $> 0.6$  which means reliable, namely:

- Islamic Financial Literacy : 0,924  $>$  0,6
- Religiosity : 0,919  $>$  0,6
- Mental Accounting : 0,934  $>$  0,6
- Sharia Financing Decisions : 0,906  $>$  0,6

#### 4.4 Classical Assumption Test

##### 4.4.1 Normality Test

Testing of normality through the Kolmogrov-Smirnov test. The value of  $asympt.sig$  is 0,101  $>$  0,05, that means the data is normal.

Table 4. Normality Test Results

<b>One-Sample Kolmogrov-Smirnov Test</b>		
		Unstandardized Residual
N		100
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	2.35367806
Most Extreme Differences	Absolute	.081
	Positive	.065
	Negative	-.081
Test Statistic		.081
Asymp. Sig. (2-tailed)		.101c
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: Data processed, SPSS26 (2025)

#### 4.4.2 Multicollinearity Test

The multicollinearity test is used to examine the linear relationship between independent variables in the regression model. Multicollinearity-free data if the tolerance value  $> 0,10$  and VIF  $< 10$ .

Table 5. Multicollinearity Test Results

<b>Coefficients<sup>a</sup></b>		
Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Islamic Financial Literacy	.269	3.720
Religiosity	.301	3.323
Mental Accounting	.292	3.427
a. Dependent Variable: Sharia Financing Decisions		

Source: Data processed, SPSS26 (2025)

From the multicollinearity test, the results of tolerance values on variables X1, X2, and X3 were more than 0.10. Then the VIF value on the variables X1, X2, and X3 is above 10. In conclusion, the data in this study are free from the problem of multicollinearity.

#### 4.4.3 Heterokedasticity Test

Heterokedasticity testing through residual plot test. The results were obtained that the dots did not form a special pattern (randomly scattered), meaning that there was no heterokedasticity.

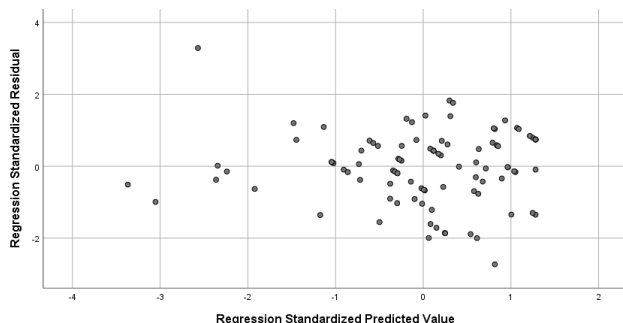


Figure 1. Heterokedasticity Test Results  
Source: Data processed, SPSS26 (2025)

### 4.5 Hypothesis Test

Table 6. Hypothesis Test Results

Variable	$\beta$ (Beta)	t-value	p-value
Islamic Financial Literacy	0.164	1.538	0.127
Religiosity	0.334	3.319	0.001
Mental Accounting	0.403	3.938	0.000

a. Dependent Variable: Sharia Financing Decisions

Source: Data processed, SPSS26 (2025)

Table 7. Partial Test (t-Test) Results

Model		Coefficients <sup>a</sup>			t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	1.968	1.139		1.727	.087
	Islamic Financial Literacy	.119	.078	.164	1.538	.127
	Religiosity	.230	.069	.334	3.319	.001
	Mental Accounting	.385	.098	.403	3.938	.000

a. Dependent Variable: Sharia Financing Decisions

Source: Data processed, SPSS26 (2025)

The table above shows the results of the partial test (t) to determine the influence of independent variable on the dependent variable. The regression equation is as follows:  $Y = 1,968 + 0,119 X_1 + 0,230 X_2 + 0,385 X_3 + \epsilon$ . The hypothesis to be accepted is if  $t_{statistics} > t_{table}$  and the value of significant  $< 0,05$ . The  $t_{table}$  value is 1,984, the results are:

