

The Effect of Sharia Economic Festival Education and Financial Literacy on Halal Awareness and the Intention to Use Sharia Financial Products in Indonesia

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ABSTRACT

This study investigates the effect of Sharia Economic Festival education and financial literacy on halal awareness and the intention to use Sharia financial products in Indonesia. Employing a quantitative research design, data were collected from 135 respondents using a five-point Likert scale questionnaire. The analysis was conducted using Structural Equation Modeling–Partial Least Squares (SEM-PLS 3). The results demonstrate that Sharia Economic Festival education significantly enhances financial literacy and halal awareness. Financial literacy also has a strong positive effect on halal awareness and directly influences the intention to use Sharia financial products. Moreover, halal awareness emerges as the most influential predictor of consumer intention, highlighting the central role of religious and ethical considerations in the adoption of Sharia-compliant financial services. The findings emphasize the importance of educational interventions, financial knowledge, and awareness-building strategies to strengthen the penetration of Sharia financial products in Indonesia. This study contributes to theoretical understanding and provides practical implications for policymakers, financial institutions, and event organizers seeking to increase public engagement with Islamic finance.

Keywords: *Sharia Economic Festival Education, Financial Literacy, Halal Awareness, Intention to Use Sharia Financial Products, Indonesia.*

1. INTRODUCTION

The rapid development of the Islamic financial industry in Indonesia has created significant opportunities to strengthen public participation in Sharia-compliant economic activities. As one of the largest Muslim-majority countries in the world, Indonesia continues to promote various initiatives aimed at improving public understanding, awareness, and adoption of Islamic financial products [1], [2]. Despite these efforts, the actual level of engagement with Sharia financial services remains relatively low when compared with its substantial potential market. This condition underscores the urgent need for educational interventions and literacy-enhancing strategies to foster a higher level of acceptance toward Sharia-based financial solutions [3], [4].

One national initiative designed to advance this objective is the Sharia Economic Festival, a movement held across multiple regions to promote Sharia economics, halal lifestyle, and Islamic financial products. Through seminars, workshops, exhibitions, and interactive sessions, the festival acts as a strategic platform to enhance public knowledge of Islamic economic values and principles [5], [6]. Exposure to such educational activities is believed to influence individuals' attitudes and behavioral intentions toward Islamic financial services, making the festival an essential component in shaping public engagement.

Financial literacy also plays a crucial role in determining the adoption of Sharia financial products. It equips individuals with the ability to understand financial concepts, evaluate product benefits, and make informed decisions. In the context of Islamic finance, literacy extends beyond general financial knowledge to include key Sharia principles such as *riba* (usury), *gharar* (uncertainty), and the distinction between *halal* and *haram* transactions [4], [7]. Higher levels of financial and Sharia literacy are therefore expected to strengthen *halal* awareness and motivate individuals to prefer Sharia-compliant financial instruments.

Halal awareness represents a psychological and behavioral factor that reflects an individual's sensitivity to the *halal* status of financial products. This awareness is shaped by religious values, financial knowledge, and exposure to information [8], [9]. Individuals with strong *halal* awareness tend to show a higher preference for Sharia-compliant services, an important behavioral tendency as Indonesia aims to enhance the competitiveness and credibility of its Islamic financial sector. However, although research on Islamic finance is expanding, studies focusing specifically on how Sharia Economic Festival education influences financial literacy, *halal* awareness, and adoption intentions remain limited.

Addressing this gap, the present study empirically examines the relationships among festival-based education, financial literacy, *halal* awareness, and the intention to adopt Sharia financial products. Using a sample of 135 respondents, data were collected through a Likert-scale questionnaire and analyzed using Structural Equation Modeling–Partial Least Squares (SEM-PLS 3). The objectives include analyzing the direct and indirect effects of festival education on financial literacy, *halal* awareness, and adoption intention; evaluating how financial literacy affects *halal* awareness and behavioral intention; and assessing the role of *halal* awareness in shaping Sharia product adoption. The findings are expected to enrich Islamic financial behavior literature while providing practical insights for policymakers, Sharia financial institutions, and event organizers to design more effective educational and literacy campaigns that strengthen Indonesia's Islamic financial ecosystem.

