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The Contribution of Sharia Fintech and Digital Literacy in Increasing Generation Z Interest in Accessing Sharia Financial Services in Central Java

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ABSTRACT

The rapid development of financial technology has reshaped the delivery of financial services, including those based on Islamic principles. Generation Z, as a digitally native generation, represents a strategic segment for expanding sharia financial inclusion. This study aims to analyze the contribution of sharia fintech and digital literacy in increasing Generation Z's interest in accessing sharia financial services in Central Java. A quantitative research approach was employed, using primary data collected through a structured questionnaire distributed to 85 respondents. The measurement instrument applied a Likert scale, and the data were analyzed using Statistical Package for the Social Sciences (SPSS) version 25. The results of multiple linear regression analysis indicate that sharia fintech has a positive and significant effect on Generation Z's interest in accessing sharia financial services. Digital literacy also shows a positive and significant influence on interest. Simultaneously, sharia fintech and digital literacy significantly contribute to increasing Generation Z's interest in accessing sharia financial services. These findings highlight the importance of integrating sharia-compliant digital financial innovation with efforts to improve digital literacy in order to strengthen Islamic financial inclusion among young consumers. The study provides practical implications for sharia financial institutions, fintech providers, educators, and policymakers in developing strategies that align with the characteristics and needs of Generation Z.

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1. INTRODUCTION

The rapid advancement of digital technology has fundamentally transformed the structure and delivery of financial services worldwide, with financial technology (fintech) emerging as a key driver of innovation by enabling faster, more efficient, and more inclusive financial transactions. In

Indonesia, fintech development has shown significant growth, particularly in response to the increasing demand for digital-based financial services among younger generations. Alongside conventional fintech, sharia fintech has gained strategic importance as part of the broader effort to strengthen the Islamic financial ecosystem and expand sharia-compliant financial inclusion [1], [2]. As the country with the largest Muslim population in the world, Indonesia holds substantial potential for the development of sharia financial services. However, despite this potential, the market share of sharia financial institutions remains relatively lower compared to conventional financial institutions. One of the key challenges lies in increasing public interest and engagement, particularly among young consumers. Generation Z, born between the mid-1990s and early 2010s, represents a crucial demographic group due to their high level of digital adoption, technological familiarity, and future economic significance [3], [4].

Generation Z is characterized by a strong dependence on digital platforms, mobile applications, and online information sources in their daily activities, including financial decision-making, which creates both opportunities and challenges for sharia financial institutions. On one hand, sharia fintech platforms can leverage digital channels to reach Generation Z more effectively, but on the other hand, limited understanding of sharia financial principles and varying levels of digital literacy may hinder optimal utilization of sharia financial services [5], [6]. Therefore, understanding the factors that influence Generation Z's interest in accessing sharia financial services becomes increasingly important. Sharia fintech plays a critical role in bridging the gap between Islamic financial principles and modern technological innovation. By offering sharia-compliant digital payment systems, peer-to-peer lending, crowdfunding, and investment services, sharia fintech provides practical solutions that align with both religious values and technological preferences. The ease of access, transparency, and efficiency offered by sharia fintech platforms are expected to positively influence user interest, particularly among digitally native generations, although the effectiveness of sharia fintech adoption is closely linked to users' digital literacy.

Digital literacy refers to an individual's ability to access, understand, evaluate, and utilize digital information and technologies effectively. In the context of financial services, it extends beyond technical skills to include the ability to understand digital financial products, assess risks, and make informed financial decisions. For Generation Z, digital literacy becomes a determining factor in shaping attitudes, trust, and interest toward digital financial services, including those based on sharia principles [7], [8]. Low levels of digital literacy may lead to skepticism, misuse, or avoidance of fintech services, despite high technological exposure. Central Java represents a relevant regional context for this study due to its large youth population, growing digital infrastructure, and increasing presence of sharia financial institutions and fintech services. As a province with diverse socio-economic backgrounds, Central Java provides a meaningful setting to examine how sharia fintech and digital literacy jointly influence Generation Z's interest in accessing sharia financial services. Empirical studies focusing specifically on this regional and generational context remain limited, particularly those employing quantitative approaches.