- a. H1 is rejected, because  $t_{statistics} 1,538 < 1,984$  with significant value  $0,127 > 0,05$
- b. H2 is accepted, because  $t_{statistics} 3,319 > 1,984$  with significant value  $0,001 < 0,05$
- c. H3 is accepted, because  $t_{statistics} 3,938 > 1,984$  with significant value  $0,000 < 0,05$

The following table shows the results of simultaneous tests to measure the overall independent variables with respect to the dependency:

Table 8. Simultaneous Test Results

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1324.400	3	441.467	77.275	.000 <sup>b</sup>
	Residual	548.440	96	5.713		
	Total	1872.840	99			
a. Dependent Variable: Kep Pembiayaan Syariah						
b. Predictors: (Constant), Mental Accounting, Religiosity, Islamic Financial Literacy						

Source: Data processed, SPSS26 (2025)

The hypothesis to be accepted is if  $f_{\text{statistics}} > f_{\text{table}}$  and the value of significant  $< 0,05$ . The  $f_{\text{table}}$  value is 2,699 the results: H4 is accepted, because  $f_{\text{statistics}} 77,275 > 2,699$  with significant value  $0,000 < 0,05$

The results of the determination coefficient test to measure the contribution of independent variables to the dependent variables. The Adjusted R Square value is 0.698 which means the influence of Islamic Financial Literacy, Religiosity, and Mental Accounting on Sharia Financing Decisions and in this study is 69%.

#### 4.6 Discussions

Islamic financing practices are based on the rules of the Dewan Syariah Nasional-Majelis Ulama Indonesia (DSN-MUI). Companies that have Islamic financing products must obtain a license from the Financial Services Authority (OJK). The rules regarding sharia financing business operators are listed in POJK Number 31/POJK.05/2014. In this regulation, the business activities of Islamic financing include: 1) Buy-Sell Financing, 2) Investment Financing, 3) Service Financing, and 4) Other financing in accordance with OJK approval (OJK, 2019). There are many factors that influence people's decisions to use Islamic financing products. This study measures the effect of Islamic Financial Literacy (X1), Religiosity (X2), and Mental Accounting (X3) on Sharia Financing Decisions (Y).

According to Multamuddin, Siregar, and Lubis (2023) Islamic Financial Literacy has a relationship with the decision-making dimension, namely the ability to use financial knowledge in making good and appropriate decisions. Financial literacy is closely related to one's well-being such as when planning for future finances. This is because financial problems are not only due to low income but also due to the inability to manage money (Dwi & Basuki, 2022).

However, the results of this study found that Islamic Financial Literacy (X1) has no effect on Islamic Financing Decisions. This aligns with Hoque et al (2022) and Albaity & Rahman (2019) but contrasts with Arifin & Mukhlis (2022). According to Hoque et al (2022), there is no relationship between Islamic financial literacy and the use of Islamic financial institution products such as banking. Even though customers have sufficient knowledge about Islamic finance, it does not affect their desire to use Islamic financial products. Similarity with Albaity and Rahman (2019), customers have knowledge about religious commands and prohibitions, they may still not be sure to use Islamic financial products.

But the research by Arifin & Mukhlis (2022) which explain that the level of Islamic financial literacy among financing borrowers contributes to their decisions in obtaining business financing from islamic bank. A higher level of Islamic financial literacy among customers seeking financing tends to increase its influence on their sharia financing decisions. The difference in these findings indicates the existence of a behavioral gap in customers' Islamic financial literacy, where knowledge and understanding of Islamic finance do not always translate into actual behavior or decision-making in choosing sharia-based financial products.

The next factor that can influence the decision to use Islamic financing is religiosity. The results of the study show that religiosity has a positive effect on Islamic financing decisions. The study are supported by Bananuka et al (2020), who found that religiosity positively influences the use of Islamic bank products in Uganda. A positive change in religiosity leads to a higher likelihood of adopting the services of Islamic financial institutions.

