



EXPLAINING CONTINUANCE INTENTION IN ISLAMIC DIGITAL BANKING: THE MEDIATING ROLE OF DIGITAL SELF-EFFICACY AMONG GENERATION Z

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Abstract: This study examines continuance intention toward Islamic digital banking among Generation Z, a segment that increasingly relies on digital financial services yet does not always maintain long-term usage. Despite the rapid growth of Islamic digital banking, there is a limited understanding of how cognitive, technological, and psychological factors jointly influence post-adoption behaviour. To address this gap, the study investigates the effects of Islamic financial literacy, information quality, and digital satisfaction on continuance intention, with digital self-efficacy serving as a mediating variable. The study contributes to the post-adoption literature by integrating Islamic financial literacy and digital self-efficacy into a unified framework for explaining sustainable usage behaviour in Islamic digital banking. Using a quantitative approach, data were collected from 205 Generation Z users of Islamic digital banking in Indonesia and analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM). The findings reveal that Islamic financial literacy, information quality, and digital satisfaction significantly influence continuance intention and digital self-efficacy, with information quality emerging as the strongest predictor. Digital self-efficacy also mediates the relationships between these factors and continuance intention. These findings suggest that continuance intention in Islamic digital banking is shaped not only by technological performance but also by users' knowledge and confidence in using digital financial services. Practically, Islamic financial institutions should enhance information quality, user experience, and Islamic financial literacy initiatives to encourage sustained engagement with Sharia-compliant digital banking services.

Keywords: Islamic digital banking; continuance intention; digital self-efficacy; Islamic financial literacy; information quality.



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INTRODUCTION

The swift development of digital technology has significantly transformed the financial services industry, especially in the banking sector, where digital and mobile banking platforms are becoming the primary channels for financial transactions. Digital banking enables financial institutions to provide services that are quicker, more effective, and more convenient using mobile applications and web-based systems. As a result, the way customers relate to financial institutions has changed, and new avenues of financial inclusion have opened. Based on the previous literature, technological advancement, including mobile banking, has made financial services more efficient and accessible and transformed consumer behaviour in their use (Alalwan et al., 2017; Apau et al., 2025; Venkatesh et al., 2012). In a world of digital revolution, the financial institutions are forced to streamline their services to meet the demands of technologically savvy consumers.

Islamic banking development has also been affected by the digitalization of financial services. To remain competitive in the digital economy, Islamic financial institutions are incorporating digital technologies into their business to provide Sharia-compliant financial services. The expansion of Islamic electronic banking services has been felt across most nations, including Indonesia, where the development of digital financial infrastructure has accelerated the adoption of online banking services. Statistics by the Financial Services Authority show that the adoption of digital services in Islamic banking has been increasing alongside the growth of digital financial ecosystems (OJK, 2025). In this respect, Islamic digital banking has emerged as a critical means of enhancing financial inclusion and increasing access to Sharia-compliant financial services.

Although the use of digital banking technologies is on the rise, the main concern financial institutions face is maintaining continued use among users. Digital banking usage is often discussed in terms of sustainability, based on the so-called continuance intention, which posits that users want to continue using a system once they have adopted it (Bhattacharjee, 2001). According to existing research, continuance intention is an important factor in determining the long-term success of digital banking platforms because it reflects user satisfaction, perceived value, and trust in the system (Bouhleb & Mzoughi, 2024; Nguyen & Dao, 2024; Tam et al., 2020). Continuance intention has

been noted to play a significant role in sustaining the use of digital financial services in the context of Islamic mobile banking (Abdennebi, 2023). Based on this, the determinants of continuance intention have emerged as a key research agenda in digital financial services research.

This study integrates the Expectation-Confirmation Model (ECM), the Information Systems Success Model, and Social Cognitive Theory to explain continuance intention in Islamic digital banking. ECM suggests that user satisfaction is a key determinant of continuance intention after technology adoption (Bhattacharjee, 2001). The Information Systems Success Model highlights information quality as a critical system-related factor influencing users' evaluations and continued usage behaviour (DeLone & McLean, 2003). Meanwhile, Social Cognitive Theory emphasizes the role of self-efficacy in shaping individuals' confidence to perform technology-related tasks (Bandura, 1997). By combining these perspectives, this study proposes that continuance intention is influenced by technological factors (information quality), affective factors (digital satisfaction), and psychological factors (digital self-efficacy), while Islamic financial literacy serves as a cognitive antecedent that strengthens users' capability to engage with Islamic digital banking services.