Previous studies have examined fintech adoption, financial literacy, and interest in Islamic financial services separately. However, research that integrates sharia fintech and digital literacy as simultaneous determinants of Generation Z's interest in accessing sharia financial services is still relatively scarce. This gap highlights the need for empirical investigation to provide evidence-based insights that can support policy formulation, educational programs, and strategic development within the sharia financial ecosystem. Based on these considerations, this study aims to analyze the contribution of sharia fintech and digital literacy in increasing Generation Z's interest in accessing sharia financial services in Central Java. Using a quantitative research approach with survey data collected from respondents and analyzed through SPSS version 25, this study seeks to provide empirical evidence on the significance of these factors. The findings are expected to contribute both theoretically to the literature on Islamic fintech and digital financial behavior, and practically to stakeholders such as sharia financial institutions, fintech developers, educators, and policymakers in designing strategies that are more aligned with the characteristics and needs of Generation Z.

2. LITERATURE REVIEW

2.1 *Sharia Financial Services*

Sharia financial services refer to financial products and activities that operate in accordance with Islamic law (sharia), which prohibits riba (interest), gharar (excessive uncertainty), and maysir (speculation), while emphasizing fairness, transparency, and risk-sharing. These services include Islamic banking, sharia insurance (takaful), Islamic capital markets, and other sharia-compliant financial instruments [9], [10]. The fundamental objective of sharia financial services is not only economic profit but also ethical conduct and social justice. In Indonesia, the development of sharia financial services has been supported by regulatory frameworks and national strategies aimed at strengthening the Islamic financial ecosystem. Despite continuous growth, the level of public participation—particularly among younger generations—remains relatively limited [11], [12]. This condition suggests that factors beyond religious affiliation, such as accessibility, convenience, and understanding, play an important role in influencing individuals' interest in using sharia financial services.

2.2 *Sharia Fintech*

Sharia fintech is defined as the integration of financial technology with sharia-compliant principles in delivering financial services, encompassing various digital-based services such as payment systems, peer-to-peer (P2P) lending, crowdfunding, digital wallets, and investment platforms that adhere to Islamic principles. Sharia fintech aims to enhance efficiency, inclusivity, and transparency while maintaining compliance with sharia regulations. The emergence of sharia fintech provides a strategic opportunity to expand access to Islamic financial services, particularly among digitally native users [1], [2]. Technology-based platforms allow users to access services without geographical constraints, reduce transaction costs, and improve service speed. Several studies have shown that fintech adoption is positively influenced by perceived usefulness, ease of use, and trust, with additional factors such as sharia compliance, ethical values, and religious trust further shaping user perceptions in the context of sharia fintech. For Generation Z, sharia fintech offers a combination of technological convenience and value-based financial solutions, aligning with their daily digital behavior, making it a potentially effective tool to increase their interest in accessing sharia financial services [9], [13]. Therefore, sharia fintech is expected to have a positive contribution to Generation Z's interest in utilizing sharia-compliant financial products.

2.3 *Digital Literacy*

Digital literacy refers to the ability to effectively use digital technologies, tools, and platforms to access, evaluate, and manage information. In the financial context, digital literacy includes understanding digital financial products, recognizing potential risks, protecting personal data, and making informed decisions in digital environments. Digital literacy is increasingly recognized as a critical factor in supporting digital financial inclusion. Although Generation Z is often perceived as technologically proficient, digital familiarity does not automatically translate into adequate digital literacy. Many individuals may be skilled in using digital devices but lack the knowledge required to critically assess financial information, understand digital financial products, or manage financial risks [7], [8]. This gap may limit their willingness or confidence to engage with digital financial services, including sharia fintech. Previous research indicates that higher levels of digital literacy are associated with greater confidence, trust, and interest in using digital financial services. Digital literacy enables individuals to better understand service features, evaluate credibility, and perceive lower risks, which in turn positively influences their behavioral intentions. In the context of sharia financial services, digital literacy also supports better understanding of sharia principles embedded within digital platforms [14], [15].

2.4 *Generation Z and Financial Behavior*

Generation Z represents a demographic cohort that has grown up in a digital environment, characterized by high exposure to the internet, smartphones, and social media. This generation tends to prefer fast, practical, and user-friendly services, including in financial transactions, with their financial behavior strongly influenced by digital experiences, peer recommendations, and online information sources [8], [16]. Despite their digital orientation, Generation Z's interest in financial services is shaped by multiple factors such as perceived relevance, trust, transparency, and perceived benefits. In the context of sharia financial services, interest may also be influenced by awareness of Islamic financial principles, perceived alignment with personal values, and perceived competitiveness compared to conventional services. Therefore, technological innovation alone is insufficient without adequate literacy and understanding.