Religiosity can shape individuals' ethical and moral values, encouraging them to align their financial behavior with sharia principles (Bananuka et al., 2019; Kaawaase & Nalukwago, 2017). The awareness of a Muslim to carry out religious rules affects their decision to use Islamic financing (Rastari, 2019). Moreover, religious observance has implications for differences in economic behavior, both at the micro and macro levels (Asyari, 2016). Therefore, religiosity plays an important role in influencing a person's decision based on faith and moral obligation. A Muslim with a high level of religiosity is expected to be able to distinguish between halal and haram, which in turn directs their preference toward sharia-compliant financial products (Asniyati & Yaya, 2020).

Therefore, religiosity plays a crucial role in influencing people's behavior in choosing Islamic financing. Individuals with a high level of religiosity tend to have a strong belief in religious principles, causing them to prefer financial services that align with sharia values. This is supported by moral and ethical trust, as customers view islamic financing products as more consistent with the Islamic values they hold.

This study also measures how mental accounting influences Islamic financing decisions. Adiputra et al (2024) explains mental accounting is a person's process for recording, analyzing, and reporting financial transactions, to monitor the flow of money and manage expenses. This study found that mental accounting has a positive effect on islamic financing decisions. Dwi and Basuki (2022) supporting this research, mental accounting has a positive effect on a person's financial decisions. In financial decisions, individuals must have an understanding of financial management, because it can have an impact on future problems. Haryana (2017) also found that mental accounting has an impact on the decision to access loans, but not in the Islamic context.

Santi et al., (2019), explain that mental accounting refers to the psychological and social processes through which individuals mentally categorize, evaluate, and control their financial outcomes. This concept suggests that people do not perceive their financial resources as a single, unified pool. Instead, they mentally divide their wealth and expenses into separate accounts or categories based on factors such as income sources, intended purposes, or personal priorities. These mental accounts shape how individuals perceive value assess risk and make spending for financing decisions. Consequently, mental accounting leads from purely rational economic decision-making, reflecting the influence of psychological and social considerations on financial behavior.

## 5. CONCLUSION

Islamic financing decisions reflect individual choices to use financing products based on sharia principles, which are influenced by the understanding, beliefs, and ways of managing everyone's finances. The results showed that Islamic financial literacy did not have a significant influence on Islamic financing decisions, while religiosity and mental accounting had a significant positive influence. The coefficient of determination is 69%. This shows that aspects of religious beliefs and the ability to manage finances are factors in determining sharia-based financing decisions.

The implication of this research is that Islamic financial institutions need to improve their education-based approach. Not only focusing on financial literacy but also considering aspects of religiosity and marketing strategies to influence financial mindset in the community. Thus, islamic financial products can be more relevant and attractive to the public. The findings contribute that Islamic financing decisions are influenced by psychological and spiritual factors, suggesting that consumer behavior theory in Islamic finance should integrate religious aspects with mental accounting.

The limitation section needs to be more specific, regional limitations (only Jakarta) and potential self-report bias. Suggestions for further research should be directed at the role of mediation or moderation of religiosity.