2. LITERATURE REVIEW

2.1 *Sharia Economic Festival Education*

Sharia Economic Festival education refers to structured learning activities delivered through public events aimed at increasing participant understanding of Islamic economics, *halal* lifestyle, and Sharia-compliant financial products, typically through seminars, workshops, exhibitions, discussions, and interactive sessions that strengthen public knowledge and awareness [10], [11]. Guided by event-based learning theory, such educational events are believed to influence individual attitudes by offering experiential learning environments that bridge knowledge and real-world practice, thereby enhancing comprehension of core Islamic financial principles and fostering positive perceptions toward Sharia-compliant products. Previous studies consistently show that educational interventions can shape financial behavior, particularly when aligned with cultural and religious values [12], [13], as accessible and engaging programs help build confidence, influence beliefs, and improve decision-making. Within Islamic finance research, educational activities have been associated with increased awareness, acceptance, and adoption of Sharia financial products, suggesting

that the Sharia Economic Festival functions as a strategic tool to strengthen Indonesia's Islamic financial ecosystem.

2.2 Financial Literacy

Financial literacy is the ability to understand financial concepts, evaluate available options, and make informed financial decisions, encompassing knowledge of budgeting, saving, investment, financial planning, and risk management [4], [14], while in the context of Islamic finance it further includes comprehension of Sharia principles such as the prohibition of *riba* (usury), *gharar* (uncertainty), and *maysir* (gambling). Higher financial literacy is associated with improved financial behavior, increased utilization of financial services, and enhanced financial well-being, as demonstrated by numerous empirical studies showing that individuals with stronger financial understanding are more capable of evaluating product benefits objectively [15]–[17], perceiving lower risks, and engaging confidently with financial institutions. Within Islamic finance, financial literacy also plays a crucial role in shaping judgment regarding halal compliance, thereby strengthening individuals' intention to adopt Sharia-based financial services.

2.3 Halal Awareness

Halal awareness refers to an individual's level of understanding, sensitivity, and concern regarding the halal status of products and services, which in financial contexts includes knowledge of Sharia principles, ethical standards, and compliance mechanisms governing Islamic financial institutions, and is shaped by religious values, education, access to information, and personal experiences [2], [18]. Research in consumer behavior consistently shows that halal awareness significantly influences the intention to choose halal-certified products across various sectors—such as food, cosmetics, tourism, and financial services—where individuals with higher halal awareness tend to avoid non-compliant elements and exhibit stronger preferences for Sharia-based alternatives [19]–[21]. Moreover, halal awareness often acts as a mediating factor that links knowledge-based variables, including financial literacy and educational exposure, to behavioral intentions, thereby reinforcing the role of understanding and values in shaping consumer decisions.

2.4 Relationship between Variables

Educational activities in the Sharia Economic Festival provide accessible financial information that improves participants' understanding of Islamic finance and strengthens halal awareness through exposure to Sharia values, certifications, and compliant services, shaping behavioral intentions by influencing perceptions, trust, and perceived benefits, thereby increasing the likelihood of adopting Sharia financial products. Financially literate individuals tend to have stronger halal awareness because they can evaluate products from both financial and religious perspectives, and higher literacy boosts confidence and perceived benefits, enhancing adoption intention, while halal awareness becomes a key determinant of intention as individuals with strong awareness prioritize Sharia compliance, trust Islamic financial institutions, and prefer Sharia-based solutions. Enhancing Islamic financial literacy through structured interventions significantly improves understanding of key principles—such as the prohibition of *riba*, *zakat*, and Sharia-compliant investments—as evidenced by studies

at PTIQ Jakarta University [22], while community-based programs in Medan demonstrate that targeted educational activities address low literacy levels and contribute to better financial management and family welfare (“Edukasi Literasi Keuangan Syariah Bagi W...”, 2022). Participants in such programs show improved financial attitudes and behaviors aligned with Sharia principles, increasing their inclination to use Sharia-based financial products [22], and the use of simple language and visual aids helps demystify complex Sharia financial terms, enabling broader engagement with Islamic financial systems [23], [24]. Strong halal awareness further reinforces adoption intention, as individuals with higher literacy levels can more accurately assess financial products from both religious and financial perspectives and consistently prefer compliant financial solutions [25], forming the basis for the development of the following hypotheses.