Beyond technological factors, financial literacy is recognised as an important determinant of financial service usage because it enhances individuals' ability to evaluate financial products and make informed decisions (Ha et al., 2023; Lusardi & Mitchell, 2014). In Islamic finance, Islamic financial literacy encompasses knowledge of Sharia-compliant principles, contracts, and financial products (Dinc et al., 2021; Rahim et al., 2016). Previous studies consistently show that Islamic financial literacy promotes awareness, acceptance, and intention to use Islamic financial services, particularly among Generation Z consumers (Antara et al., 2016; Hassan et al., 2019; Ningrum et al., 2025). However, prior research has largely focused on adoption-related outcomes, leaving a limited understanding of its role in shaping continuance intention. This gap is particularly relevant in Islamic digital banking, where users must evaluate both digital services and their compliance with Sharia principles.

Digital self-efficacy is also another possible determinant of digital banking usage behaviour. Self-efficacy refers to an individual's confidence that he/she can carry out certain activities with the help of digital technologies (Bandura, 1997). Regarding

the specifics of digital financial services, it has been discovered that digital self-efficacy plays a significant role in determining the intention to utilize financial technologies and mobile banking apps (Fitriati et al., 2024; Lee, 2021). Users who believe they can use digital technologies are more likely to adopt and use digital financial services. In addition, a positive user experience, including satisfaction with the performance of digital services, can boost user confidence and stimulate the adoption of the behaviour (Nuramalina et al., 2025; Oliver, 2010).

The quality of information and satisfaction with the service have also been widely acknowledged as determinants of digital banking continuance behaviour. The quality of information helps people understand how systems work, how to complete a transaction, which transactions are risky, and how to avoid uncertainty, thereby promoting trust in digital environments (Tam et al., 2020; Wixom & Todd, 2005). In the same way, user satisfaction is a key to continued use of digital services, as satisfied users tend to use digital banking platforms and recommend them to their friends (Rakocevic et al., 2025; Zhou, 2012; Zouari & Abdelhedi, 2021). The latest research also highlights that trust, satisfaction, and technological experience are significant factors that define continuance intention of the Islamic digital banking services (Aidarus & Abu, 2025).

Although previous research has investigated several determinants of digital banking adoption and continuance intention, research gaps remain. First, most of the literature on this topic has concentrated on traditional mobile banking services, and research on continuance intention in Islamic digital banking remains very scarce (Abdennebi, 2023). Second, earlier research has tended to study technological factors in isolation, and there has been little emphasis on the joint impact of cognitive knowledge, system characteristics, and psychological factors on continuance behaviour. Third, the mediating role of digital self-efficacy in explaining the relationships among financial literacy, system quality, and continuance intention has not been well examined, especially among users of Islamic digital banking and Generation Z.

Despite the growing literature on digital banking continuance, limited attention has been paid to how users translate their understanding of Sharia-compliant financial services into sustained usage behaviour after adoption. Existing studies predominantly emphasize technological attributes and service-related factors, offering limited insight

into the behavioural mechanisms through which domain-specific knowledge influences continuance intention. This issue is particularly relevant for Islamic digital banking, where continued usage depends not only on the performance of digital platforms but also on users' ability to comprehend and evaluate Sharia-compliant financial products and practices. Accordingly, this study investigates the role of digital self-efficacy in linking users' knowledge, service evaluations, and continuance intention among Generation Z, a segment that represents a major driver of digital financial service usage.

By addressing the limited understanding of post-adoption behaviour in Islamic digital banking, this study makes several contributions to the literature. First, it contributes to the body of research on continuance intention by establishing Islamic financial literacy as an important cognitive antecedent of sustainable use of digital banking. Second, it combines the Information Systems Success model and the social-cognitive framework to explain how information quality, user satisfaction, and digital self-efficacy affect continuance intention. Third, it demonstrates the role of digital self-efficacy as a mediating variable between users' knowledge and digital experience and their intention to continuously use Islamic digital banking services. These insights shed light on the behavioural dynamics relevant to Islamic digital banking, especially among Generation Z customers in new digital financial ecosystems.