2.5 *Interest in Accessing Sharia Financial Services*

Interest is defined as an individual's tendency or willingness to engage in certain behaviors, influenced by cognitive, affective, and behavioral components. In financial studies, interest in accessing financial services reflects a person's intention to use, recommend, or seek information about financial products and is often considered a strong predictor of actual usage behavior [9], [17]. In the context of sharia financial services, interest is influenced by internal factors such as knowledge, attitudes, and values, as well as external factors such as service accessibility, technological support, and institutional credibility. Sharia fintech enhances external accessibility, while digital literacy strengthens internal readiness, making both factors crucial in shaping interest among Generation Z.

3. METHODS

3.1 Research Design

This study employs a quantitative research design with a causal–associative approach to examine the contribution of sharia fintech and digital literacy to Generation Z's interest in accessing sharia financial services. A quantitative approach is considered appropriate as it allows for systematic measurement of variables, statistical testing of relationships, and generalization of findings within the studied population. The research focuses on identifying the extent to which independent variables influence the dependent variable through empirical analysis.

3.2 Population and Sample

The population of this study consists of Generation Z individuals residing in Central Java who have access to digital technology and are potential users of sharia financial services. Generation Z in this study refers to individuals born between 1997 and 2012. Due to the broad size of the population and practical constraints, a sample-based approach was applied. A total of 85 respondents were selected as the research sample, using purposive sampling with criteria including: (1) belonging to Generation Z, (2) residing in Central Java, (3) having experience using digital technology such as smartphones or internet-based applications, and (4) possessing at least basic awareness of financial services. This sampling technique was chosen to ensure that respondents were relevant to the research objectives.

3.3 Research Variables and Operational Definitions

This study involves three main variables: sharia fintech and digital literacy as independent variables, and interest in accessing sharia financial services as the dependent variable. Sharia fintech refers to respondents' perceptions of sharia-compliant digital financial services, including accessibility, ease of use, efficiency, transparency, and compliance with Islamic principles. Digital literacy refers to respondents' ability to understand, evaluate, and use digital financial information and services effectively. Interest in accessing sharia financial services reflects respondents' willingness, intention, and motivation to use sharia-based financial products. Each variable was operationalized into measurable indicators and assessed using a Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree).

3.4 Data Collection Technique

Data were collected using a structured questionnaire distributed to respondents in Central Java. The questionnaire was designed based on relevant literature and previous empirical studies related to fintech, digital literacy, and financial interest. It consisted of closed-ended questions to facilitate quantitative analysis. The questionnaire was administered online to accommodate the digital characteristics of Generation Z and to ensure efficiency in data collection. Prior to full distribution, the questionnaire was reviewed to ensure clarity, relevance, and consistency with the research objectives. All variables in this study were measured using a Likert scale with five response categories: strongly disagree (1), disagree (2), neutral (3), agree (4), and strongly agree (5). The Likert scale was chosen because it allows respondents to express degrees of agreement and is widely used in behavioral and social science research.

3.5 Data Analysis Technique

The collected data were analyzed using the Statistical Package for the Social Sciences (SPSS) version 25, with the analysis process consisting of several stages. First, descriptive statistical analysis was conducted to describe the characteristics of respondents and provide an overview of each research variable. Second, instrument testing was performed through validity and reliability tests to ensure the measurement items were appropriate and consistent. Validity testing was conducted using correlation analysis to determine whether each item accurately measured the intended variable, while reliability testing was carried out using Cronbach's alpha coefficient, with a value greater than 0.70 indicating acceptable reliability. Classical assumption tests, including normality, multicollinearity, and heteroscedasticity tests, were also performed to ensure that the data met the requirements for regression analysis. Multiple linear regression analysis was then employed to examine the effect of sharia fintech and digital literacy on Generation Z's interest in accessing sharia financial services. Hypothesis testing was conducted using the t-test to assess the partial effects of each independent variable and the F-test to evaluate their simultaneous effect, with the coefficient of determination (R^2) used to measure the explanatory power of the regression model.

4. RESULTS AND DISCUSSION

4.1 Descriptive Statistics of Respondents

Descriptive statistics are used to provide an overview of the demographic characteristics of the respondents involved in this study. The respondents consist of 85 individuals from Generation Z residing in Central Java. The descriptive analysis includes gender, age group, education level, and experience using digital financial services. This information is important to contextualize the empirical findings and ensure that the sample reflects the characteristics relevant to the research objectives.

