The International Journal of Social Sciences World

TIJOSSW is Available Online at:
https://www.growingscholar.org/journal/index.php/TIJOSSW
Vol. 3 No. 2, December 2021, pages: 288~301
DOI: 10.5281/zenodo.5646623
ISSN **2690-5167**
Growingscholar Publisher

Moderating Effect of Ulama Endorsement on the Relationship between Trust in Zakat Institution and The Intention of Indonesian Millennial to Pay Zakat

Muhammad Sukrianto[1], Lizar Alfansi[2], Rohimin Alwi[3], Syaiful Anwar[4]

Article history:
Received September, 5, 2021, Accepted: October, 28, 2021, Displayed Online: November, 5, 2021; Published: December, 30, 2021

Keywords

Intention Trust;
Indonesian Zakat;
Moslem Millennials,
Ulama endorsement;

Abstract

The purpose of this study is to identify the moderating effect of Ulama Endorsement on the Relationship between Trust in zakat institution and The Intention of Indonesian Millennial to Pay Zakat. The study used the Theory of Reasoned Action (TRA) and the extended Theory of Planned Behavior (TPB) to investigate the factors influencing the behavioural intention of Indonesian millennials to pay zakat. The data were obtained from 394 millennial Moslems who live in several cities in Indonesia. The method applied was a purposive sampling of Indonesian millennial Moslems who already work and must pay zakat. The data were analyzed using structural equation modelling (SEM) via Amos software. Findings-The study results show that Ulama endorsement has significantly moderated the relationship between trust in zakat institutions and The Intention of Indonesian Millennials to Pay Zakat. The study significantly contributes to the Zakat institution in Indonesia to plan, strategize, and implement an effective intervention by stressing the importance of intention in forming the behaviour of millennials in paying zakat. However, the limitation is that this study only focuses on Indonesian millennials. Therefore, a cross-generational study may be performed in the future to understand the similarities and differences across generations. Originality/Value–This study is the first to examine the moderating effect of Ulama endorsement on the intention of Indonesian millennials in paying zakat. The study enriches previous studies by applying TRA and TPB simultaneously to explain the behaviour.

[1] *Bengkulu University, Bengkulu, Indonesia. Email: msukrianto.C3B017017@unib.ac.id*
[2] *Bengkulu University, Bengkulu, Indonesia. Email: lizar_alfansi@unib.ac.id*
[3] *Fatmawati State Islamic University, Bengkulu, Indonesia. Email: rohimin@iainbengkulu.ac.id*
[4] *Bengkulu University, Bengkulu, Indonesia.*

1. Introduction

Zakat payment is one of the Islamic economic instruments used to alleviate poverty (Abdullah *et al.,* 2015; Bin-Nashwan *et al.,* 2020). Since it is a mechanism that helps decrease social inequality, zakat is indeed an interesting subject to discuss. The obligation to pay zakat must be complied with by Moslems because it is one of Islam's five pillars, which is applicable over the ages. It can also be viewed as a unified system to attain social well-being. Based on the data released by the National Board of Zakat (Baznas, 2019) that does the mapping of the potential zakat indicators, overall, Indonesia's zakat potential is IDR233.8 trillion. Zakat on income has the highest potential value at IDR139.07 trillion, followed by zakat on saving and securities at IDR 58.76 trillion, agricultural zakat at IDR19.79 trillion, and livestock zakat at IDR9.51 trillion (Baznas, 2020).

As one of the countries with the largest Muslim population globally, the potential for zakat in Indonesia does not match the actual zakat collection (Yusfiarto *et al.,* 2020). Although the actual collection is increasing, it is still way below the potential that should be obtained. Only IDR1.8 trillion out of the IDR300 trillion has been collected (Heikal and Falahuddin, 2014). A possible reason for this low zakat collection is the noncompliance of the Moslems (Andam and Osman, 2016). The gap between the amount of zakat potential and the amount of zakat received is also due to the lack of intention to pay the obligatory zakat (*Muzakki*) to be distributed to institutions such as Baznas (Canggih *et al.,* 2017). The reluctance and distrust of *muzak* to distribute zakat through zakat institutions require the management to be more professional, transparent, and accountable. Zakat must be managed as a standardized, technology-oriented institution towards poverty alleviation.

To understand this issue, this research analyzes several factors that influence the intention to pay zakat among the millennial Moslems, who are the target of this research. Millennials are chosen because this generation has its unique characteristics (Smith, 2012). The unique character of this generation is based on regional and socioeconomic conditions. The millennial population totals 88 million (33.75%) of the total population in Indonesia (Budiati *et al.,* 2018). This proportion is more significant than the X generation (25.74%) and the baby boom and veteran generations (11.27%). This demographic bonus of millennials is an excellent opportunity for zakat institutions to target since they contribute a more significant proportion of the population. Several recent studies have used the millennial generation as the sample, especially those relating to technology or this generation's online shopping trend that appears to be the preferred way for them as they are very IT-savvy. This research attempts to provide new insights because, to the best knowledge of the researcher, no research has examined the behaviour of millennials towards paying zakat. Unlike other generations, like baby boomers or Generation X, millennials are very familiar with the various digitalization displays on the internet (Kilian *et al.,* 2012). The ease with which this generation uses technology in various aspects of life makes them different from earlier generations, including their behaviour towards paying zakat. Currently, many online application services are used to pay zakat. Millennials of Indonesia are always ready to anticipate changes due to rapid technological advances (Salim *et al.,* 2019). Millennials no longer pay zakat using conventional methods. They prefer to use online methods. According to Baznas (2019), the trend of paying zakat via online-based digital applications began in 2016, when digital zakat payments increased by 12% with the increasing number of platforms and e-commerce service providers.