Based on the theoretical assumptions and empirical findings outlined above, a conceptual framework can be proposed to explain the interrelationships among Islamic financial literacy, information quality, digital satisfaction, digital self-efficacy, and continuance intention in Islamic digital banking. The model predicts direct correlations among antecedent variables and continuance intention, with digital self-efficacy as a mediating factor. The proposed research model is presented in Figure 1.

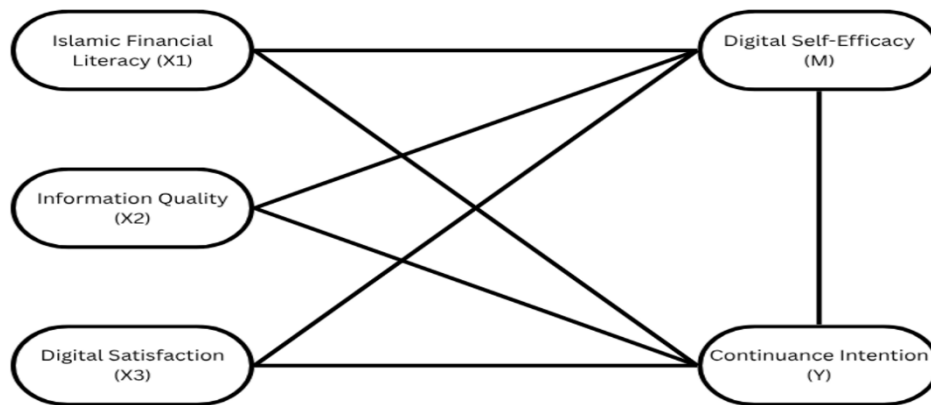


Figure 1. Theoretical Framework

RESEARCH METHOD

This study will use a quantitative methodological approach to examine the factors that determine continuance intention in digital banking among Generation Z in the context of Islam. The overall objective of the research justifies the quantitative approach: to determine causal relationships among a set of latent constructs within a structural equation framework that incorporates cognitive, technological, and psychological aspects in shaping digital banking behaviour. Quantitative research will ensure that the proposed hypotheses are tested using rigorous scientific methods and tools (Hair et al., 2021).

The model is based on the post-adoption behaviour theory, especially the Expectation-Confirmation Model (ECM), which posits that an intention to continue using the system depends on how a user appraises his/her past experiences with the system (Bhattacharjee, 2001). The paper also relies on the Information Systems Success Model, which reveals the key role of information quality and user satisfaction in shaping system usage (DeLone & McLean, 2003; Wixom & Todd, 2005).

The target population is Generation Z Indonesians who have used Islamic digital banking products. The newest generation, born between 1997 and 2012, is Generation Z, which has grown up in a digital environment and has a high level of familiarity with digital technologies (Fitriati et al., 2024; Lee, 2021). This group is a significant portion of the digital financial ecosystem because they highly engage with mobile applications and digital environments in carrying out financial transactions.

The individual user of the Islamic digital banking services was selected as the unit of analysis. The purposive sampling method was used, which allowed selecting respondents intentionally and meeting the predefined criteria relevant to the research purposes (Hair et al., 2021). The respondents were required to be Generation Z, have experience with Islamic digital banking services, and have conducted at least one digital banking transaction within the last six months. Generation Z was selected because it represents a strategically important segment for the future growth of Islamic digital banking and provides an appropriate context for examining continuance behaviour. Based on these criteria, 205 valid responses were obtained and used for data analysis.

The primary data were collected using an online survey distributed over the internet and social media networks, making it easy for respondents to access. Online surveys are among the most common methodological techniques used in studies of digital consumer behaviour, as they may involve active internet users who are conversant with computing technologies. To determine respondents' perceptions of the constructs investigated in the study, the questionnaire used a five-point Likert scale from 1 (strongly disagree) to 5 (strongly agree).