**REFERENCES**

- Adiputra, I. G., Bangun, N. A., Robert, & Theresa, S. (2024). The Influence of Mental Accounting on the Performance of Micro, Small and Medium Enterprises with Growth Mindset as an Intervening Variable. *International Journal of Social Science and Human Research*, 7(07), 5691–5701. <https://doi.org/10.47191/ijsshr/v7-i07-122>
- Adnan, M. I., Majid, M. S. A., & Gunawan, E. (2024). Islamic Banking Stability : A Bibliometric Analysis. *Falah: Jurnal Ekonomi Syariah*, 9(2), 103–117.
- Ahmad, G. N., Widyastuti, U., Susanti, S., & Mukhibad, H. (2020). Determinants of the islamic financial literacy. *Accounting*, 6(6), 961–966. <https://doi.org/10.5267/j.ac.2020.7.024>
- Albaity, M., & Rahman, M. (2019). The intention to use Islamic banking: an exploratory study to measure Islamic financial literacy. *International Journal of Emerging Markets*, 14(5), 988–1012. <https://doi.org/10.1108/IJOEM-05-2018-0218>
- Almeida, T. K. De, Bertollo, D. L., Camargo, M. E., Gillioli, R. M., Camargo Priesnitz, M., Filho, W. P., & Camargo, T. (2023). Mental Accounting Theory In Personal Finance Decision-Making: An Exploratory Study With University Students. *IOSR Journal of Business and Management (IOSR-JBM)*, 25(12), 9–27. <https://doi.org/10.9790/487X-2512050927>
- Anggraini, S., Syarif, D., & Bustami, B. (2024). The Influence of Financial Literacy and Religiosity on the Consumptive Behavior of Sharia Economics Students of Kerinci State Islamic Institute. *AICOS: Asian Journal Of Islamic Economic Studies*, 1(2), 94–102. <https://doi.org/10.32939/aicos.v1i2.3964>
- Arifin, M. N., & Mukhlis, I. (2022). Pengaruh literasi keuangan syariah dan religiusitas terhadap keputusan pengambilan pembiayaan usaha rakyat di bank syariah indonesia Malang Soetta. *Jurnal Ekonomi, Bisnis Dan Pendidikan (JEBP)*, 2(1), 68–78. <https://doi.org/10.17977/um066v2i12022p68-78>
- Arisandy, N., Rahayu, S., Putra, W. E., & Yudi. (2024). Literatur review: Sharia financial literacy, financial teknologi and mental accounting on financial statisfaction. *International Journal of Research in Finance and Management*, 7(2), 157–165. <https://doi.org/10.33545/26175754.2024.v7.i2b.359>
- Asniyati, & Yaya, R. (2020). Analisis Pengaruh Financial Literacy, Religiusitas, Mental Accounting, dan Norma Subyektif Terhadap Minat Dosen Fakultas Ekonomi Menggunakan Kartu Kredit Syariah. *RABIN: Reviu Akuntansi Dan Bisnis Indonesia*, 4(2), 1–14. <https://journal.umy.ac.id/index.php/rab/article/view/10706>
- Asyari. (2016). Religiosity, cultural belief and economic behavior in contemporary Muslim Minangkabau west Sumatera. *International Journal of Applied Business and Economic Research*, 14(13), 8813–8824.
- Bananuka, J., Kaawaase, T. K., Kasera, M., & Nalukenge, I. (2019). Determinants of the intention to adopt Islamic banking in a non-Islamic developing country: The case of Uganda. *ISRA International Journal of Islamic Finance*, 11(2), 166–186. <https://doi.org/10.1108/IJIF-04-2018-0040>
- Bananuka, J., Kasera, M., Najjemba, G. M., Musimenta, D., Ssekiziyivu, B., & Kimuli, S. N. L. (2020). Attitude: mediator of subjective norm, religiosity and intention to adopt Islamic

