



The role of financial technology in ZISWAF (Zakat, Infak, Alms and Wakaf) collection

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ABSTRACT

Indonesia, which has a large Muslim population, has a lot of potential for Zakat, Infak, Sedekah dan Wakaf (ZISWAF). After the pandemic, there have been changes that have made people adaptive to technology. This rapidly developing technological development also affects services at Islamic financial institutions. One type of Financial Technology in Indonesia is Digital Payment or digital platforms such as e-commerce, Apps, Social Media, and Online Payment Channels. This research method uses a literature study or library research using secondary data sources. The way researchers conduct research is descriptive using a qualitative approach. The availability of Fintech services at ZISWAF collection institutions provides a special attraction for the community. The use of digital payment services will certainly provide convenience and comfort for the community in implementing the Halal Lifestyle. Digital literacy in technology is the main key to implementing fintech-based Islamic philanthropic fund management. In the current digital era, fintech plays a role in positively impacting ZISWAF collecting.

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INTRODUCTION

In the era of Society 5.0, the development of Financial Technology (Fintech) has brought significant changes to the way we interact with money and financial services. Fintech enables individuals, businesses and financial institutions to conduct online transactions quickly, securely and cost-effectively. The potential of ZISWAF (Zakat, Infak, Sedekah and Wakaf) is so great in Indonesia where the majority of the population is Muslim (Soekapdjo et al., 2018). According to the results of a survey conducted by the Indonesian Internet Service Providers Association (APJII), internet users in Indonesia are as many as 171.17 million people (64.8%) of the total Indonesian population are internet users (A'la et al., 2020).

According to the National Digital Research Center (NDRC) fintech is a form of innovation for financial services (Winarto, 2020). The use of Financial Technology services provides convenience in transactions such as digital payments. Its use in order to develop ZISWAF social fundraising has become a consideration for stakeholders.

Fintech incorporates several forms of financial services with additional activities related to electronic commerce. The distribution, purchase, sale of goods and services through electronic systems is known as E-commerce. Fintech is available from a wide selection of services for users. Fintech has benefits, in terms of transaction security, including service efficiency and accessibility (A'la et al., 2020).

The implications of this research are expected so that the application of Islamic Philanthropy namely Zakat, Infak, Alms and Wakaf (ZISWAF) which is also a Halal Lifestyle can be carried out properly. This is because zakat is a mandatory of Muslims and Infak, Alms, Wakaf are Sunnah. With the development of information technology that facilitates access for millennials, gen Z to generation Alpha will later fulfill ZISWAF. With the synergy between Financial Technology and ZISWAF management, the collection of social funds itself can be optimal.

What is the role of Financial Technology (Fintech) in collecting ZISWAF (Zakat, Infak, Sedekah and Wakaf) in Indonesia? Financial Technology is a service that makes it easy to realize the Halal Lifestyle for Muslims in Indonesia. This certainly has an impact on the management of the ZISWAF collecting institution. Therefore, preparations are needed for collecting institutions and the community.

RESEARCH METHOD

Qualitative research is the choice of researchers in this study. The approaches and data collection techniques used in this research are library research or often called a literature review. The development of fintech will be explained descriptively, including how the management of this Islamic philanthropic fund collection for ZISWAF collecting institutions (Zakat, Sedekah, Infak and Wakaf). Form the role of Islamic fintech in supporting this.

Researchers use secondary data as data sources. Data that has been presented by certain institutions will be processed and presented descriptively. And supported from books, journals, reports, official websites of ZISWAF collecting institutions (BAZNAS.go.id) and others. And also from some other appropriate and relevant sources.

Data is analyzed through various sources of information that have been collected by researchers, for information related to financial services technology that has been available that can have a role in collecting and distributing ZISWAF. Then it is examined, formulating using data interpretation techniques to draw conclusions.

RESULTS AND DISCUSSIONS

Financial Technology or what is otherwise known as Fintech is a collaboration of financial services with technology. Fintech made a change from the conventional business model to moderate, where initially payments had to be face-to-face, now it can be done online. Cash has also turned into non-cash by utilizing the internet network (Zahroh, 2019). According to the definition provided by the National Digital Research Center (NDRC), Financial Technology is a term used as an innovative result in the field of financial services with the use of modern technology (Isabela & Umam, 2020).