The scales used as measurement tools were based on the available literature on digital banking and fintech, which has already demonstrated their validity. Some of the constructs under scrutiny include Islamic financial literacy, information quality, digital satisfaction, digital self-efficacy, and continuance intention. Islamic financial literacy refers to participants' knowledge of Islamic finance and Sharia-compliant products (Dinc et al., 2021; Rahim et al., 2016). The quality of information determines perceptions of the quality of information provided by digital banking systems, including accuracy, completeness, and clarity (DeLone & McLean, 2003; Tam et al., 2020). Digital satisfaction refers to users' judgments of their experience with digital banking services (Oliver, 2010; Zouari & Abdelhedi, 2021). Digital self-efficacy is the level of trust users have in using digital technologies to conduct financial transactions (Bandura, 1997; Lee, 2021). Lastly, continuance intention refers to users' readiness to continue using digital banking services (Bhattacharjee, 2001; Bouhlel & Mzoughi, 2024; Zhou, 2012). Table 1 displays operational definitions, indicators, and measurement items.

Table 1. Operational Definition of Variables

Variable	Indicators	Item Questions
Islamic Financial Literacy (Dinc et al., 2021; Hassan et al., 2019; Rahim et al., 2016)	IFL1: Understanding basic concepts of Islamic finance	I understand basic Islamic financial concepts such as riba and gharar.
	IFL2: Understanding Islamic banking principles	I understand the principles applied in Islamic banking services.
	IFL3: Understanding halal financial transactions	I understand which financial transactions are halal according to Islamic law.
	IFL4: Knowledge of Islamic financial products	I understand Islamic banking products and services.
	IFL5: Ability to evaluate Islamic financial services	I can evaluate whether a financial service complies with Sharia principles.
	IFL6: Confidence in financial decision making	I feel confident making financial decisions based on Islamic principles.
Information Quality (DeLone & McLean, 2003; Tam et al., 2020; Wixom & Todd, 2005)	IQ1: Relevance of information	The information provided by the Islamic digital banking application is relevant to my needs.
	IQ2: Clarity of information	The information provided by the application is clear and easy to understand.
	IQ3: Accuracy of information	The information presented by the application is accurate.
	IQ4: Timeliness of information	The information provided by the application is up to date.
	IQ5: Completeness of information	The application provides complete information regarding services and transactions.
	IQ6: Reliability of information	I trust the information provided by the Islamic digital banking application.
Digital Satisfaction (Nuramalina et al., 2025; Oliver, 2010; Zouari & Abdelhedi, 2021)	DS1: Overall satisfaction	I am satisfied with the overall performance of Islamic digital banking services.
	DS2: Satisfaction with system usability	I am satisfied with the ease of using the application.
	DS3: Satisfaction with transaction speed	I am satisfied with the speed of transactions in the application.
	DS4: Satisfaction with transaction security	I am satisfied with the security of digital banking transactions.
	DS5: Satisfaction with system features	I am satisfied with the features provided in the application.
	DS6: Satisfaction with	I am satisfied with my overall experience

Variable	Indicators	Item Questions
	digital experience	using Islamic digital banking services.
Digital Self-Efficacy (Bandura, 1997; Lee, 2021; Sumartini et al., 2024)	DSE1: Confidence using digital technology	I feel confident using digital technology for financial activities.
	DSE2: Ability to operate digital banking	I can easily operate Islamic digital banking applications.
	DSE3: Ability to complete digital transactions	I can independently complete financial transactions using digital banking.
	DSE4: Ability to learn new digital features	I can quickly learn new features in digital banking applications.
Continuance Intention (Bhattacharjee, 2001; Bouhlel & Mzoughi, 2024; Zhou, 2012)	CI1: Intention to continue using	I intend to continue using Islamic digital banking services.
	CI2: Intention to increase usage	I will frequently use Islamic digital banking for financial transactions.
	CI3: Preference for digital banking	I prefer using Islamic digital banking compared to other banking channels.
	CI4: Primary banking platform	I plan to make Islamic digital banking my primary banking service.
	CI5: Dependence on digital banking	I rely on Islamic digital banking for daily financial activities.
	CI6: Long-term commitment	I will continue using Islamic digital banking even if other alternatives exist.
	CI7: Recommendation intention	I will recommend Islamic digital banking services to others.