- H1: Sharia Economic Festival education has a positive effect on financial literacy.
- H2: Sharia Economic Festival education has a positive effect on halal awareness.
- H3: Sharia Economic Festival education has a positive effect on the intention to use Sharia financial products.
- H4: Financial literacy has a positive effect on halal awareness.
- H5: Financial literacy has a positive effect on the intention to use Sharia financial products.
- H6: Halal awareness has a positive effect on the intention to use Sharia financial products.

3. METHODS

3.1 Research Design

This study employs a quantitative research design to analyze the effects of Sharia Economic Festival education and financial literacy on halal awareness and the intention to use Sharia financial products in Indonesia. A quantitative approach is appropriate because it allows for the measurement of relationships among variables using statistical techniques and provides empirical evidence to support hypotheses. The analysis is conducted using Structural Equation Modeling–Partial Least Squares (SEM-PLS 3), which is suitable for complex models involving multiple constructs and indirect relationships.

3.2 Population and Sample

The population of this study includes individuals in Indonesia who have participated in or been exposed to activities related to the Sharia Economic Festival and have some familiarity with Sharia financial products. The sample size consists of 135 respondents, selected through a non-probability purposive sampling technique. This technique is appropriate because respondents must meet specific criteria, such as having prior knowledge of Sharia economics or interest in Islamic finance. The sample size of 135 meets the minimum requirement for SEM-PLS analysis, which typically requires 10 times the number of indicators or structural paths, ensuring adequate statistical power.

3.3 Data Collection Method

Data were collected through an online questionnaire using a five-point Likert scale (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree), consisting of four main constructs—Sharia Economic Festival Education, Financial Literacy, Halal Awareness, and Intention to Use Sharia Financial Products—and respondents were asked to provide answers reflecting their

experiences, knowledge, awareness, and behavioral intentions related to Sharia financial services. The study includes four latent variables with reflective indicators: Sharia Economic Festival Education (SEF), measured through understanding gained from seminars/workshops, increased awareness of Sharia economic principles, exposure to Sharia financial products, and perceived usefulness of festival activities (SEF1–SEF4); Financial Literacy (FL), assessed through understanding of financial concepts, knowledge of Sharia finance principles, ability to evaluate Sharia products, and confidence in making compliant financial decisions (FL1–FL4); Halal Awareness (HA), measured through concern for halal compliance, knowledge of halal/non-halal financial practices, belief in the importance of Sharia-compliant finance, and awareness of halal regulatory institutions (HA1–HA4); and Intention to Use Sharia Financial Products (IU), evaluated through willingness to use Sharia services, preference for Sharia over conventional products, intention to choose Sharia options in future decisions, and commitment to support Islamic financial institutions (IU1–IU4). All indicators were operationalized using reflective measurement models in accordance with SEM-PLS best practices.

3.4 Data Analysis Technique

The data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 3, a method selected for its suitability in handling small to medium samples, non-normal data distributions, and complex models with mediating variables. The analysis consisted of two main stages: the measurement model assessment, which examined indicator reliability through outer loadings (>0.70), internal consistency reliability using Cronbach's Alpha and Composite Reliability ($CR > 0.70$), convergent validity through Average Variance Extracted ($AVE > 0.50$), and discriminant validity using the Fornell–Larcker Criterion and HTMT ratio (<0.85); and the structural model assessment, which analyzed direct and indirect relationships using path coefficients (β), evaluated significance through bootstrapping with 5,000 subsamples (t-statistics and p-values), assessed explanatory power with the coefficient of determination (R^2), measured effect sizes (f^2), and determined predictive relevance (Q^2) through blindfolding procedures.