Accordingly, by applying the extended Theory of Planned Behavior (TPB) and an extension of

the Theory of Reasoned Action (TRA) simultaneously, the study provides new insights into the factors affecting the behavioural intention of millennials toward paying zakat. Compared to previous studies on zakat payments, this study introduces three variables: trust in zakat institutions and Ulama endorsement to see the moderating effect on the millennials' intention to pay zakat, especially those living in urban areas.

Many previous studies have examined behaviour, mainly intentions, and several studies on intentions to pay zakat. There is an empirical research gap from some of these studies that require further study due to the inconsistency of previous research results. Among these gaps is a lack of research that focuses on millennial behaviour in paying zakat. Minimal research has investigated the effect of electronic payment and the moderating effect of ulama endorsement on zakat behavioural intention. Therefore, this study adds several variables that affect the intention of paying zakat. The electronic zakat payment variable is interesting to research along with technological advances, especially in urban Muslim millennials who live in big cities and are familiar with the use of digital-based applications in various aspects of their daily lives.

This study explores the moderating effect of Ulama endorsement on the relationship between trust in zakat institutions and the Intention of Indonesian Millennials to Pay zakat. In this study, Ulama endorsement is hypothesized to have a moderating impact on intention. In the current era of globalization, the role of Ulama is to teach religious knowledge in providing enlightenment to the people and guide revelation through the explanations of the scholars. The presence of ulama endorsement in advertisements, especially on television and social media, is a relatively new phenomenon in Indonesia and is quite interesting to note and research further. In the context of zakat, Islamic religious figures or Ulama have an essential role in encouraging and inviting followers to fulfil their obligations in paying zakat. It sheds light on the moderating effect of Ulama endorsement in directing and encouraging millennials to pay zakat.

2. Literature Review and Hypothesis Development

Past studies on intention have used various cognitive theories to understand behaviour. Most researchers have applied the TRA and the TPB to explain the variability in behaviour and predict behaviour in various environments. In general, previous studies have investigated the influence of attitudes, trust, subjective norms separately, and perceived behavioural control on the intention to pay zakat. Hence, there are ongoing debates and differences in results. An in-depth empirical study to analyze this problem comprehensively is needed. Under the TRA proposed by Fishbein and Ajzen (1967), which was further developed by Ajzen (1985) to become the TPB, it is explained that behaviour is determined by intention, which is an indication of how strong a person's belief is to act and how much effort is needed to conduct the behaviour.

Fishbein and Ajzen (2010) defined intention as one's cognitive readiness to perform a behaviour. The intention is a person's position in the dimension of subjective probability, which involves a relationship between himself/herself and his/her actions. The intention is a predictor of behaviour, such that intention has become the most critical factor in shaping behaviour. Bratman (1999) stated that intention is a practical attitude that can guide and control behaviour. It means that intention manifests the need to use the need and the desire that cannot be separated. Under the extended TPB, it is explained that there are three essential factors influencing intention, namely:

Behavioural belief, i.e., the basis to form subjective norms.

a. Normative belief, i.e., the individual's belief in the norms of those around him/her and the individual's motivation to follow the norms.
b. Behavioural control is the basis for shaping perceived behavioural control toward the strength of the factors to facilitate or complicate.

In zakat, many studies have used intention as a measurement of individual behaviour toward zakat payment. Some researchers have used intention for various purposes, including an intermediate variable between attitude and zakat, while others have used it as a direct determinant (Sareye and Haji-Othman, 2017). Intention to pay zakat is a person's subjective view of the tendency to bring about behaviour. It includes motivational factors that indicate how much effort is exerted and how difficult it is for the person concerned to display behaviour. As the third pillar of Islam, Zakat suffers from noncompliance, and intention could be the critical suspect (Farouk *et al.,* 2017).

This research focuses on the relationship between trust in zakat institutions and the Intention of Indonesian Millennials to Pay zakat. It indicates how strong a person's belief in zakat institution when attempting a behaviour, such as seriousness in paying zakat or taking action to fulfil zakat obligations. The study investigates the moderating effect of Ulama endorsement in encouraging millennials to pay zakat. The factors introduced in this study are:

2.1 Trust in Zakat Institution

Some studies on trust have shown a direct relationship between trust and willingness to buy (Fetzer, 1999; Alfansi and Sargeant, 2000). Kim *et al.* (2008) stated a direct relationship between trust and willingness to buy online from internet vendors. It means that increased trust will directly and positively influence buyers' intentions. According to Alfansi (2012), trust is formed when customers have confidence in financial services. Consumer confidence can be fostered in several ways, including through experience, positive recommendations, advertising, and good public relations.

Trust in zakat institutions can be defined as the dependence of zakat obligators on zakat institutions regarding the institutions' roles and responsibilities in collecting and distributing zakat to eligible recipients (Ghazali *et al.,* 2016). Ali *et al.* (2017) found that paying zakat through zakat institutions is not only influenced by the attitude of the payers but also by their trust in the institution to handle the collected zakat funds properly and their level of understanding of zakat. The trust factor is expected to play an essential role in influencing the intention to pay zakat, especially in Indonesia. It is because the management of zakat in Indonesia is different from other Islamic countries. Non-governmental organizations administer zakat institutions in Indonesia. This zakat institution is exposed to community evaluation. If the community believes in the zakat institution, they will pay zakat to the zakat institution and vice versa. Thus, trust in this zakat institution will affect the behaviour of zakat payers.