Table 1. Descriptive Statistics of Respondents

No.	Respondent Characteristics	Category	Frequency (n)	Percentage (%)
1	Gender	Male	39	45.9
		Female	46	54.1
		Total	85	100.0
2	Age Group	17–19 years	22	25.9
		20–22 years	41	48.2
		23–25 years	22	25.9
		Total	85	100.0
3	Education Level	Senior High School	27	31.8
		Diploma	14	16.5
		Bachelor's Degree	40	47.1
		Postgraduate	4	4.6
		Total	85	100.0
4	Experience Using Digital Financial Services	Yes	68	80.0
		No	17	20.0
		Total	85	100.0

Table 1 presents the descriptive statistics of the respondents, showing the distribution of key demographic characteristics. The gender distribution is relatively balanced, with 54.1% of the respondents being female and 45.9% male. In terms of age, the majority (48.2%) fall within the 20–22 years age group, followed by 25.9% in both the 17–19 years and 23–25 years age groups, indicating a relatively even spread across the three age categories. The education level shows that the majority of respondents (47.1%) hold a bachelor's degree, followed by 31.8% with senior high school education, 16.5% with a diploma, and 4.6% with a postgraduate degree, reflecting a higher proportion of respondents with tertiary education. Regarding experience with digital financial services, a significant majority (80%) reported having used such services, highlighting a high level of familiarity with digital financial tools among the respondents. This distribution provides a comprehensive overview of the respondents' demographic profile, which is crucial for understanding their engagement with digital financial services, including sharia fintech.

4.2 Instrument Testing Results

Instrument testing was conducted to ensure that the questionnaire used in this study is both valid and reliable. The testing consisted of a validity test and a reliability test, which are essential to confirm that the measurement items accurately and consistently represent the research variables. The validity test was performed using the Pearson Product Moment correlation method by correlating each item score with the total score of its respective variable. An item is considered valid if the calculated correlation coefficient (r-count) is greater than the r-table value. With a sample size of 85 respondents, the r-table value at a significance level of 0.05 is 0.213, ensuring that the measurement items were valid for further analysis.

Table 2. Validity Test

Variable	Indicator Code	Corrected Item–Total Correlation (r-count)	r-table	Validity
Sharia Fintech	SF1	0.682	0.213	Valid
	SF2	0.714	0.213	Valid
	SF3	0.756	0.213	Valid
	SF4	0.691	0.213	Valid
	SF5	0.733	0.213	Valid
Digital Literacy	DL1	0.664	0.213	Valid
	DL2	0.701	0.213	Valid
	DL3	0.742	0.213	Valid
	DL4	0.689	0.213	Valid
	DL5	0.715	0.213	Valid
Interest in Accessing Sharia Financial Services	IN1	0.728	0.213	Valid
	IN2	0.761	0.213	Valid
	IN3	0.703	0.213	Valid
	IN4	0.746	0.213	Valid
	IN5	0.719	0.213	Valid

Table 2 presents the results of the validity test for the items used to measure the three variables in this study: Sharia fintech, digital literacy, and interest in accessing sharia financial services. The r-count values for all items exceed the r-table value of 0.213 at a significance level of 0.05, indicating that each item is valid. Specifically, all items for Sharia fintech (SF1–SF5), digital literacy (DL1–DL5), and interest in accessing sharia financial services (IN1–IN5) have r-count values ranging from 0.664 to 0.756, which are higher than the threshold, confirming that the measurement items effectively represent their respective variables. These results suggest that the questionnaire is valid for assessing the constructs of interest in this study.

The reliability test was conducted using Cronbach's Alpha to assess the internal consistency of the measurement items. A variable is considered reliable if its Cronbach's Alpha value exceeds 0.70, indicating acceptable reliability. The results show that all research variables—Sharia fintech, digital literacy, and interest in accessing sharia financial services—have Cronbach's Alpha values of 0.842, 0.817, and 0.854, respectively, all of which are greater than 0.70, confirming that the items for each variable are reliable. This indicates that the questionnaire items demonstrate strong internal consistency and are reliable for measuring respondents' perceptions and attitudes.

4.3 Classical Assumption Test Results

Before conducting multiple linear regression analysis, classical assumption tests were performed to ensure that the regression model meets the basic statistical requirements. These tests include the normality test, multicollinearity test, and heteroscedasticity test. Meeting these assumptions is essential to ensure the validity and reliability of the regression results. The normality test aims to determine whether the residuals of the regression model are normally distributed. In this study, the Kolmogorov–Smirnov (K–S) test was used. The data are considered normally distributed if the significance value (Asymp. Sig.) is greater than 0.05.