Fintech is a combination of two words, namely finance and technology. Fintech has become popular lately. When people come across the term fintech, they will imagine financial services that will provide easy and fast access to financial transaction needs, such as payment and transfer needs that are easier and faster to process, and other financial transaction needs. The presence of fintech gives hope to users to be able to save more time, energy, thought and costs. (Fahlefi, 2018). Fintech is a financial service offered using technology, including for daily needs such as paying utility bills, tuition fees and other payment obligations easily online, without coming directly to the service provider (Baidowi, 2011)

Fintech stands for "financial technology", which refers to the use of digital technology and innovation to provide financial solutions that are more efficient, fast and easy to use. Fintech

integrates technologies such as mobile applications, online platforms, big data, artificial intelligence, blockchain and others in various aspects of the financial industry (Sari, 2022). Fintech or Financial Technology in Indonesia is showing rapid development. Islamic fintech innovation is one that is adding traction and the latest trend in terms of financial Technology.

Fintech Syariah is a combination of financial management using System technology which is also based on financial accounting information that uses Islamic economic principles. It is important to note that an Islamic fintech that can collect zakat must ensure compliance with Islamic principles, such as sustainability, transparency, and accuracy in the use of zakat funds. Financial institutions that operate in the context of sharia have an obligation to maintain the integrity and trust of Muslims in managing their zakat. In addition, the presence of Sharia Fintech has an important role in being solutive in terms of transaction access for people who do not have accounts at financial institutions or banks. In addition, it provides easy access to financial data anywhere and anytime. Continuous innovation makes Sharia Fintech products always dynamic. Its usefulness can also be felt in recording better financial transactions. (Lusiana et al., 2021). The first application of sharia fintech in Indonesia in 2017 which received MUI certification was Paytren. Then other sharia fintech emerged such as investree, syarQ, santara and others (Yudha, 2021).

Fintech Classification (Marginingsih, 2021) in the form of Peer-to-Peer (P2P) Lending and Crowdfunding, Investment Risk Management, Payment, Settlement and Clearing and Market Aggregator. In Indonesia, there are various fintech companies operating and providing various financial services. Some examples of popular fintech in Indonesia include: digital payment platforms that provide money transfer services, credit purchases, bill payments, and other online transactions. Dana has also partnered with various merchants in Indonesia.

Table 1. Digital-Based financial services in indonesia in general

Group	Amount (%)
Payment	42,22
Loan	17,78
Aggregator	12,59
Financial planning	8,15
Crowdfunding	8,15
Other fintech sectors	11,11

Source. Processed from Financial Services Authority (OJK) and Hadad in Salsabila et al. (2023)

In general, digital-based financial services have developed in Indonesia. Currently it can be divided into several types or groups, namely Financial planning, lending, crowdfunding, aggregators, payments, and other fintech are the six categories in which fintech companies in Indonesia are included, according to data from the Financial Services Authority (OJK). Hadad said the fintech industry in Indonesia was dominated by the following industries: payments (42.22%), loans (17.78%), aggregators (12.59%), financial planning (8.15%), crowdfunding (8.15%), and other fintech sectors (11.11%) (Salsabila et al., 2023).

With the reason that the needs of the community are increasing day by day in utilizing fintech. Making these authorities continuously develop fintech services. Coupled with the Indonesian people who are predominantly Muslim. Islam itself is a comprehensive religion which eventually gave rise to the development of fintech in sharia or in accordance with Islamic religious teachings.

Zakat, Infak, Sedekah and Wakaf (ZISWAF)

Zakat, Infak, Sedekah and Wakaf (ZISWAF) is a concept in Islam that refers to the obligations and sunnah practices for Muslims. This is done by giving part of their wealth for the purpose of worship and humanity. The acquisition of ZISWAF funds is increasing every year, and the potential for the Indonesian population to be increasingly aggressive in implementing the Halal Lifestyle. The

Islamic philanthropy sector through ZISWAF should be developed. Fintech-based management can be further optimized for the development of ZISWAF in Indonesia.

Zakat

Zakat comes from the word *zaka* or *zakatan* which means to purify something, grow and develop. The term (terminology) of zakat means part of the assets with certain requirements, which Allah obliges the owner to hand over to those who are entitled to receive them, with certain conditions as well. Zakat is an act of worship by issuing a portion of (financial) assets in accordance with the levels and nisab and used entirely for the common good (ummah). Special zakat is given on a priority basis, in accordance with Surah At-Taubah verse 8 for 8 asnaf namely the needy, the poor, Amil, converts, Riqab, Gharim (Freeing Slaves), Fisabilillah and Ibnu Sabil. Zakat is the third Pillar of Islam. A Muslim who has fulfilled certain conditions is obliged to issue his zakat and it is given to eight asnaf.