Several studies have shown that trust significantly influences zakat paying behaviour (Ghazali *et al.,* 2016; Martono *et al.,* 2019; Usman *et al.,* 2020). Mubarok and Fanani (2014) stated that one of the factors that cause low zakat realization is trust in the zakat institution. If the institution can show professionalism in managing zakat funds, the zakat payers will increasingly trust the institution (Martono *et al.,* 2019). Trust plays an essential role in zakat institutions because the continuity of their existence dramatically depends on the zakat collection from zakat payers (Muhammad and Saad, 2016). Thus, to test the influent of trust in zakat institutions on intention, the following hypothesis is developed:

H1: Trust in Zakat Institution has a positive influence on millennials' intention to pay zakat.

2.2 Ulama Endorsement

In this study, Ulama endorsement is used as a moderating variable. According to Baron and Kenny (1986), moderating variables reinforce or weaken the influence of independent variables on the dependent variable. One of the characteristics of the moderating variable is that the independent variable does not influence it. Ulama endorsement is used as a moderator in the relationship between trust in zakat institutions and the intention to pay zakat.

Previous studies have shown that celebrity endorsement in advertisements generates attention from consumers and builds more significant publicity (Majeed and Razzak, 2011). Scholars also belong to the group of religious celebrities. The community, especially his followers, will follow all their actions and speeches. Zafar and Rafique (2012) conducted a study to determine customer attitudes toward brand image and their interest to buy products advertised by celebrities. The results show that celebrity endorsers have a positive impact on customer attitude and buying interest. Celebrity endorsers such as sportsmen or actors can help make new products or brands accepted by consumers by influencing consumers' pre-purchase attitudes. In this way, the company's profits can increase (Pughazhendi and Ravindran, 2012).

They were separated from the fact that most Indonesians are Moslem, which is considered an opportunity for marketers and designers to create advertisements that have a solid appeal to consumers from this religious segment. Sakinah (2016) stated that Ulamas are leaders in Islam who bestowed this particular and glorious title as heir to the Prophet. According to Mauluddin and Rahman (2018), not every scholar with knowledge is referred to as an *Ulama*. Only those who have expert knowledge of Islam have the privilege of being called *Ulama*. They have charisma, and what they say and exemplify are interesting for the community. The strategic role of Ulama is to preach (to make the community do good deeds, away from the prohibitions of Allah) in religious, social, political, and cultural affairs, etc.

In the context of zakat, Ulamas, as Islamic leaders, have an essential role in encouraging or inviting their people to fulfil their obligations to pay zakat. The unique role of Ulama is needed during society, especially in socializing and convincing *Muzakki* to pay their zakat through zakat institutions. For some Muslim communities in Indonesia, the advice and invitations of the ulama are still used as a reference and guidance in doing various things, especially those related to worship. According to Farouk *et al.* (2017), Ulama can educate their followers about the benefits of religion and other consequences of intentions toward zakat obedience. Ulama endorsement is a variable that is hypothesized to strengthen the relationship between trust in zakat institutions the intention of millennials toward paying zakat. The hypotheses are formulated as follow:

H2: Ulama endorsement moderates the relationship between trust and millennials' intention to pay zakat

Based on the theoretical study above, the framework for this research is illustrated in Figure1.

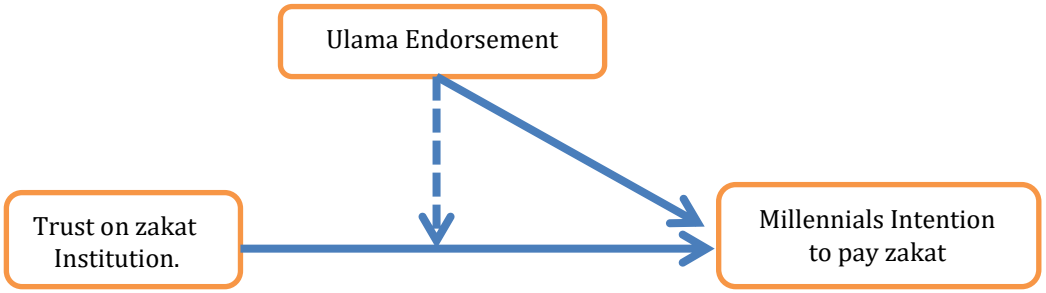


Figure 1. Relationships between variables

Note:



Effect of independent variables on the dependent variable.
Effect of moderating variables on the relationship between the independent and dependent variables.

3. Materials and Methods

This research uses a descriptive method with a quantitative approach. It is conducted using a survey method with an online distributed questionnaire. The descriptive method can describe a situation related to the problem to be studied. On the other hand, the quantitative approach is used to examine the relationship between the variables. All these variables can be measured with instruments so that the data in numbers can be analyzed using statistical procedures (Creswell, 2007). The variables and indicators of the research are presented in Table I.