The normality test results show that the Asymp. Sig. value is 0.200, which is greater than the significance level of 0.05. This indicates that the residuals are normally distributed, and thus, the normality assumption is fulfilled. The multicollinearity test is conducted to examine whether there is a high correlation between independent variables. Multicollinearity can be detected using Tolerance and Variance Inflation Factor (VIF) values. A regression model is considered free from multicollinearity if tolerance values are greater than 0.10 and VIF values are less than 10.

Table 3. Multicollinearity Test Results

Independent Variable	Tolerance	VIF
Sharia Fintech	0.712	1.404
Digital Literacy	0.712	1.404

As shown in Table 3, both independent variables have tolerance values greater than 0.10 and VIF values well below 10, indicating that there is no multicollinearity between sharia fintech and digital literacy. Therefore, the regression model satisfies the multicollinearity assumption. The heteroscedasticity test is used to assess whether the variance of the residuals is constant across all levels of the independent variables. In this study, the Glejser test was employed, and the model is considered free from heteroscedasticity if the significance values are greater than 0.05.

Table 4. Heteroscedasticity Test Results (Glejser Test)

Independent Variable	Sig. Value
Sharia Fintech	0.328
Digital Literacy	0.417

Table 4. indicates that the significance values for both sharia fintech and digital literacy are greater than 0.05. This means that no heteroscedasticity problem is detected, and the residuals exhibit constant variance.

4.4 Regression Analysis Results

Multiple linear regression analysis was conducted to examine the effect of sharia fintech and digital literacy on Generation Z's interest in accessing sharia financial services in Central Java. The regression analysis aims to determine both the partial and simultaneous influence of the independent variables on the dependent variable. The regression model used in this study is formulated as follows: $Y = \alpha + \beta 1X1 + \beta 2X2 + \varepsilon$, where Y represents interest in accessing sharia financial services, X1 is sharia fintech, X2 is digital literacy, α is the constant, β1 and β2 are the regression coefficients, and ε is the error term. The t-test was then used to examine the partial effect of each independent variable on the dependent variable.

Table 5. Multiple Linear Regression Coefficients

Variable	Unstandardized Coefficient (B)	Std. Error	Standardized Coefficient (Beta)	t-value	Sig.
Constant	6.214	1.487	–	4.178	0.000
Sharia Fintech (X_1)	0.382	0.091	0.421	4.198	0.000
Digital Literacy (X_2)	0.297	0.087	0.343	3.414	0.001

The regression equation is formulated as Y = 6.214 + 0.382X1 + 0.297X2. Table 5 shows that sharia fintech has a positive and statistically significant effect on interest in accessing sharia financial services ($t = 4.198$; $p < 0.05$), meaning that an increase in sharia fintech perception leads to an increase in Generation Z's interest. Digital literacy also has a positive and significant effect ($t = 3.414$; $p < 0.05$), indicating that higher levels of digital literacy enhance respondents' interest in using sharia financial services. The F-test was then conducted to examine the simultaneous effect of sharia fintech and digital literacy on the dependent variable.

Table 6. ANOVA (F-test) Results

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	412.536	2	206.268	28.917	0.000
Residual	585.764	82	7.143		
Total	998.300	84			

The F-test results indicate that the significance value is 0.000 (< 0.05), meaning that sharia fintech and digital literacy simultaneously have a significant effect on Generation Z's interest in accessing sharia financial services. The coefficient of determination (R^2) was used to measure the proportion of variance in the dependent variable explained by the independent variables. The model summary shows an R Square value of 0.412, indicating that 41.2% of the variation in Generation Z's interest in accessing sharia financial services is explained by sharia fintech and digital literacy. The remaining 58.8% is influenced by other factors not included in this model, such as religiosity, income level, social influence, and financial experience.

Discussion

The purpose of this study was to examine the contribution of sharia fintech and digital literacy in increasing Generation Z's interest in accessing sharia financial services in Central Java. The empirical findings provide strong evidence that both variables play a significant role, both partially and simultaneously, in shaping interest among young consumers. This section discusses the findings in relation to existing theories and previous empirical studies, as well as their implications for the development of sharia financial services. The regression results indicate that sharia fintech has a positive and statistically significant effect on Generation Z's interest in accessing sharia financial services. This finding suggests that the availability and perceived effectiveness of sharia-compliant digital financial platforms significantly influence young consumers' willingness to engage with Islamic financial institutions.