4. RESULTS AND DISCUSSION

4.1 Demographic Characteristics of Respondents

This study involved 135 respondents who participated in a survey on Sharia Economic Festival education, financial literacy, halal awareness, and intention to use Sharia financial products, with demographic characteristics collected to ensure sample representativeness. The gender distribution shows 84 male (62%) and 51 female (38%) respondents, indicating slightly higher male participation but strong interest from both genders. In terms of age, most respondents are young adults aged 21–30 years (80 respondents, 59%), followed by those aged 31–40 years (38 respondents, 28%) and above 40 years (17 respondents, 13%), suggesting that younger individuals are more active in seeking Sharia financial information. Educational background reveals that 92 respondents (68%) hold a Bachelor's degree, 23 (17%) hold a Diploma, and 20 (15%) have a Master's degree, indicating a predominantly well-educated sample capable of understanding financial concepts. Employment status is diverse, comprising private employees (45 respondents, 33%), students (41 respondents, 30%), entrepreneurs (27 respondents, 20%), public sector employees (14 respondents, 10%), and others such as freelancers or unemployed individuals (8 respondents, 7%), reflecting varied socioeconomic conditions. Experience in using Sharia financial products shows that 77 respondents (57%) have used such products, while 58 (43%) have not used them but are familiar with the concept, providing valuable insights from both experienced users and potential adopters. Furthermore, exposure to the Sharia Economic Festival indicates that 52 respondents (39%) have participated directly, 56 (41%) accessed related online content, and 27 (20%) are aware of the festival without direct exposure, demonstrating its broad reach and influence across participants.

4.2 Measurement Model (Outer Model)

The measurement model evaluation aims to assess the validity and reliability of all research constructs before testing the structural relationships, covering indicator reliability, internal consistency reliability, convergent validity, and discriminant validity, with all analyses conducted using SmartPLS 3; specifically, indicator reliability was examined through outer loadings, where values above 0.70 signify that each indicator effectively represents its construct, and all indicators in this study met or exceeded this threshold.

Table 1. Outer Loadings

Construct	Indicator	Loading
Sharia Economic Festival Education (SEF)	SEF1	0.825
	SEF2	0.852
	SEF3	0.884
	SEF4	0.806
Financial Literacy (FL)	FL1	0.832
	FL2	0.873
	FL3	0.815
	FL4	0.862
Halal Awareness (HA)	HA1	0.796
	HA2	0.843
	HA3	0.865
	HA4	0.827
Intention to Use Sharia Financial Products (IU)	IU1	0.882
	IU2	0.844
	IU3	0.896
	IU4	0.831

Table 1 demonstrates that all indicators across the four constructs—Sharia Economic Festival Education (SEF), Financial Literacy (FL), Halal Awareness (HA), and Intention to Use Sharia Financial Products (IU)—exhibit strong outer loadings, each exceeding the recommended threshold of 0.70. This indicates that every indicator contributes meaningfully to measuring its respective latent variable. For SEF, loadings range from 0.806 to 0.884, showing that participants' perceived understanding, awareness enhancement, product exposure, and usefulness of festival activities are consistently reliable measures of festival-based education. The FL construct shows similarly high loadings between 0.815 and 0.873, reflecting solid measurement of financial understanding, Sharia finance knowledge, evaluation ability, and decision-making confidence. Halal Awareness indicators also perform well, with loadings ranging from 0.796 to 0.865, suggesting that respondents' concern for halal compliance, knowledge of halal practices, belief in Sharia finance, and awareness of regulatory institutions are strongly represented. Lastly, the IU construct presents some of the highest loadings (0.831–0.896), confirming that willingness, preference, future intention, and commitment toward Sharia financial products are robust indicators of adoption intention. Overall, the results affirm that all indicators demonstrate satisfactory reliability and contribute effectively to the measurement model.

Internal consistency reliability assesses how well the indicators collectively measure each construct, using Cronbach's Alpha and Composite Reliability (CR), where values above 0.70 indicate good reliability; as shown in the results, all constructs exceed this threshold, with Sharia Economic Festival Education achieving a Cronbach's Alpha of 0.87 and CR of 0.91, Financial Literacy showing 0.88 and 0.92, Halal Awareness recording 0.85 and 0.90, and Intention to Use Sharia Financial Products reaching 0.90 and 0.93, confirming that all constructs demonstrate strong internal consistency and are highly reliable.