Table I. List of Constructs, and Indicators

Variables		*Indicators*	*Reference*
Intention	*1.*	*Eagerness*	*1, 2, 3, 4, 5, 6, (Crow dan Crow, 1992) 7, 8, 9 (Personal Interviews)*
	2.	*Delight*	
	3.	*Self-awareness*	
	4.	*family recommendation*	
	5.	*friend recommendation*	
	6.	*leader direction*	
	7.	*to get merit*	
	8.	*social benefits*	
	9.	*self-satisfaction*	
Trust in Zakat Institution	*1.*	*Competence*	1, 2, 3, 4, 5, 6, 7 (Mayer *et al.*, 1995; *Kim et al., 2008)* *8, 9 (Personal Interviews)*
	2.	*Experience*	
	3.	*Knowledge*	
	4.	*Attention*	
	5.	*Empathy*	
	6.	*Reliable*	
	7.	*Transparent*	
	8.	*can be trusted*	
	9.	*based on value*	
Ulama Endorsement	*1.*	*having an attractive personality*	*1, 2,3, 4, 5, 6, 8,, Shimp (2007) 7, 9 ((Personal Interviews)*
	2.	*conveying messages communicatively*	
	3.	*elegant in conveying messages*	
	4.	*being honest in conveying messages*	
	5.	*consistent in conveying messages*	
	6.	*conveying trusted message*	
	7.	*conveying messages charismatically*	
	8.	*conveying messages proficiently*	
	9.	*have good morals*	

Table I shows that there are three variables developed into 27 indicators. The constructs and indicators are generated based on the present theories to measure the behaviours of millennials to pay zakat. Some indicators are added and modified based on the context of the intention to pay zakat. A series of personal interviews with 15 respondents were conducted to determine the extent to which the initial indicators were appropriate to the context of paying zakat. Three local Ulamas were also consulted to ascertain their opinions in respect of indicators developed. The statements were developed to measure the behaviours and tested using a five-point Likert scale (1 strongly disagree, two disagree, three neutral, four agree, and five strongly agree).

The population of this study is Indonesian urban millennials, namely Moslems, who work and have income and therefore are obliged to pay zakat. They were selected based on birth from 1980 to 2000 who are currently aged between 21 and 40 years (Martin and Tulgan, 2006). Considering the 88 million millennials involved, this research used non-probability sampling, or the snowball sampling technique, to select, identify, and take samples in a network or chain of continuous rolling relationships. The determination of samples in this study was adjusted to the Structural Equation Model (SEM) analysis. The samples recommended ranged from 200 to 400 respondents or as much as 5 - 10 times the number of parameters estimated (Hair et al., 2010). Therefore, with 60 research indicators, the range of samples taken is between 300 and 600 samples.

Snowball sampling technique was carried out online using the google survey form application, in which the research questionnaires were inputted. The research questionnaire with the link address https://forms.gle/XpaF34iTvfq5EGAN9 was distributed to sample points among the urban Muslim millennial generation who live in some major cities in Indonesia. The questionnaire was distributed online to respondents in Jakarta, Surabaya, Makassar, Medan, Semarang, Yogyakarta, Bandung, Kalimantan Barat, Palembang, Lampung, Padang, Kepulauan Riau, Jambi, and Bengkulu, from 1 January 2020 to 24 February 2020. Five hundred and twenty-eight respondents responded to the questionnaire; however, those who met the requirements totalled 394 respondents.

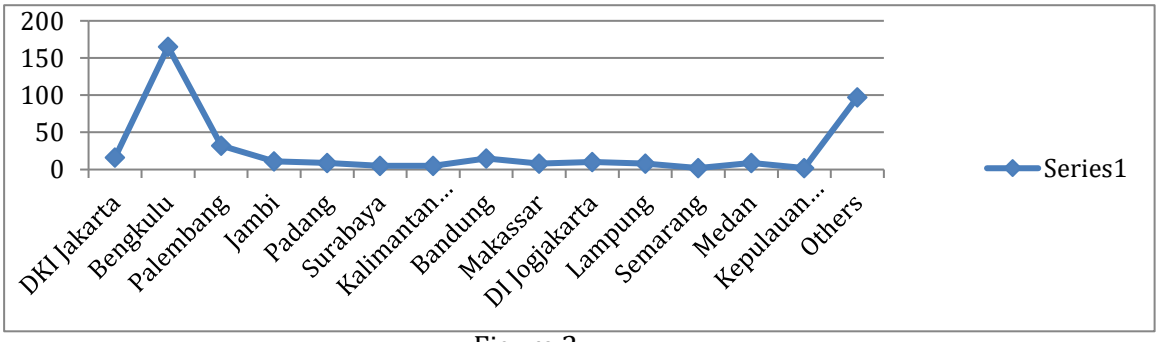


Figure 2.
Distributions of respondents

4. Results and Discussion

The data was analyzed using inferential statistical analysis or structural equation modelling (SEM) via AMOS 21 program. Many scholars have recommended SEM AMOS as an excellent statistical tool for solving complex multivariate analyses. SEM analysis includes various statistical analyses, such as path analysis, confirmatory factors analysis (CFA), Root Mean Square Error of Approximation (RMSEA), causal modelling with latent variables, and multiple regression analysis variances (Hair et al., 2010).

4.1 Normality, validity, and reliability test

A normality test is performed to determine whether or not the data obtained has a normal distribution. AMOS normality test can show the value of skewness and kurtosis. Data is said to be normally distributed if it has a critical ratio (CR) skewness and kurtosis values in the range of -2.58 to 2.58 at a significance level of 1% (0.01) (both univariate and multivariate). Based on the normality test, it can be concluded that the CR values for both skewness and kurtosis are in the range - 2.58 to 2.58. This means that each indicator has a skewness and kurtosis value that forms a typical curve pattern; hence, it can be concluded that the data are typically distributed.