The word zakat is in the form ma'rifah is mentioned 30 times in the Qur'an, 27 times of which it is mentioned in one verse with the prayer, and its side is mentioned in the same context as the prayer although not in one verse. Among the verses about zakat that are quite popular is a snippet of Al-Baqarah verse 110 (Qur'an Kemenag, 2022) which reads: Meaning: "And establish prayer and pay zakat...". In the view of Islam, the economy is a part of human life that is not only physical, but also non-physical. Because the economy is not only to find physical prosperity, but also spiritual prosperity. Not only for life in this world but also in the hereafter.

It is important to note that each type of zakat has different rules, requirements and calculations. There are zakat fitrah and zakat mal. Mal Zakat consists of Gold and Silver Zakat, Income Zakat, Agriculture Zakat and Livestock Zakat. Zakat Mal is issued when it reaches the nisab or haul. One of the pillars of Islam that must be fulfilled by every Muslim and the only pillar of Islam that has two connections, namely *habluminallah* and *habluminannas* is zakat.

Infak

The origin of the word Infaq is nafaqa which means it has passed, passed, finished, eviscerated, spent his possessions, or shopping. In language, infak means madha wa nafida, which means passing and spending. Infak does not only mean spending for the benefit of the family but can also be used for the purpose of Allah's way. Infak as a noble deed is not limited in terms of spending, but it is not permissible for the Infak to suffer. Infak is a very important social service.

In Shari'a terminology, Infak means spending a portion of assets or income for an interest ordered by Islamic teachings. If zakat has a nisab, Infak does not know nisab. Infak is issued by every believer, whether he has high or low income, whether he is in a time of freedom or poverty. If zakat must be given to certain mustahiq (eight asnaf), then Infak can be given to anyone, for example for both parents, orphans, etc. (Djayusman et al., 2017).

To spend the wealth given by Allah SWT and only aims to spend the wealth to get the pleasure of Allah SWT. Infak is a form of treasury of assets in accordance with sharia. The word Infak implies that in the way of Allah will not reduce wealth, but will increase wealth even more. The Qur'anic injunction to spend demonstrates that infak has two dimensions: compulsory infak and sunnah infak. Compulsory Infak, namely Infak that must be issued by someone who can afford it. Meanwhile, Infak sunnah, namely Infak that gets a reward if it is implemented and if you haven't done it, you won't get anything.

Sedekah

Sedekah comes from the word Sadaqah or Alms which means true. People who like to give charity means they have achieved faith. In terms of Shari'a terminology, there is a similarity in the meaning of Sedekah with Infak, as well as the laws and regulations. Sedekah has the meaning of

giving to others intended to get closer to Allah SWT, and is given to people who really need it without expecting a replacement for this gift.

Meanwhile, Sedekah in language comes from the word Sedekah which means truth versus lies, this word in Islamic sharia is also used to express wealth issued by every human being to get closer to Allah (taqarrub). Sedekah means donating something to others. Sedekah comes from the word Sedekah which means true, meaning Sedekah is a form of piety for someone who justifies his recognition as a pious person through positive deeds to others, either in the form of charity or otherwise.

Sedekah can also be interpreted as giving something that is good, either in the form of goods or services from one person to another without expecting anything in return other than the pleasure of Allah. By giving charity, it means that a person not only believes in his faith in his heart, but also applies it in real life. The provisions for Sedekah are the same as those for Infak, only if Infak is related to material things, while Sedekah has a broader meaning, including non-material gifts, such as providing services, teaching science and praying for others. In Islam, alms has a broad meaning, not only material, but also non-material. All the goodness discussed by scholars derived from Hadith, among others:

- 1) Spreading goodness and avoiding doing evil to others
- 2) Be fair in reconciling people who are in dispute,
- 3) Remove distracting objects from the middle of the road such as thorns, stones, and logs,
- 4) Always remember and pray,
- 5) Inspire and encourage others to spread kindness
- 6) Guiding people with disabilities in seeing, hearing and speaking (disabilities) who ask for directions about something,
- 7) Spread a smile to others with sincerity.