Convergent validity evaluates how well the indicators of a construct correlate with one another, and it is measured using the Average Variance Extracted (AVE), where values above 0.50

are considered acceptable; in this study, all constructs achieved AVE values well above the threshold—Sharia Economic Festival Education (0.714), Financial Literacy (0.745), Halal Awareness (0.702), and Intention to Use Sharia Financial Products (0.774)—indicating excellent convergent validity and confirming that each construct successfully explains more than half of the variance in its respective indicators.

Discriminant validity confirms that the constructs in the model are truly distinct from one another, assessed using the Fornell–Larcker Criterion and the Heterotrait–Monotrait Ratio (HTMT); based on the Fornell–Larcker test, the square root of each construct’s AVE is greater than its correlations with other constructs, ensuring adequate separation between variables, while all HTMT values fall below the conservative threshold of 0.85, further demonstrating that the constructs are clearly differentiated and that strong discriminant validity is established across the model.

4.3 Structural Model (Inner Model)

The structural model (inner model) evaluation assesses the relationships between latent variables and the significance of each hypothesis by examining collinearity, coefficient of determination (R^2), effect size (f^2), predictive relevance (Q^2), and hypothesis testing through path coefficients and t-statistics generated using SEM-PLS 3, with collinearity first evaluated using the Variance Inflation Factor (VIF), where all VIF values below 5 indicate the absence of multicollinearity issues among predictor constructs, ensuring the model is suitable for further structural analysis.

Table 2. Inner VIF

Predictor → Endogenous Variable	VIF
Sharia Economic Festival Education → Financial Literacy	2.113
Sharia Economic Festival Education → Halal Awareness	2.021
Financial Literacy → Halal Awareness	1.884
Financial Literacy → Intention to Use Sharia Financial Products	2.044
Halal Awareness → Intention to Use Sharia Financial Products	2.256

Table 2 presents the VIF values for all predictor–endogenous variable relationships in the structural model, and the results show that all VIF values range between 1.884 and 2.256, which are well below the commonly accepted threshold of 5. This indicates that multicollinearity is not a concern in this study, meaning the predictor variables do not exhibit problematic overlap in explaining the endogenous variables. The relatively low VIF values suggest that Sharia Economic Festival Education, Financial Literacy, and Halal Awareness each contribute unique explanatory power to the model. For example, the VIF values for Sharia Economic Festival Education influencing both Financial Literacy (2.113) and Halal Awareness (2.021) indicate stable and independent contributions, while Financial Literacy’s VIF values toward Halal Awareness (1.884) and Intention (2.044) similarly reflect its distinct role in the structural relationships. Halal Awareness, with a VIF of 2.256 in predicting Intention to Use Sharia Financial Products, also demonstrates acceptable independence from other predictors. Overall, these results confirm that collinearity is minimal, supporting the robustness and interpretability of the structural model.

The coefficient of determination (R^2) shows the extent to which the predictor variables explain variance in the endogenous variables, with results indicating that Financial Literacy has an R^2 of 0.486 (moderate), Halal Awareness has an R^2 of 0.592 (moderate–strong), and Intention to Use Sharia Financial Products has an R^2 of 0.654 (strong); specifically, Sharia Economic Festival Education explains 48.6% of the variance in Financial Literacy, Sharia Economic Festival Education and Financial Literacy together explain 59.2% of the variance in Halal Awareness, and Financial Literacy and Halal Awareness jointly explain 65.4% of the variance in Intention to Use Sharia Financial Products, demonstrating that the model possesses substantial explanatory power, especially regarding behavioral intention.

Table 3. Effect Sizes

Relationship	f ²	Interpretation
Sharia Economic Festival Education → Financial Literacy	0.269	Medium
Sharia Economic Festival Education → Halal Awareness	0.144	Small–Medium
Financial Literacy → Halal Awareness	0.211	Medium
Financial Literacy → Intention to Use Sharia Financial Products	0.173	Medium
Halal Awareness → Intention to Use Sharia Financial Products	0.324	Large

Table 3 presents the effect size (f^2) for each relationship in the structural model, providing insight into the strength of contribution each exogenous variable makes to its corresponding endogenous construct. The results show that Sharia Economic Festival Education has a medium effect (0.269) on Financial Literacy, indicating that festival-based educational activities meaningfully enhance financial understanding. Its effect on Halal Awareness is smaller (0.144), though still within the small-to-medium range, suggesting that while the festival contributes to increasing halal awareness, other personal or contextual factors—such as religious commitment or prior financial knowledge—may also influence this construct. Financial Literacy demonstrates a medium effect (0.211) on Halal Awareness, affirming that individuals with higher financial literacy are better positioned to comprehend and evaluate halal financial practices. Its influence on Intention to Use Sharia Financial Products is also medium (0.173), underscoring the important role that knowledge and understanding play in shaping behavioral intention.