A validity test is performed to determine whether a measuring instrument has performed its size function. This testing procedure is carried out to see whether the measuring instrument or statement in the questionnaire can measure accurately and show the actual condition, thus confirming the suitability of the measuring instrument (Hair *et al.,* 2010). In this study, the validity test was performed using CFA. Factor analysis is employed by looking at the maximum likelihood analysis technique and the factor loading matrix. The factor loading value is considered significant if it is > 0.50 (Hair *et al.,* 2010). After going through the stages of eliminating several indicators, the factor loading values for each indicator, i.e., Trust in Zakat Institution, Ulama Endorsement, and Intention, is not below the value of 0.5. It can be concluded that the indicators of each variable used are valid.

Construct reliability is assessed by calculating the reliability index of the instrument used (composite reliability) from the SEM model being analyzed. The boundary value used to assess an acceptable level of reliability is> 0.70 (Hair *et al., 2010*). The reliability test results can be seen in Table II. The reliability test in SEM can be obtained through the following formula:

$$CR = \frac{[\Sigma\lambda i]^2}{[\Sigma\lambda i]^2 + [\Sigma\varepsilon i]}$$

Note: *$[\Sigma\lambda i]^2$ = standard amount of loading*

$[\Sigma\varepsilon i]$ = number of measurement errors

Table II

CFA model of reliability construction

Construct	Reliability		
	$[\Sigma\lambda i]^2$	$\Sigma\varepsilon i$	CR
Trust on Zakat Institution	21.706	2.359	0.902
Ulama Endorsement	40.450	2.934	0.932
Intention	21.809	2.338	0.903

From Table II, it can be seen that the results of testing the reliability of each latent variable are reliable because each of these latent variables has reliability greater than 0.7. Construct reliability values greater than 0.7 indicate good reliability (Hair *et al*., 2010).

4.2 Structural Equation Modeling (SEM)

SEM analyses the relationship between latent variables (variables that cannot be measured directly and require several indicators to measure them) independent and dependent variables (Bollen, 1989). An essential step in SEM is assessing model fit (Blanthorne *et al.,* 2006). Analysis of the data processing results on the entire model is conducted by using the suitability and statistical tests. The results of the goodness-of-fit model are explained in Table III. A model is feasible from several feasibility tests if one of the model tests is fulfilled (Hair *et al.,* 2019). From the model output results in Table III, it can be concluded that the model suitability test criteria are all good.

Table III
Test Results of Goodness of Fit Model

No	Goodness of Fit Index	Cut off Value	Result Analysis	Evaluation Model
1	CMIN/DF	≤ 2.0	1.223	Good
2	CFI	≥ 0.95	0.988	Good
3	RMSEA	≤ 0.8	0.006	Good
4	TLI	≥ 0.95	0.955	Good
5	GFI	≥ 0.90	0.925	Good
6	AGFI	≥ 0.90	0.917	Good

The statistical test of the results was processed with SEM to test the hypothesis. Figure 3 shows the outcomes of Amos 21, which explains the relationship between trust in zakat institution (TRS), and the intention of millennials to pay zakat. The significance of the relationship between variables can be seen through the value of probability (P) and the critical ratio (CR) of each relationship between the variables. The result of testing statistics is shown in figure 3.

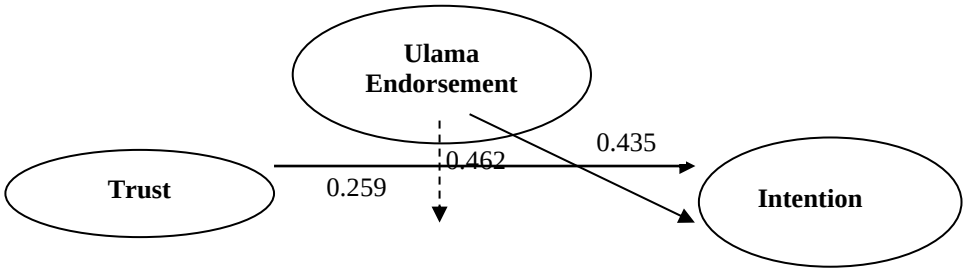


Figure 3. Regression weight of SEM

Figure 3 shows the direction of the relationship and the significance of the relationship between constructs. The analysis using AMOS 21 shows that trust in zakat institution (TRS), Ulama endorsement (END) significantly influences millennials' intention to pay zakat.

Table IV
Summarize of Figure 3

Construct			Estimate	S.E.	C.R.	Probability
INT	<---	TRS	.259	.076	3.408	***

INT	<---	END	.435	.057	7.638	***

Table IV above summarizes the results of figure three given above. It indicates that trust in zakat institutions has a positive and significant impact on the intention with a CR of 3.408 (greater than 1.96) and a probability value of (0.00< 0, 05). The SEM statistical test also shows that Ulama endorsement influences the millennials' intention to pay zakat, with a CR of 7.638 (greater than 1.96) and a probability value of (0.04 <0.05. The study also finds the moderating effect of ulama endorsements on the relationship between each variable of trust in zakat institutions and intentions.