Wakaf

Wakaf or Waqf comes from Arabic, namely waqafa which means to hold or stop or stay in place or stand. The word waqafa-waqifuwaqafan has the same meaning as habasa-yahbisu-ordination. (Qur'an Kemenag, 2022). In simple terms, it can also be said that Wakaf according to language means holding property, not being used by the owner, nor is it permitted to transfer ownership. In formulating the meaning of Wakaf, Fiqh experts do not have an agreement

Wakaf is a legal act of a person who intentionally separates or removes his property that is beneficial for the purposes of Allah. It is understood that the treasure is not used up when used, it is only released from its ownership. Therefore, property that has been entrusted cannot be donated, bequeathed or bought and sold and the benefits of such property are for public benefit in accordance with Islamic Shari'a.

The Role of Financial Technology in ZISWAF Collection (Zakat, Infak, Sedekah and Wakaf)

The role of financial technology or fintech in collecting zakat, Infak, and Wakaf (ZISWAF) can be very significant. Fintech can simplify and increase the efficiency of the ZISWAF fundraising process by leveraging digital innovation. Following are some examples of the role of fintech in collecting ZISWAF behavior. With the role of fintech in collecting ZISWAF, it is hoped that it can expand community participation in contributing and simplify the process of managing ZISWAF funds. However, it should be noted that adequate regulation and oversight is needed to ensure transparency, security and compliance in the use of fintech in the ZISWAF context.

There is an interesting phenomenon among Muslims in Indonesia related to zakat in several decades. The interest or interest of Indonesian Muslims to pay zakat has increased, along with the growth of zakat management institutions, both "state" and "private" (Triantini, 2019). Basically, both fintech and sharia fintech have the same meaning, related to the urgency of using their services. However, what makes the most difference is the fundamental guidelines and foundations (Yudha,

2021). Sharia fintech only focuses on technology-based financial services that are in line with the goals of Islam (maqashid sharia) (Abidah et al., 2022).

Fintech is an innovative service in the financial sector that uses or takes advantage of the role of technology (Rachman & Salam, 2018). In essence, fintech is a technology-based financial service. Some examples of fintech products that are often used in everyday life. Such as sending money or checking balances through online banking, wifi bill payments and others. Fintech has several benefits for ZISWAF associations (Zakat, Infak, Sedekah, and Wakaf), including: (a). Ease of Payment, (b). Efficiency Improvement, (c). Transparency and Accountability, (d). Increasing Community Participation and (e). Innovation Development.(Qalati et al., 2021)

The use of digital technology and automation speeds up the payment process, data processing and reporting. This reduces administrative and bureaucratic burdens, so that the ziswaf association can focus on managing funds and implementing social programs. Through applications or fintech platforms, users can track and monitor the use of funds in real-time, including information about social programs supported by ziswaf funds. This gives confidence to the public and donors regarding the management of the funds carried out

Fintech expands accessibility and convenience in paying zakat, Infak, Sedekah, and Wakaf. With a user-friendly fintech application or platform, individuals can easily participate in ziswaf activities without having to physically attend the ziswaf association office. This can increase the level of community participation in zakat and contribute to social programs. Fintech encourages ziswaf associations to continue to develop innovations in managing ziswaf funds. By adopting the latest technologies such as artificial intelligence, data analysis, and blockchain, ziswaf associations can optimize the process of collecting, allocating, and reporting ziswaf funds more effectively.

By using fintech technology, the calculation of zakat can be known automatically. Fintech can integrate individual financial data with a zakat calculator to calculate the amount of zakat to be paid. This makes it easier for individuals to know the exact amount they have to pay according to the assets they have. Fintech can provide a stimulus to increase participation in zakat collection, which in turn can increase the amount of zakat collected and provide greater benefits to those in need.