- banking. *Journal of Islamic Marketing*, 11(1), 81–96. <https://doi.org/10.1108/JIMA-02-2018-0025>
- Belkhaoui, S., Alsagr, N., & van Hemmen, S. F. (2020). Financing modes, risk, efficiency and profitability in Islamic banks: Modeling for the GCC countries. *Cogent Economics and Finance*, 8(1). <https://doi.org/10.1080/23322039.2020.1750258>
- Darmawan, A., & Fatiharani, D. (2019). Literasi Keuangan, Faktor Demografi dan Akses Permodalan Pengaruhnya terhadap Keputusan Pengambilan Kredit Usaha Sektor Informal. *Jurnal Manajemen Bisnis*, 10(1), 73–89. <https://doi.org/10.18196/mb.10169>
- Dinc, Y., Çetin, M., Bulut, M., & Jahangir, R. (2021). Islamic financial literacy scale: an amendment in the sphere of contemporary financial literacy. *ISRA International Journal of Islamic Finance*, 13(2), 251–263. <https://doi.org/10.1108/IJIF-07-2020-0156>
- Dwi, D. R., & Basuki, T. I. (2022). Financial Literacy and Mental Accounting Analysis of Financial Decisions and Shopping Interests in The Covid-19 Pandemic Era. *Journal of Business and Finance in Emerging Markets*, 5(1), 1–12.
- Egresi, I., & Belge, R. (2015). Development of Islamic Banking in Turkey. *Academica Brâncuși*, 6.
- El-Menouar, Y. (2014). The Five Dimensions of Muslim Religiosity . Results of an Empirical Study. *Method, Data, Analyses*, 8(1), 53–78. <https://doi.org/10.12758/mda.2014.003>
- Fathonih, A., Anggadwita, G., & Ibraimi, S. (2019). Sharia venture capital as financing alternative of Muslim entrepreneurs: Opportunities, challenges and future research directions. *Journal of Enterprising Communities*, 13(3), 333–352. <https://doi.org/10.1108/JEC-11-2018-0090>
- Hamza, H., & Ben Jedidia, K. (2014). Profits and Losses Sharing Paradigm in Islamic Banks : Constraints or Solutions for Liquidity Management ? *Journal of Islamic Economics Banking and Finance*, 10(3), 29–45. <https://doi.org/10.12816/0025951>
- Haron, R., & Adeyemi, A. A. (2016). Islamic capital market and debt financing of shariah-compliant firms in Indonesia. *Al-Shajarah: Journal of The International Institute of Islamic Thought and Civilization (ISTAC)*, 21(Specialissue), 67–86.
- Haryana, R. D. T. (2017). Pengaruh Mental Accounting dan Psychological Factors terhadap Perilaku Konsumen dalam Penggunaan Kartu Kredit. *Jurnal Penelitian Ekonomi Dan Akuntansi*, 2(3), 553–571.
- Hibatullah, I., & Nurcahyani, A. (2022). Analysis Efficiency of Islamic Bank in Indonesia and Saudi Arabia With Data Envelopment Analysis Approach. *ISLAMICONOMIC: Jurnal Ekonomi Islam*, 12(2), 205–220. <https://doi.org/10.32678/ijei.v12i2.306>
- Hoque, M. N., Rahman, M. K., Said, J., Begum, F., & Hossain, M. M. (2022). What Factors Influence Customer Attitudes and Mindsets towards the Use of Services and Products of Islamic Banks in Bangladesh? *Sustainability (Switzerland)*, 14(8), 1–19. <https://doi.org/10.3390/su14084703>
- Ikhsanudin, W., Sopingi, I., & Kusuma, K. C. Y. (2024). Pengaruh Digital Marketing dan Religiusitas Nasabah Terhadap Minat Penggunaan Produk Pembiayaan di Bank Syariah. *Jurnal Perbankan Syariah Nahdatul Iqtishadiyah*, 4(1), 13–22.