Discussion and Implications

The results of this study support some previous studies and contribute to the knowledge that trust has a significant role in determining the intentions of *muzak* toward paying zakat. Several studies on the intention to pay zakat also found that trust has a critical role in determining the intention of muzak in paying zakat (Becerra and Korgaonkar, 2011; Muhammad and Saad, 2016; Martono et al., 2019). Usman *et al.* (2020) stated that the trust of Moslems will emerge and increase if institutions are always believed to be making various efforts to realize their goals. Trust has a crucial role because the existence of zakat institutions depends on the level of zakat collection from *muzak*. The *muzak* trust plays a vital role because their activities are highly correlated with the level of trust. Zakat institutions can only survive if there is a continuity of zakat payments and effective distribution to *Asnaf,* eligible to receive zakat*.* Trust as an intrinsic factor is seen as an essential factor in its influence on the intentions of the millennial generation of Moslems toward paying zakat through zakat institutions.

Table V shows that Ulama endorsement can moderate the relationship between trust in zakat institutions and the millennials' intention to pay income zakat. The variable influences and strengthens the direct relationship between trust and millennial intention toward paying income zakat. According to Saad *et al.* (2020), as religious leaders, Ulama influences are seen as Islamic scholars' ability to convince Muslims to pay zakat to the zakat authority. Ulama can increase their trust by promoting zakat institution programs among the community and elaborating how these programs can help Muslim societies empower alleviate poverty in society. The results are in line with Saad and Haniffa (2014), who found that the influence of religious leaders on the intention to pay zakat is significant and positive in Malaysia. However, the tiny realization of zakat payments through zakat institutions indicates that the role of Ulama has not been maximal in providing support to zakat obligators to pay their zakat through zakat institutions.

5. Conclusion

Previous studies on zakat have not explicitly discussed millennials as the object of their research. A millennial is a unique generation. Advancement in digital technology has led to a shift in millennials' ways of doing various things online, including paying zakat. The present study is the first to shed light on the factors underpinning the intention of millennials to pay zakat. Consistent with prior studies, the study shows that trust in zakat institutions influence the Moslems millennial intention to pay zakat in the Indonesian context, especially those who live in urban areas. The hypothesis of this study, on the whole, are supported. So, it can be concluded that the higher the

level of trust in zakat institutions among millennials as *muzak*, the higher their intention toward paying zakat. Several theoretical and practical implications are provided based on the research findings. First, the theoretical implication of this study supports the extended TPB. The results concur with previous studies that trust in zakat institutions is an istinct factor influencing the intention to pay zakat.

Furthermore, this study proves that the Ulama plays a significant role in moderating the relationship between the independent variables and intention. Ulama, the bearers of the Prophet's mission, has a strategic role in encouraging people to do noble deeds. Ulamas, as scholars, are expected to provide information encourage zakat as an obligation that Moslems must obey. The provision of information and encouragement by Ulama as role models for society impacts the community's compliance with the obligations that must be fulfilled. The findings of this study imply both theory and practice. In terms of theory, this research supports the development of TRA, TPB and TAM. Following previous research, this finding found that trust in zakat institutions and Ulama endorsement influence zakat intention, especially in the millennial generation. This study also provides evidence that Ulama has an important influence in moderating the relationship between trust in zakat institutions on the intention of paying zakat. Ulama, a carrier of the Prophet's message, has a strategic role in encouraging people to fulfil their obligations. In terms of practical implication, the findings contribute to the zakat institution to increase zakat collection by considering all the determinants involved in this study to achieve a better zakat collection. It is recommended that zakat institutions plan, strategize, and implement an effective intervention by emphasizing the importance of intention in forming the behaviour of millennials toward paying zakat. Therefore, zakat institutions, social enterprises, and the government should use this fact to promote zakat among the targeted community. It is also essential for zakat institutions to employ Ulamas to promote zakat obligation since Ulamas play a significant role in influencing people to pay zakat.

Limitations and Future Research

Regardless of the research contributions mentioned, the findings should be accepted with caution because of the study's limitations. First, the sample is limited to several cities in Indonesia that may not represent Indonesia. Thus, it is recommended that future studies be conducted covering other cities in the country and other Muslim countries to obtain a more comprehensive understanding of zakat compliance behaviour. A comparison approach between those countries is another important thing that should be considered in future studies. Second, the questionnaire's inherent limitation for which different interpretations by respondents to the same question may arise. Thus, future studies should use different methods such as interviews or case studies to understand this issue further. Third, this study only focuses on Indonesian millennials. Therefore cross-generational studies can be carried out in the future to understand the similarities and differences between generations. Last but not least, studies in the future should also consider other variables, such as law and enforcement, that may play an essential role in shaping zakat compliance behaviour.

Acknowledgements

The authors express their gratitude and appreciation to the unknown reviewers who have reviewed this paper and suggested some valuable suggestions.

References

Abdullah, N., Derus, A. M., & Malkawi, A. N. (2015). The effectiveness of zakat in alleviating poverty and inequalities: A measurement using a newly developed technique. *Humanomics*, *31*, 314–329.

Ajzen, I. (2005). Attitudes, Personality & Behavior. In *Open University Press*.

Ajzen, I. (2012). The theory of planned behavior. *Handbook of Theories of Social Psychology: Volume 1*, *July*, 438–459. https://doi.org/10.4135/9781446249215.n22

Ajzen, I., & Driver, B. L. (1992). Application of the Theory of Planned Behavior to Leisure Choice. *Journal of Leisure Research*, *24*(3), 207–224. https://doi.org/10.1080/00222216.1992.11969889

Ajzen, I., & Fishbein, M. (1980). *Understanding attitudes and predicting social behavior*. Prentice-Hall.