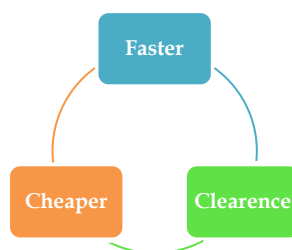


Figure 1. Benefits of Financial Technology (Fintech)
Source. Processed by researchers from various sources, 2023

The existence of Fintech makes financial services cheaper, faster and clearance (Soekapdjo et al., 2018). Lower Operational Costs. Fintechs often adopt technology-based business models that allow them to reduce the operational costs associated with the physical infrastructure, personnel and management required by traditional financial institutions. This allows Fintech to provide financial products and services at a lower cost compared to traditional institutions. Digital Technology makes transactions with fast time. Fintech leverages digital technologies, such as mobile applications, online platforms, and automated processing, to provide financial services. This reduces reliance on manual processes and results in greater efficiency in completing financial transactions. Processes that used to take days or weeks in traditional financial institutions can now be completed in

minutes or even seconds through fintech. Financial records on Fintech are also more precise and accurate.

Zakat Collection Management is a series of collection activities carried out systematically in an efficient and effective manner. Such as Socialization and Promotion. Then have a good collection strategy and steps. In addition, it also provides various types of services and reports (Huda & Heykal, 2010).

In a study of classical and modern literature, it is said that the collection of zakat is the obligation of the government in Islamic countries. Appeal to individuals who have the ability to pay zakat who have reached the haul and nisab. The obligation to pay zakat is followed by the application and implementation of professional zakat management. Success or failure can be seen from the institutional management. Because that's in implementing management in principle with a professional. The task of amil is to form mustahiq in managing zakat funds and always provide direction or motivation and guidance so that mustahiq can make good use of the funds they have.

Fintech has various types in it. Researchers provide a focus on Fintech digital payment or digital payment which is one of the main aspects of the financial technology or fintech industry in Indonesia. Fintech is a field that combines technology and financial services to provide innovative, efficient and affordable solutions for society. The government and regulators also support the development of fintech in Indonesia by encouraging innovation, strengthening digital transaction security, and increasing financial inclusion for society. In Indonesia, the development of digital payments is quite rapid. Some examples of digital payments that are popular in Indonesia include: Digital wallets (e-wallets): Such as GoPay, OVO, Dana, LinkAja, and Jenius. This digital wallet allows users to store money electronically and make payments at various merchants or online shops.

In Indonesia, BAZNAS as one of the largest philanthropic institutions based on Islamic principles has succeeded in taking advantage of fintech advances to develop its services. Rachman & Salam (2018) stated that the development of fintech as a new business trend has encouraged various sectors to participate in its application, including the philanthropic sector. Zakat, Infak, and Sedekah are social financial instruments that have great potential. Therefore, to respond to today's digital society, zakat, Infak, and Sedekah fund management institutions also need to take part in utilizing fintech so that they can collect these funds easily (Fahlefi, 2018).

BAZNAS has carried out several initiatives and collaborated with fintech companies to expand accessibility and efficiency in managing zakat. For example, BAZNAS has partnered with several digital payment platforms to make it easier for the public to pay zakat online by implementing sharia principles in managing zakat. They ensure that the fintech they use or work with BAZNAS also complies with sharia principles in financial transactions, including in the context of zakat collection and distribution.

The development of digital zakat in Indonesia can be said to be quite good considering that the National Zakat Agency (BAZNAS) has been socializing digital zakat since 2016. The emergence of various digital zakat platforms in Indonesia has also given muzakki the flexibility to choose where they will distribute their zakat. While in Malaysia people are starting to use digital zakat, this can be seen from the Selangor Zakat Institute which launched a digital zakat platform in 2019 (Meirani & Pratiwi, 2023).

BAZNAS is one of the pioneers of digital zakat in Indonesia; Now, several digital zakat platforms have been officially present in Indonesia, including Pojok Muzakki, Gojek, and Dompot Sharinghappines.org Dhuafa, zakatpedia.com and so on. Saleh et al. (2020) stated that the digital zakat platform can help capture the optimal potential of zakat in Indonesia. Supported technology makes it easy to have a wider reach even in the collection process and can also be associated with providing education about zakat.

Financial Technology (Fintech) services or digital payments make it easier for people to pay zakat and spend, give Sedekah and endowments online. Technology is the main key to implementing fintech-based zakat management. Fintech plays a role in making a positive

contribution to ZISWAF collection in the current digital era. The ZISWAF philanthropic social fundraising institution should have provided a fintech application or platform that provides a donation or zakat feature. The goal is to provide financial services that are cheaper, faster and clearance.