Source: Adapted from previous studies

The data analysis was carried out using Partial Least Squares Structural Equation Modelling (PLS-SEM) in SmartPLS. PLS-SEM was selected because it is appropriate when the research type is predictive, the structural model is complex, and the sample size is relatively small (Hair et al., 2021). The analysis was done in two steps. The initial stage tested the measurement model, assessing indicator and construct reliability, as well as convergent and discriminant validity. The reliability of the indicators was assessed using the outer loading magnitude, while construct reliability was assessed using Cronbach’s alpha and composite reliability. The average variance extracted (AVE) was used to assess convergent validity, and the heterotraitmonotrait ratio (HTMT) was used to assess discriminant validity, which is expected to be done as recommended by (Henseler et al., 2015).

The second step was the evaluation of the structural model, in which the inter-construct relationships were assessed against the research model. This stage involved evaluating the coefficient of determination (R^2), effect size (f^2), and path coefficients. The statistical significance of the hypothesised relationships was determined using a bootstrapping procedure at the 5% significance level. The interpretation of effect sizes followed by (Cohen, 1988) conventions, in which values of 0.02, 0.15, and 0.35 correspond to small, medium, and large effects, respectively.

RESULT AND DISCUSSION

This section presents the empirical findings in four stages. First, the demographic characteristics of the respondents are described. Second, the measurement model is assessed for reliability and validity. Third, the structural model is evaluated using the coefficient of determination (R^2). Finally, the hypothesised direct and mediating relationships are examined through hypothesis testing.

Respondent Characteristics

A total of 205 valid responses were obtained from Generation Z individuals who have experience using Islamic digital banking services. The demographic profile of the respondents is presented in Table 2. Female respondents constituted the majority of the sample (57.56%), while male respondents accounted for 42.44%. In terms of educational background, most respondents held a bachelor's degree (49.27%), followed by high school graduates (45.37%). Regarding occupation, students represented the largest group (36.59%), followed by private employees (25.37%). In terms of income, the largest proportion of respondents reported a monthly income between IDR 2,000,000 and IDR 5,000,000 (33.17%). Most respondents were domiciled in Java (63.41%). Overall, these characteristics suggest that the respondents are digitally literate young consumers familiar with digital financial services.

Table 2. Respondent Characteristics (n = 205)

Characteristics	Category	Frequency	Percentage (%)
Gender	Male	87	42.44
	Female	118	57.56
Education	Primary School	2	0.98
	High School	93	45.37

Characteristics	Category	Frequency	Percentage (%)
	Bachelor's degree	101	49.27
	Postgraduate	9	4.39
Occupation	Student	75	36.59
	Private Employee	52	25.37
	Others	78	38.04
Monthly Income	< IDR 2,000,000	59	28.78
	IDR 2–5 million	68	33.17
	> IDR 5 million	78	38.05
Residence	Java	130	63.41
	Outside Java	75	36.59

Source: Processed data (2026)

Measurement Model Evaluation

The measurement model was evaluated by examining indicator reliability, internal consistency reliability, convergent validity, and discriminant validity. As shown in Table 3, all indicator loadings exceeded the recommended threshold of 0.70, indicating acceptable indicator reliability (Hair et al., 2021). Cronbach's Alpha values ranged from 0.831 to 0.889, while Composite Reliability values ranged from 0.887 to 0.915, both exceeding the recommended threshold of 0.70. The Average Variance Extracted (AVE) values ranged from 0.580 to 0.664, which indicates satisfactory convergent validity.