Alfansi, L. (2012). *Pemasaran Jasa Finansial*. Salemba Empat.

Alfansi, L., & Sargeant, A. (2000). Market segmentation in the Indonesian banking sector: The relationship between demographics and desired customer benefits. *International Journal of Bank Marketing*, *18*(2), 64–74. https://doi.org/10.1108/02652320010322976

Ali, M. A. M., Tazilah, M. D. A. B. K., Shamsudin, A. I. Bin, Shukri, F. R. B. F., Nik, Adelin, N. M. F. A. B. N., & Zaman, W. M. S. B. W. Z. (2017). Factors that Influence the Zakat Collection Funds : A Case in Kuantan. *South-East Asia Journal of Contemporary Business, Economics and Law*, *13*(1), 30–37.

Baznas. (2019). *Outlook Zakat Indonesia 2019*. BAZNAS.

Baznas. (2020). *Outlook Zakat Indonesia 2020*. Pusat Kajian Strategis.

Becerra, E. P., & Korgaonkar, P. K. (2011). Effects of trust beliefs on consumers' online intentions. *European Journal of Marketing*, *45*(6), 936–962. https://doi.org/10.1108/03090561111119921

Bidin, Z., & Md Idris, K. (2007). A Confirmatory Analysis of Zakah Compliance Behavioural Intention on Employment Income. *Malaysian Management Journal*, *11*, 103–114. https://doi.org/10.32890/mmj.11.1-2.2007.8950

Bin-Nashwan, S. A., Abdul-Jabbar, H., Aziz, S. A., & Haladu, A. (2020). Zakah compliance behavior among entrepreneurs: economic factors approach. *International Journal of Ethics and Systems*, *36*(2), 285–302. https://doi.org/10.1108/IJOES-09-2019-0145

Blanthorne, C., Jones-farmer, L. A., & Dreike, E. (2006). Advances in Accounting Behavioral Research. *Advances in Accounting Behavioral Research*, *9*, 179–207. https://doi.org/10.1108/s1475-148820150000018013

Bollen, K. A. (1989). Structural Equations with Latent Variables. In *Contemporary Sociology* (Vol. 20, Issue 1). https://doi.org/10.2307/2072165

Budiati, I., Susianto, Y., Adi, W. P., Ayuni, S., Reagan, H. A., Larasaty, P., Setiyawati, N., Pratiwi, A. I., & Saputri, V. G. (2018). *Profil Generasi Milenial Indonesia*. 1–153. www.freepik.com

Canggih, C., Fikriyah, K., & Yasin, A. (2017). Potensi Dan Realisasi Dana Zakat Indonesia. *Al-Uqud : Journal of Islamic Economics*, *1*(1), 14. https://doi.org/10.26740/jie.v1n1.p14-26

Creswell, J. (2007). Research Design - Qualitative, Quantitative and Mixed Methods Approaches. In *The New Zealand dental journal*. https://doi.org/10.2307/3152153

Farouk, Abubakar U., Idris, K. M., & Saad, R. A. J. Bin. (2017). Moderating role of religiosity on Zakat compliance behavior in Nigeria. *International Journal of Islamic and Middle Eastern Finance and Management*, *11*(3), 357–373. https://doi.org/10.1108/IMEFM-05-2017-0122

Farouk, Abubakar Umar, Idris, K. B. M., & Saad, R. A. B. (2017). Predicting the Intention of Civil Servants to Pay Zakat. *International Journal of Innovative Knowledge Concepts*, *5*(7), 21–29. https://doi.org/10.1109/ICPHM.2015.7245040

Fetzer, J. E. (1999). *Multidimensional Measurement of Religiousness/ Spirituality for Use in Health Research: A Report of the Fetzer Institute/ National Institute on Aging Working Group*. John E. Fetzer Institute.

Fishbein, M., & Ajzen, I. (2010). *Predicting Changing Behavior*. Psychology Press.

Ghazali, M. Z., Saad, R. A. J., & Wahab, M. S. A. (2016). A conceptual framework for examining trust towards zakat institution. *International Journal of Economics and Financial Issues*, *6*(7Special issue), 98–102.

Hair, J. F., Anderson, R. E., Tatham, R. L., Black, W. C., Babin, B. J., & Anderson, R. E. (2010). Multivariate Data Analysis Seventh Edition. In *Pearson Prentice Hall*. https://doi.org/10.1348/000712602761381358

Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, *31*(1), 2–24. https://doi.org/10.1108/EBR-11-2018-0203

Heikal, M., & Falahuddin. (2014). The Intention to Pay Zakat Commercial: An Application of Revised Theory of Planned Behavior. *Journal of Economics and Behavioral Studies*, *6*(9), 727–734. https://doi.org/10.22610/jebs.v6i9.532

Heikal, M., Khaddafi, M., & Falahuddin. (2014). The Intention to Pay Zakat Commercial: An Application of Revised Theory of Planned Behavior. *Journal of Economics and Behavioral Studies*, *6*(9), 727–734. https://doi.org/10.22610/jebs.v6i9.532

Kilian, T., Hennigs, N., & Langner, S. (2012). Do Millennials read books or blogs? Introducing a media usage typology of the internet generation. *Journal of Consumer Marketing*, *29*(2), 114–124. https://doi.org/10.1108/07363761211206366

Kim, D. J., Ferrin, D. L., & Rao, H. R. (2008). A trust-based consumer decision-making model in electronic commerce: The role of trust, perceived risk, and their antecedents. *Decision Support Systems*, *44*(2), 544–564. https://doi.org/10.1016/j.dss.2007.07.001

Majeed, S., & Razzak, S. (2011). The impact of television advertisement repetition, celebrity endorsement and perceived quality on consumer purchase decision. *Australian Journal of Basic and Applied Sciences*, *5*(12), 3044–3051.