Table 1. Zakat, Infak, alms payment services

Banking Services	Direct Service	Digital Services
1. Account Transfers	1. BAZNAS Head Office	1. BAZNAS Platform
2. ATM	2. Pick up Zakat	2. Commercial Platforms
3. Mobile Banking/SMS Banking	3. Retailer Cashier	3. Non-Commercial Platforms
4. Bank tellers		4. Social Media Platforms
5. Account Auto Debit		5. Artificial Intelligence Platform (Zakat Virtual Assistant, Voice Command Zakat Assistant, and Zakat Augmented Reality)
6. Zakat Payroll System		6. Innovative Platform (QRIS and Digital Payment Application)

Source. Processed from BAZNAS (baznas.go.id, 2023)

BAZNAS makes it easy for Muzaki (donors) to pay Zakat, Infak and Sedekah (ZIS) through various payment channel conveniences, both banking services, direct services and digital services. In the explanation about Digital Services. Through the BAZNAS Platform. BAZNAS makes it easy for donors to pay their zakat, Infak, and Sedekah through a website page. BAZNAS provides various online transaction services that are currently needed by the community by collaborating through E-Commerce or other online application services. There are also online fundraising sites (crowdfunding) which are now popping up in Indonesia. Apart from being a means of socialization and educational interaction about Zakat, Infak and Sedekah, social media is also a means of education and information on zakat, Infak and Sedekah BAZNAS services to donors. The sophistication of artificial intelligence technology is also utilized to be able to provide zakat, Infak, Sedekah payment services to BAZNAS more easily and attractively for donors.

The role of Financial Technology in collecting ZISWAF (Zakat, Infak, Sedekah and Wakaf) includes: (a). ZISWAF payments can be made online, (b). Digital Zakat Platform that has features that make it easy for users, (c). Integration with payment systems, (d). Transparent ZISWAF transaction reports, and (e). Management of ZISWAF funds in an efficient and targeted manner.

With the presence of Financial Technology, ZISWAF payments can be made online. No need to be physically present at amil zakat institutions or social fund collectors. Various methods can be done including, digital wallets or electronic bank transfers. Fintech has developed a digital zakat platform that enables individuals to calculate, pay and report zakat online. This platform provides features such as an interactive zakat calculator, integration with digital payment methods, and a clearly recorded transaction history. This makes it easier for individuals to manage their zakat in a more efficient and documented manner.

With the adoption of fintech, it is hoped that more individuals will be involved in zakat and it will be easier to make zakat payments Humans are believed to be human choices themselves which are influenced by the thoughts they have. According to Ismail in Hermansyah (2015) The concept (mafahim) is an attempt to connect facts or reality with knowledge. If you want to understand the essence of something or by relating any knowledge to reality. If individuals consistently associate each decision as a benchmark for certain views, then a certain mindset will be formed. This mindset then affects a person's behavior patterns.

Halal Lifestyle is a Lifestyle or Life Pattern of a person in carrying out activities, when spending his wealth on needs and desires and allocating time in a halal manner in accordance with

Islamic law (Soehardi et al., 2022). This includes the use of sharia fintech with the aim of donating such as ZISWAF. In order for this to be realized, it can be supported by increasing knowledge and awareness, one of which is through digital literacy.

Digital literacy about technology is very important to carry out effective fintech-based zakat management. Digital literacy refers to understanding one's skills in using information and communication technology. In the context of fintech-based zakat management, digital literacy includes an understanding of applications, platforms and technological solutions used to manage and distribute zakat. Mustahiq and muzaki must understand this, as well as Sedekah, Infak and wakif donors. In order to increase digital literacy in fintech-based zakat management, it is important to provide the right education and training for the community. Extension campaigns and training programs can help individuals understand the potential and benefits of using technology in managing their zakat efficiently. Digital literacy enables individuals to understand various financial technologies (fintech) used in the collection, management and distribution of zakat. They can understand how the fintech platform works, including the process of collecting zakat online, tracking the use of zakat, and channeling ZISWAF funds efficiently.

People can easily utilize fintech-based zakat applications and platforms with knowledge gained through digital literacy. They can understand the user interface, understand the features provided, and send their social funds quickly and safely through the available payment methods. In addition, individuals can monitor the use of the zakat they have given transparently. They can understand how data and information about their zakat is managed, used, and reported by the fintech platform. This certainly can increase public trust in fintech-based zakat management. It should also be understood that through the use of the ZISWAF application or platform, an attitude is required to be able to recognize the risks to the security of their personal data and financial privacy. The benefits of digital literacy can also enable people to take advantage of the additional features offered by fintech. For example, donors can use the reminder feature to schedule zakat payments, study various zakat-based economic development programs, or take advantage of sustainable investment options that comply with sharia principles.