Table 3. Measurement Model Results

Variable	Indicator	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE	
Digital Self-Efficacy	DSE1	0.834	0.831	0.887	0.664	
	DSE2	0.833				
	DSE3	0.757				
	DSE4	0.833				
Islamic Literacy	Financial	IFL1	0.856	0.893	0.583	
		IFL2				0.804
		IFL3				0.715
		IFL4				0.780
		IFL5				0.794
		IFL6				0.770

Variable	Indicator	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
Information Quality	IQ1	0.769	0.889	0.915	0.644
	IQ2	0.809			
	IQ3	0.844			
	IQ4	0.813			
	IQ5	0.768			
	IQ6	0.808			
Digital Satisfaction	DS1	0.803	0.882	0.911	0.629
	DS2	0.782			
	DS3	0.835			
	DS4	0.796			
	DS5	0.747			
	DS6	0.795			
Continuance Intention	CI1	0.729	0.879	0.906	0.580
	CI2	0.759			
	CI3	0.773			
	CI4	0.709			
	CI5	0.776			
	CI6	0.765			
	CI7	0.816			

Source: Processed data (2026)

Discriminant validity was assessed using the Heterotrait–Monotrait Ratio (HTMT). As shown in Table 4, all HTMT values were below the recommended threshold of 0.90, indicating that each construct is empirically distinct from the others (Henseler et al., 2015).

Table 4. Discriminant Validity (HTMT)

Construct	DSE	IFL	IQ	DS	CI
Digital Self-Efficacy	—				
Islamic Financial Literacy	0.691	—			
Information Quality	0.724	0.652	—		
Digital Satisfaction	0.736	0.678	0.701	—	
Continuance Intention	0.812	0.754	0.826	0.839	—

Source: Processed data (2026)

These results confirm that the measurement model demonstrates satisfactory reliability and validity

Structural Model Evaluation

The structural model was evaluated using the coefficient of determination (R²). As shown in Table 5, the model explains 73.2% of the variance in continuance intention, indicating substantial explanatory power. Meanwhile, Islamic financial literacy, information quality, and digital satisfaction explain 48.0% of the variance in digital self-efficacy.

Table 5. Coefficient of Determination

Endogenous Variable	R ²	Adjusted R ²
Continuance Intention	0.732	0.727
Digital Self-Efficacy	0.480	0.472

Source: Processed data (2026)

The effect size analysis indicates that information quality (f² = 0.203) and digital satisfaction (f² = 0.187) have moderate effects on continuance intention, whereas Islamic financial literacy (f² = 0.056) and digital self-efficacy (f² = 0.129) have smaller effects.

Hypothesis Testing

The hypothesis testing results are presented in Table 6. All direct relationships proposed in the research model were supported. Islamic financial literacy, information quality, and digital satisfaction significantly influence continuance intention. In addition, Islamic financial literacy, information quality, and digital satisfaction significantly influence digital self-efficacy. Digital self-efficacy also has a positive and significant effect on continuance intention

Table 6. Hypothesis Testing Results

Hypothesis	Relationship	β	t-value	p-value	Result
H1	Islamic Financial Literacy → Continuance Intention	0.228	3.710	0.000	Supported
H2	Information Quality → Continuance Intention	0.390	4.769	0.000	Supported
H3	Digital Satisfaction → Continuance Intention	0.375	4.149	0.000	Supported

Hypothesis	Relationship	β	t-value	p-value	Result
H4	Islamic Financial Literacy → Digital Self-Efficacy	0.273	3.465	0.001	Supported
H5	Information Quality → Digital Self-Efficacy	0.294	2.807	0.005	Supported
H6	Digital Satisfaction → Digital Self-Efficacy	0.265	2.879	0.004	Supported
H7	Digital Self-Efficacy → Continuance Intention	0.257	4.178	0.000	Supported
H8	Islamic Financial Literacy → Digital Self-Efficacy → Continuance Intention	0.070	2.770	0.006	Supported
H9	Information Quality → Digital Self-Efficacy → Continuance Intention	0.076	2.142	0.032	Supported
H10	Digital Satisfaction → Digital Self-Efficacy → Continuance Intention	0.068	2.394	0.017	Supported

Source: Processed data (2026)

The results also indicate that digital self-efficacy significantly mediates the relationships between Islamic financial literacy, information quality, digital satisfaction, and continuance intention. These findings suggest that users' confidence in their ability to use digital technology plays an important role in translating knowledge and digital experiences into sustained usage of Islamic digital banking services.