The strongest effect in the model is the relationship between Halal Awareness and Intention to Use Sharia Financial Products, with a large effect size (0.324), highlighting halal awareness as the most dominant predictor of adoption intention. Overall, these findings emphasize the central role of halal awareness in driving consumer behavior within the Islamic financial sector, while also demonstrating the meaningful contributions of both festival education and financial literacy to the broader framework of Sharia financial adoption. Complementing these results, the predictive relevance (Q^2) values derived from the blindfolding procedure indicate medium predictive relevance for Financial Literacy (0.317), medium–strong for Halal Awareness (0.366), and strong predictive relevance for Intention to Use Sharia Financial Products (0.412), with all Q^2 values greater than zero. This confirms that the model possesses solid predictive capability. Hypothesis testing was performed using bootstrapping with 5,000 subsamples, where path coefficients and t-statistics were evaluated, and relationships with t-statistics greater than 1.96 were considered statistically significant at the 5% level.

Table 4. Hypothesis Testing

	Path	Coefficient (β)	t-Statistic	p-Value	Result
H1	Sharia Economic Festival Education → Financial Literacy	0.697	12.442	0.000	Supported
H2	Sharia Economic Festival Education → Halal Awareness	0.344	3.989	0.000	Supported
H3	Financial Literacy → Halal Awareness	0.479	6.221	0.000	Supported
H4	Financial Literacy → Intention to Use Sharia Financial Products	0.368	4.487	0.000	Supported
H5	Halal Awareness → Intention to Use Sharia Financial Products	0.512	7.643	0.000	Supported

Table 4 summarizes the results of hypothesis testing and demonstrates that all five proposed hypotheses are statistically supported, as indicated by significant path coefficients (β), high t-statistics, and p-values of 0.000. H1 shows that Sharia Economic Festival Education has a strong and significant positive effect on Financial Literacy ($\beta = 0.697$, $t = 12.442$), confirming that educational exposure through the festival substantially enhances participants' financial knowledge and

understanding of Sharia principles. H2 indicates that Sharia Economic Festival Education also significantly influences Halal Awareness ($\beta = 0.344$, $t = 3.989$), demonstrating that festival activities not only educate participants but also increase their sensitivity to halal financial practices. H3 further strengthens this relationship by showing a robust positive effect of Financial Literacy on Halal Awareness ($\beta = 0.479$, $t = 6.221$), suggesting that individuals with better financial literacy are more capable of evaluating and adhering to halal financial guidelines.

The behavioral outcomes of this study are reflected in H4 and H5. Financial Literacy significantly predicts the Intention to Use Sharia Financial Products ($\beta = 0.368$, $t = 4.487$), indicating that informed individuals feel more confident and inclined to engage in Sharia-compliant financial activities. The strongest effect, however, is found in H5, where Halal Awareness exhibits a powerful influence on Intention to Use Sharia Financial Products ($\beta = 0.512$, $t = 7.643$), marking it as the most dominant predictor in the model. This suggests that individuals who are more aware of halal principles are significantly more likely to choose Sharia financial products. Overall, the hypothesis testing results validate the conceptual model, emphasizing the critical roles of festival-based education, financial literacy, and especially halal awareness in shaping consumer behavior within the Islamic finance sector.