Martin, C. A., & Tulgan, B. (2006). Managing the Generation Mix™ - From Collision to Collaboration. In *Proceedings of the Water Environment Federation* (Vol. 2003, Issue 12). https://doi.org/10.2175/193864703784755210

Martono, S., Nurkhin, A., Lutfhiyah, F., Fachrurrozie, Rofiq, A., & Sumiadji. (2019). The relationship between knowledge, trust, intention to pay zakah, and zakah-paying behavior. *International Journal of Financial Research*, *10*(2), 75–81. https://doi.org/10.5430/ijfr.v10n2p75

Mauluddin, M. I., & Rahman, A. A. (2018). Cash Waqf From the Perspective of Majelis Ulama Indonesia (MUI) and the Scholars of Aceh: An Analysis . *New Developments in Islamic Economics*, 49–66. https://doi.org/10.1108/978-1-78756-283-720181004

Mubarok, A., & Fanani, B. (2014). Penghimpunan Dana Zakat Nasional (Potensi, Realisasi, dan Peran Penting Organisasi Pengelola Zakat). *Permana*, *No.2*, 2–11.

Muhammad, S. A., & Saad, R. A.-J. (2016). Moderating Effect of Attitude toward Zakat Payment on the Relationship between Moral Reasoning and Intention to Pay Zakat. *Procedia - Social and Behavioral Sciences*, *219*, 520–527. https://doi.org/10.1016/j.sbspro.2016.05.029

Othman, Y. H., Fisol, W. N. M., & Yusuff, M. S. S. (2018). The Moderating Effect of Islamic Religiosity on Compliance Behavior of Income Zakat in Kedah, Malaysia. *International Journal of Academic Research in Accounting, Finance and Management Sciences*, *8*(2). https://doi.org/10.6007/ijarafms/v8-i2/4382

Pughazhendi, A., & Ravindran, D. S. (2012). A study on consumer buying behaviour on celebrity endorsement and brand building of automobile industry in Tamil Nadu, India. *European Journal of Social Sciences*, 405–412.

Saad, R. A. J., Bidin, Z., Idris, K. M., & Md Hussain, M. H. (2010). Factors that influenced the Business Zakah Compliance Behaviour. *Jurnal Pengurusan*, *30*(July), 49–61. https://doi.org/10.17576/pengurusan-2010-30-04

Saad, R. A. J., Farouk, A. U., & Abdul Kadir, D. (2020). Business zakat compliance behavioral intention in a developing country. *Journal of Islamic Accounting and Business Research*, *11*(2), 511–530. https://doi.org/10.1108/JIABR-03-2018-0036

Saad, R. A. J., & Haniffa, R. (2014). Determinants of zakah (Islamic tax) compliance behavior. *Journal of Islamic Accounting and Business Research*, *5*(2), 182–193. https://doi.org/10.1108/JIABR-10-2012-0068

Saad, R. A. J., Md Hussain, M. H., Bidin, Z., & Md Idris, K. (2008). Gelagat kepatuhan zakat perniagaan: Aplikasi teori tindakan beralasan. *National Management Conference (NAMAC) 2008, Primula Beach Resort, Terengganu*, 1–14.

Sakinah, S. (2016). Peran strategis Ulama dalam Sosialisasi Bank Syariah. *IQTISHADIA: Jurnal Ekonomi & Perbankan Syariah*, *3*(1), 100. https://doi.org/10.19105/iqtishadia.v3i1.1055

Salim, M., Alfansi, L., Darta, E., Anggarawati, S., & Amin, A. (2019). Indonesian Millenials Online Shopping Behavior. *International Review of Management and Marketing*, *9*(3), 41–48. https://doi.org/10.32479/irmm.7684

Sareye, J. M., & Haji-Othman, Y. (2017). The Influence of Attitude, Subjective Norms and Service Quality on Intention to Pay Business Zakat Among Single Business Owners at Kuala Ketil, Malaysia. *International Journal of Novel Research in Humanity and Social Sciences*, *4*(1), 100–107.

Smith, K. T. (2012). Longitudinal study of digital marketing strategies targeting Millennials. *Journal of Consumer Marketing*, *29*(2), 86–92. https://doi.org/10.1108/07363761211206339

Usman, H., Mulia, D., Chairy, C., & Widowati, N. (2020). Integrating trust, religiosity and image into technology acceptance model: the case of the Islamic philanthropy in Indonesia. *Journal of Islamic Marketing*. https://doi.org/10.1108/JIMA-01-2020-0020

Yusfiarto, R., Setiawan, A., & Nugraha, S. S. (2020). Literacy and Intention to Pay Zakat. *International Journal of Zakat*, *5*(1), 15–27. https://doi.org/10.37706/ijaz.v5i1.221

Zafar, Q., & Rafique, M. (2012). Impact of Celebrity Advertisement on Customers' Brand Perception and Purchase Intention. *Asian Journal of Business and Management Sciences*, *1*(11), 53–67. https://doi.org/10.5539/ibr.v5n4p55