Discussion

This research synthesizes Islamic financial literacy, information quality, digital satisfaction, and digital self-efficacy as predictors of sustained use of Islamic digital banking, using a post-adoption model. Its empirical results are rich in theoretical knowledge about the processes that support sustainable digital banking use behaviour in the context of Islamic banking.

The findings reveal that information quality is the strongest predictor of continuance intention, followed by digital satisfaction, while Islamic financial literacy exerts a comparatively smaller yet significant effect. This pattern suggests that, in the post-adoption stage, users' decisions to continue using Islamic digital banking are influenced more by their ongoing interaction with the digital platform than by their initial knowledge of Islamic finance. High-quality information reduces uncertainty, facilitates transaction-related decision making, and strengthens users' confidence in the reliability of digital banking services. This effect is particularly important in Islamic

digital banking, where users often require clear, transparent information on Sharia compliance, contractual arrangements, and financial products. Consistent with the Information Systems Success Model, information quality functions as a critical system-related resource that encourages continued system usage by enhancing users' evaluations of the service (DeLone & McLean, 2003). This finding is consistent with prior studies showing that accurate and reliable information strengthens users' confidence in digital financial services (Tam et al., 2020). Similar evidence has also been reported in studies examining continuance behaviour in digital environments (Tsai et al., 2020).

Digital satisfaction emerged as the second-most-influential predictor of continuance intention. From the perspective of the Expectation-Confirmation Model, continuance behaviour is largely determined by users' evaluations of their actual experiences after adoption (Bhattacharjee, 2001). When digital banking services consistently meet or exceed users' expectations for convenience, security, reliability, and usability, users are more likely to perceive ongoing value from the service and maintain their usage behaviour. The relatively strong effect of satisfaction indicates that continuance intention is not solely a consequence of system functionality but also reflects users' overall assessment of the quality of their digital banking experience. This result supports previous findings that identify satisfaction as a central driver of continuance intention in digital banking settings (Bouhleb & Mzoughi, 2024). Similar conclusions have been reported in studies of mobile banking and Islamic digital banking (Nuramalina et al., 2025; Tam et al., 2020).

Although Islamic financial literacy has a smaller direct effect than information quality and digital satisfaction, its role remains theoretically important. Unlike conventional digital banking, Islamic digital banking requires users to understand Sharia-compliant financial principles and distinguish Islamic financial products from conventional alternatives. Users with higher levels of Islamic financial literacy are better equipped to evaluate the suitability of Islamic financial services, reducing ambiguity regarding Sharia compliance and increasing confidence in their financial decisions. Consequently, Islamic financial literacy contributes to continuance intention by providing the cognitive foundation necessary for sustained engagement with Islamic digital banking services. Previous studies have primarily linked Islamic financial

literacy to awareness and interest in Islamic financial products (Antara et al., 2016; Hassan et al., 2019). The present findings extend this literature by showing that Islamic financial literacy also contributes to sustained usage behaviour during the post-adoption stage. This observation is consistent with recent evidence highlighting the growing importance of Islamic financial literacy among younger consumers (Ningrum et al., 2025; Wijaya et al., 2024).

Another relevant implication of this research is that digital self-efficacy strongly influences continuance intention. Digital self-efficacy is the user's conviction in his or her ability to use digital technologies effectively. According to social cognitive theory, people's behavioural intentions and actions are determined by their beliefs about their abilities (Bandura, 1997). Individuals with high digital self-efficacy will experience lower technological barriers and greater confidence when carrying out financial transactions on digital platforms. The result is consistent with the available literature, which indicates that self-efficacy plays an important role in people's intentions to use digital financial technologies (Fitriati et al., 2024; Lee, 2021). Based on this, the sustainability of digital banking behaviour can be promoted by building users' confidence in digital technology.

The empirical findings also show that Islamic financial literacy, information quality, and digital satisfaction significantly affect digital self-efficacy. This interconnection implies that the trust users have in digital banking technologies is not only a matter of technological competence but also of their financial skills and previous experience with digital services. People who understand the principles of Islamic financial systems and can access clear information on digital banking websites are more likely to develop confidence in using such services independently. Similarly, positive digital experiences can strengthen users' trust in their engagement with digital systems. Such a result aligns with previous research showing that digital financial literacy behaviour and positive experiences with systems increase self-efficacy in the field of digital financial technologies (Sumartini et al., 2024).