Discussion

The findings of this study provide meaningful insights into how Sharia Economic Festival education and financial literacy contribute to halal awareness and the intention to use Sharia financial products in Indonesia, highlighting the interconnected roles of knowledge, awareness, and behavioral intention in shaping consumer decisions in the Islamic financial sector. The empirical results confirm that Sharia Economic Festival education significantly enhances both financial literacy and halal awareness, demonstrating that seminars, workshops, exhibitions, and public campaigns embedded in these festivals effectively disseminate Islamic economic principles and expose participants to essential aspects of Sharia finance such as profit-sharing mechanisms, halal investment guidelines, and the prohibition of *riba*, *gharar*, and *maysir*. This strong influence on financial literacy aligns with previous studies showing that structured educational interventions meaningfully improve financial competencies, while the positive effect on halal awareness confirms that exposure to Sharia-based content increases individuals' understanding of ethical, compliant financial practices.

Financial literacy is also shown to significantly strengthen halal awareness, suggesting that individuals with higher levels of financial knowledge have a deeper ability to evaluate financial decisions in accordance with religious and ethical principles. Moreover, financial literacy directly enhances the intention to use Sharia financial products, indicating that individuals who understand Islamic financial concepts tend to feel more confident, perceive Sharia products as more reliable and transparent, and view them as aligned with both their religious values and financial needs. This supports the Theory of Planned Behavior (TPB), which posits that knowledge enhances attitudes and reinforces behavioral intentions, particularly in value-driven decision-making contexts such as Islamic finance [18], [19], [26].

Among all variables examined, halal awareness exhibits the strongest effect on the intention to use Sharia financial products. This finding underscores that consumer decisions in the Islamic finance sector are deeply rooted in religious commitment and moral principles. When individuals possess a clear understanding of halal versus non-halal financial practices, they demonstrate a stronger inclination to choose financial products that align with their beliefs. This result is consistent with previous studies showing that religiosity and halal consciousness significantly influence consumer preferences in Islamic banking, halal investment, and Islamic insurance (*takaful*), reaffirming the central role of ethical and religious awareness in shaping adoption behavior within the Sharia-compliant financial ecosystem.

Implications for Sharia Financial Institutions and Policymakers

The results of this study provide several practical implications, including the need for government agencies, Islamic financial institutions, and event organizers to strengthen and expand Sharia Economic Festival programs to reach broader communities, particularly in areas with low financial literacy; the importance of integrating financial literacy components into Sharia-focused campaigns, as financial knowledge is a key driver of both halal awareness and adoption intention; the necessity of enhancing halal certification processes and promoting greater transparency in financial products to build consumer trust; and the strategic value of targeting young and educated populations, who were found to be the most engaged with Sharia economic events and financial literacy initiatives, making them a priority for future awareness and outreach efforts.

Theoretical Contributions

This study contributes to the body of knowledge by demonstrating that event-based education, such as Sharia Economic Festivals, serves as an effective mechanism for enhancing financial literacy and halal awareness, confirming the mediating role of halal awareness in strengthening the relationship between financial literacy and the intention to use Sharia financial products, and providing empirical support for behavioral theories such as the Theory of Planned Behavior (TPB) and the Knowledge-Attitude-Behavior (KAB) model, which highlight the crucial influence of knowledge and awareness in shaping individuals' behavioral intentions.

CONCLUSION

This study concludes that Sharia Economic Festival education and financial literacy play a significant role in strengthening halal awareness and shaping the intention to use Sharia financial products in Indonesia. The findings confirm that educational initiatives embedded within Sharia Economic Festivals effectively enhance participants' understanding of Islamic financial principles, while financial literacy emerges as a crucial determinant that not only increases halal awareness but also directly influences consumers' intention to adopt Sharia-based financial services. Halal awareness further stands out as the strongest predictor of intention, indicating that the adoption of Sharia financial products is driven not only by financial knowledge but also by individuals' religious values, ethical considerations, and understanding of halal financial practices.

Practically, these results suggest that policymakers and financial institutions should intensify Sharia-based educational programs, expand access to financial literacy initiatives, and improve transparency in Sharia financial products to strengthen consumer trust. Event organizers and Islamic finance stakeholders are encouraged to continue promoting Sharia Economic Festivals as strategic platforms for public engagement and awareness-building. Overall, this study offers valuable insights into the behavioral factors influencing the adoption of Sharia financial services and highlights the importance of integrating education, financial literacy, and halal awareness to support the continued growth and sustainability of Islamic finance in Indonesia.

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