- Ishak, M. S. I., Kamaruddin, M. H., & Aderemi, A. M. R. (2022). Mudharabah based crowdfunding as an alternative source of funding book publications in Malaysia. *Journal of Islamic Marketing*, 13(9), 1973–1987. <https://doi.org/10.1108/JIMA-05-2020-0147>
- Ismia, F. K., Udzikrilah, S., & Pratiwi, P. D. (2024). Pengaruh Mental Accounting Dan Literasi Keuangan Terhadap Financial Behaviour Dengan Dimediasi Gaya Hidup Konsumtif Mahasiswa Aktif Di Dki Jakarta. *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi*, 9(2), 118–130. <https://doi.org/10.24815/jimeka.v9i2.30045>
- Kaawaase, T. K., & Nalukwago, L. (2017). Religiosity and Islamic Banking in Uganda. *Makerere Business Journal*, 13(1), 70–93. <https://doi.org/10.33117/513>
- Kalkavan, H., & Eti, S. (2021). *Determining Optimal Islamic Financing Methods for Small-Scale Sustainable Energy Investments Regarding Socio-Economic Welfare BT - Strategic Approaches to Energy Management: Current Trends in Energy Economics and Green Investment* (S. Yüksel & H. Dinçer (eds.); pp. 271–283). Springer International Publishing. [https://doi.org/10.1007/978-3-030-76783-9\\_20](https://doi.org/10.1007/978-3-030-76783-9_20)
- Kartika, F. C., & Budianto, E. W. H. (2024). The Influence of Knowledge, Religiosity, and Trust on Interest in Financing in Sharia Banking (Case Study on Halal MSME in Kediri Regency). *Islamic Banking : Jurnal Pemikiran Dan Pengembangan Perbankan Syariah*, 10(1), 103–128. <https://doi.org/10.36908/isbank.v10i1.1183>
- Lailiya, & Kusumaningtias, R. (2024). Impact and risk management of sharia non-compliance in islamic banking. *International Conference on Accounting and Finance*, 2, 583–593.
- Levy, P. S., & Lemeshow, S. (2013). *Sampling of Populations: Methods and Applications*. John Wiley & Sons. <https://doi.org/10.1002/9780470374597>
- Mahapatra, M. S., & Mishra, R. (2020). Behavioral influence and financial decision of individuals: A study on mental accounting process among Indian households. *Cogent Economics and Finance*, 8(1). <https://doi.org/10.1080/23322039.2020.1827762>
- Multamuddin, Siregar, S., & Lubis, F. A. (2023). Determinan Keputusan Para Pelaku Usaha Mikro Kecil Dan Menengah (UMKM) Menggunakan. *Owner: Riset & Jurnal Akuntansi*, 7(1), 890–907. <https://doi.org/https://doi.org/10.33395/owner.v7i1.15046>
- Muslichah, I., & Sanusi, S. (2019). The effect of religiosity and financial literacy on intention to use Islamic banking products. *Asian Journal of Islamic Management (AJIM)*, 1(2), 85–92. <https://doi.org/10.1108/AJIM.vol1.iss2.art2>
- Noor, A. S. (2025). The Influence of Financial Literacy, Risk Perception, and Religiosity on Investment Decision in Islamic Financial Products. *IJBLE: International Journal of Business, Law, and Education*, 6(1). <https://doi.org/10.57178/atestasi.v8i2.1692>
- Nurul, M., & Hamidah, H. (2021). Makna Investasi Berdasarkan Mental Accounting dan Gender. *Jurnal Akuntansi Multiparadigma*, 12(2), 285–311. <https://doi.org/10.21776/ub.jamal.2021.12.2.17>
- OJK. (2019). *Buku 8: Industri Jasa Keuangan Syariah*. Otoritas Jasa Keuangan.
- Pratama, A. M., & Utami, S. (2023). Pengaruh Religiusitas, Lingkungan Sosial, dan Motivasi Terhadap Keputusan Menabung. *Jurnal Perbankan Dan Keuangan Syariah*, 4(1), 471–472.