The development of information technology and adaptive attitudes towards technological advances after the Covid 19 pandemic forced humans to coexist with machines in this 5.0 society. Furthermore, humans must learn and move quickly and precisely in this digital era. The development of fintech in Indonesia is growing rapidly (Subagiyo, 2019). The empowerment of the people through sharia fintech can be developed through programs such as applications that provide sharia investment features that generate income for the community and simultaneously support social programs funded through ZISWAF. This will motivate the community to be active in carrying out ZISWAF and directly contribute to the welfare of the people. The community needs to be educated through the ZISWAF platform feature about the obligation to pay zakat, the types of zakat and how much it is and the most important thing is to tell what are the priorities when paying ZISWAF.

Researchers concluded that Financial Technology has a very large role, namely as follows, Sharia Fintech is a combination of information technology innovation with financial products and financial services and technology that provides acceleration and provides ease of business processes in conducting transactions, and the distribution of funds to investments based on sharia values (Yarli, 2018).

Sharia fintech makes it easy to carry out investment and donation activities with the help of technology, but on the other hand, people who are on the periphery still lack the knowledge to operate sharia fintech (Hiyanti et al., 2019). However, for the community in implementing this Halal Lifestyle, in several regions in Indonesia they must be given knowledge and understanding by being given Digital Financial Literacy socialization. So that people can use Fintech comfortably.

Digital literacy can help increase awareness about the benefits and impacts of ZISWAF. Communities need to understand how their zakat funds are used for charitable activities, poverty

alleviation, education, health, and other social development. This information is conveyed through the fintech platform. The main target of the DFL program is the Millennial Generation, who are the biggest users of digital financial services. As a follow-up to the DFL program initiative, during 2021, OJK will carry out Digital Financial Literacy Socialization in eight cities at 20 universities with a total of 8,623 participants. In this socialization, OJK introduced a digital financial literacy module to provide education regarding digital financial services, an understanding of the risks inherent in using IKD and other digital financial services, as well as ways of mitigation, so that people can be more careful and wise in using digital services. The socialization to the millennial generation is also expected to make students become pioneers and agents of OJK in providing digital financial literacy to the surrounding community (Bank Indonesia, 2022).

However, the institution in this instance encountered numerous challenges. The main obstacle is people who are not used to using fintech and not a few people who don't understand that fintech can be used to pay ZISWAF. ZISWAF payment activities through fintech have not yet become a culture carried out by the people of Medan. There are still many people who do not have the interest or understanding to pay ZISWAF through fintech due to a lack of literacy in technological developments, especially in financial technology (Wahyuni et al., 2022).

CONCLUSION

Financial Technology (Fintech) services or digital payments make it easier for people to pay zakat and spend, give Sedekah and endowments online. Technology is the main key to implementing fintech-based zakat management. Fintech plays a role in making a positive contribution to ZISWAF collection. In the current digital era, the ZISWAF philanthropic social fundraising institution should provide an application or fintech platform that provides donation or zakat features through sharia fintech by collaborating with various partners. The goal is to provide financial services that are cheaper, faster and clearance. This must also begin with the Halal Lifestyle campaign and digital literacy of Islamic finance by providing socialization on how to use fintech for ZISWAF and informing the priorities in carrying out ZISWAF. The limitation in this study is that the object of research tends to discuss Financial Information Technology owned by BAZNAS only. Because it is known that BAZNAS is the only amil zakat agency formed by the government and tasked with distributing Zakat, Infaq and alms at the national level, through the provincial, city / district levels. In Indonesia, there are still many ZISWAF Fund Collection Institutions, such as Badan Wakaf Indonesia (BWI), Dompot Dhuafa, Yatim Mandiri Surabaya, NU Care LAZIS Nahdatul Ulama, LAZIS Muhammadiyah, Rumah Zakat Indonesia, Rumah Yatim Arrohman Indonesia, and others spread across provinces in Indonesia. This research opportunity will be great to continue, due to information technology factors in the digital era that are fast growing and developing. So that there are very fast changes related to Financial Technology. Hopefully in the future Fintech for the collection and distribution of ZISWAF will be supported by this social fund management institution to provide service satisfaction to prospective donors.

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