This result is consistent with technology acceptance theories, particularly the Technology Acceptance Model (TAM), which emphasizes perceived usefulness and ease of use as key determinants of behavioral intention. Sharia fintech platforms offer practical advantages such as faster transactions, ease of access, transparency, and flexibility, which are highly valued by Generation Z. These features reduce traditional barriers associated with conventional banking, such as physical branch visits and complex procedures. Moreover, the integration of sharia principles within fintech platforms enhances perceived ethical value and religious compatibility [3], [18]. For Generation Z consumers who are increasingly value-conscious, the combination of technological convenience and sharia compliance creates a unique value proposition. This supports previous studies that highlight fintech innovation as a strategic tool for expanding Islamic financial inclusion, especially among digitally native populations.

The findings also reveal that digital literacy has a positive and significant effect on Generation Z's interest in accessing sharia financial services. This indicates that individuals who possess higher levels of digital literacy are more likely to understand digital financial products, evaluate their benefits and risks, and develop trust toward digital financial platforms. Although Generation Z is often perceived as technologically savvy, this study confirms that digital proficiency alone is insufficient. Digital literacy, which includes the ability to critically assess information, understand digital financial mechanisms, and manage online risks, plays a crucial role in shaping financial attitudes and intentions. Higher digital literacy reduces uncertainty and perceived risk, which are common barriers to adopting digital financial services. In the context of sharia financial services, digital literacy also facilitates better understanding of Islamic financial principles embedded within fintech platforms. This understanding strengthens confidence and reduces misconceptions about sharia financial products, thereby increasing interest. These findings align with previous research emphasizing literacy as a key driver of digital financial inclusion and sustainable fintech adoption.

The simultaneous test results demonstrate that sharia fintech and digital literacy jointly have a significant effect on Generation Z's interest in accessing sharia financial services. This finding highlights the complementary relationship between technological infrastructure and individual capability. Sharia fintech provides the external enabling environment by offering accessible and user-friendly platforms, while digital literacy equips individuals with the internal capacity to utilize these platforms effectively. Without sufficient digital literacy, the benefits of sharia fintech may not be fully realized. Conversely, high digital literacy without accessible and appealing fintech services may not translate into actual interest or usage. This interaction underscores the importance of adopting a holistic approach to sharia financial development. Policymakers and industry stakeholders should not focus solely on technological innovation but also invest in educational initiatives that enhance digital and financial literacy among young consumers. Such an integrated approach is essential for fostering sustainable interest and long-term engagement with sharia financial services.

Implications for Sharia Financial Development in Central Java

In the regional context of Central Java, where socio-economic diversity and varying levels of digital access exist, the findings of this study offer important practical implications. Sharia financial institutions and fintech providers should design platforms that are not only technologically advanced but also intuitive and educational. Features such as clear information, interactive learning tools, and transparent sharia compliance indicators may enhance user trust and interest. Furthermore, collaboration between educational institutions, government agencies, and sharia financial service providers is essential to improve digital literacy among Generation Z. Programs that integrate digital financial education with Islamic economic values can strengthen both technological competence and religious awareness, ultimately supporting broader sharia financial inclusion.

5. CONCLUSION

This study examined the contribution of sharia fintech and digital literacy in increasing Generation Z's interest in accessing sharia financial services in Central Java using a quantitative approach. Based on the results of the regression analysis, it can be concluded that sharia fintech has a positive and significant effect on Generation Z's interest in accessing sharia financial services. The availability of sharia-compliant digital platforms that are accessible, efficient, and user-friendly encourages young consumers to engage with Islamic financial services. In addition, digital literacy was found to have a positive and significant influence on interest. Generation Z individuals with higher levels of digital literacy tend to have better understanding, confidence, and trust in digital financial services, including those based on sharia principles. This finding confirms that digital familiarity alone is insufficient; deeper digital literacy is essential to support informed financial decision-making and reduce perceived risks.

The simultaneous effect of sharia fintech and digital literacy further demonstrates that technological innovation and individual capability must develop in parallel. Sharia fintech provides the external infrastructure for access, while digital literacy equips individuals with the internal capacity to utilize these services effectively. Without adequate digital literacy, the potential benefits of sharia fintech cannot be fully realized. Overall, this study contributes empirically to the literature on Islamic fintech and digital financial behavior by highlighting the combined role of sharia fintech and digital literacy in shaping Generation Z's financial interest. Practically, the findings suggest that sharia financial institutions and policymakers should not only focus on expanding digital financial services but also prioritize digital and financial literacy programs, particularly for young generations, to support sustainable growth and broader sharia financial inclusion.

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