Lastly, the mediation analysis suggests that digital self-efficacy is a key mechanism linking Islamic financial literacy, information quality, and digital satisfaction to continuance intention. This finding implies that knowledge and positive service experiences are more likely to foster sustained usage when they strengthen

users' confidence in their ability to use digital banking services. Consistent with Social Cognitive Theory, self-efficacy translates cognitive resources and prior experiences into behavioural intentions (Bandura, 1997). This result also supports previous studies highlighting the role of self-efficacy in encouraging the use of digital financial technologies (Fitriati et al., 2024; Lee, 2021).

This observation suggests that the effects of knowledge and online experience on users' continuance intention are both direct and indirect, through enhanced belief in online technology. That is, when people receive quality information, understand Islamic financial services, and feel satisfied with digital banking services, they will tend to develop greater confidence in their ability to use digital systems, which will enhance their willingness to interact further.

These outcomes address some of the research gaps noted in previous studies. To begin with, unlike other studies that focus on the first stage of adopting mobile banking services, little research has examined factors that determine continuance intention in Islamic digital banking (Abdennebi, 2023). Second, previous studies tended to examine technology and psychological variables separately; the current study integrates cognitive knowledge, system quality, and psychological beliefs in a post-adoption approach. Third, this research pre-empts the mediating effect of digital self-efficacy, a construct that has received little consideration in previous studies of Islamic digital banking behaviour.

Theoretically, the research that has survived serves the scholarly literature in various aspects. First, it adds to the body of research on continuance intention by introducing Islamic financial literacy as a cognitive predictor of the sustainable use of digital banking platforms. Second, the paper combines the Information Systems Success Model and social cognitive theory to explain the joint effects of information quality, user satisfaction, and self-efficacy on digital banking continuance behaviour. Third, it demonstrates that digital self-efficacy is a critical psychological process that connects user knowledge, digital experience, and behavioural intentions in the context of digital Islamic banking.

Overall, the findings suggest that continuance intention in Islamic digital banking is shaped by the interplay of cognitive, technological, and psychological factors. Beyond confirming established predictors of continuance behaviour, this study

extends the literature by demonstrating that Islamic financial literacy remains relevant in the post-adoption stage and by identifying digital self-efficacy as a key mechanism through which users' knowledge and service evaluations translate into sustained usage behaviour. These findings provide a more comprehensive understanding of continuance intention in Islamic digital banking, particularly among Generation Z users.

CONCLUSION

This study provides evidence that continuance intention in Islamic digital banking is not solely a function of technological performance, but rather the interplay among user knowledge, digital experiences, and psychological confidence. The results indicate that continued use of Islamic digital banking is associated with users' ability to access reliable information, create positive service experiences, and gain confidence in the use of digital financial technologies. Most importantly, the findings indicate that Islamic financial literacy remains relevant after adoption, as it helps users continue using Sharia-compliant digital financial products and services. The results show that continuance behaviour in Islamic digital banking is associated not only with technology acceptance but also with understanding of Islamic financial principles and confidence in using digital financial services.

On a theoretical level, this research extends the post-adoption literature by providing evidence that affirms the possibility of better understanding continuance intention by combining cognitive, technological, and psychological aspects. The results complement previous studies on continuance intention by introducing Islamic financial literacy as a cognitive resource and digital self-efficacy as a key mediation process between knowledge and service evaluation and their resulting continuance behaviour. Hence, the study contributes to the understanding of continuance intention in the context of Islamic digital banking and further insights into the formation of post-adoption behaviour in digitally supported Islamic financial ecosystems.

In practice, the findings suggest that Islamic financial institutions should prioritise providing accurate, transparent, and easily accessible information through digital platforms while ensuring a secure, user-friendly service experience. Beyond technological improvements, efforts to strengthen Islamic financial literacy and digital competence among young consumers may enhance users' confidence in utilising

Sharia-compliant digital financial services and support the long-term sustainability of Islamic digital banking.

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