- Putra, E. S. A., Athief, F. H. N., & Hakim, L. (2023). Pengembangan Produk Pembiayaan Konsumtif pada Baitul Maal Wat Tamwil. *Al-Iqtishod : Jurnal Ekonomi Syariah*, 5(2), 195–211. <https://doi.org/10.51339/iqtis.v5i2.1469>
- Rahim, S. H. A., Rashid, R. A., & Hamed, A. B. (2016). Islamic financial literacy and its determinants among university students: An exploratory factor analysis. *International Journal of Economics and Financial Issues*, 6(Special Issue (7)), 32–35.
- Ramadhan, R., & Violita, E. S. (2024). Capturing the Potential Implementation of Islamic Financing with Supply Chain Finance Model Fisheries Sector in Belitung. *Falah: Jurnal Ekonomi Syariah*, 9(1), 43–57. <https://doi.org/10.22219/jes.v9i1.31601>
- Rastari, A. (2019). Pengaruh Religiusitas, Bagi Hasil dan Kemudahan Akses Terhadap Keputusan Masyarakat Mengambil Pembiayaan di Koperasi Syariah MSI. *Simba*, 1, 819–833.
- Saleh, A. R. (2022). Dimensi Keberagaman dalam Pendidikan. *Jurnal Jendela Pendidikan*, 2(04), 580–590.
- Salim, F., Arif, S., & Devi, A. (2021). Pengaruh Literasi Keuangan Syariah, Islamic Branding, dan Religiusitas terhadap Keputusan Mahasiswa Dalam Menggunakan Jasa Perbankan Syariah. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, 5(2), 226–244. <https://doi.org/10.47467/elmal.v5i2.752>
- Santi, F., Sahara, N. V., & Kamaludin. (2019). The Effect of Mental Accounting on Student'S Investment Decisions: a Study At Investment Gallery (GI) Feb University of Bengkulu and Syariah Investment Gallery (GIS) Feb Iain Bengkulu. *Journal of Business Economics*, 24(2), 152–167. <https://doi.org/10.35760/eb.2019.v24i2.1907>
- Sinaga, T. E., Mustika, I. G., & Desyana, G. (2024). Mental Accounting and Heuristics for Personal Finance Management Among University Students: Exploring the Emerging Role of Islamic Perspectives. *IJIBE (International Journal of Islamic Business Ethics)*, 9(2), 94–102. <http://jurnal.unissula.ac.id/index.php/ijibe>
- Syamsiyah, S. I., Salsabila, V. M., Dewi, P. S., Mashudi, & Huda, Q. (2025). Penerapan Prinsip Syariah dalam Produk Pembiayaan : Studi Kasus pada Lembaga Pembiayaan Syariah di Indonesia Pascasarjana Universitas Islam Negeri Sayyid Ali Rahmatullah penting dari transformasi ekonomi nasional menuju sistem yang lebih adil , etis , dan. *Jurnal Ilmiah Manajemen Dan Kewirausahaan*, 4(2), 365–383.
- Tawfik, O. I., & Elmaasrawy, H. E. (2024). Effect of Shariah compliance on financing decisions: empirical evidence from GCC. *Journal of Islamic Accounting and Business Research*, 15(1), 196–223. <https://doi.org/10.1108/JIABR-07-2022-0165>
- Thaler, R. (1985). Mental Accounting and Consumer Choice. *Marketing Science*, 4(3), 199–214. <https://doi.org/10.1287/mksc.4.3.199>
- Wahla, A. E., Hasan, H., & Bhatti, M. I. (2018). Measures of customers' perception of car Ijarah financing. *Journal of Islamic Accounting and Business Research*, 9(1). <https://doi.org/10.1108/JIABR-10-2015-0051>
- 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(1), 1–13.

<https://doi.org/10.1057/s41599-024-03309-6>

Zuhirsyan, M., & Nurlinda, N. (2018). Pengaruh Religiusitas dan Persepsi Nasabah terhadap Keputusan Memilih Bank Syariah. *Al-Amwal : Jurnal Ekonomi Dan Perbankan Syari'ah*, 10(1), 48. <https://doi.org/10.24235/amwal.v10i1.2812>

Zulaihati, S., Susanti, S., & Widyastuti, U. (2020). Teachers' financial literacy: Does it impact on financial behaviour? *Management Science Letters*, 10(3), 653–658. <https://doi.org/10.5267/j.msl.2019.9.014>