



The Initial Discussions of MSMEs' Green Sukuk Through Islamic Securities Crowdfunding: Behavioral Intentions Study of Prospective Investors

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Abstract. This study presents an initial discussion about the opportunity to implement green Sukuk issuance for MSMEs through Islamic Securities Crowdfunding (SCF) in Indonesia then followed by examines what factors influence the behavioral intentions of prospective investors towards this instrument. In doing so, this study uses mixed research methods. A qualitative approach through in-depth interviews is conducted to provide input and policy recommendations based on expert opinions regarding opportunities for implementing green Sukuk for SMEs. Meanwhile, quantitative research through a survey by observing 152 respondents was conducted to determine the role of the Theory of Planned Behavior, religiosity, and environmental knowledge on the behavioral intentions of this instrument. Quantitative data were processed using Structural Equation Modeling (SEM) techniques. The results show that subjective norms, perceived behavioral control, and religiosity significantly affects prospective investors' behavioral intentions via the mediating role of attitude. Meanwhile, environmental knowledge directly affects behavioral intentions without mediating part of attitude. This research has implications for extending the theory of planned behavior with the addition of knowledge about Islamic principles and the environment in terms of buying the green Sukuk offered by SCF. From a policy perspective, the results can be used as the material for regulators (Financial Services Authorities (OJK)) to discuss more deeply the issuance of MSMEs' green Sukuk. In addition, the crowdfunding service association, providers, and the Muslim entrepreneurs community can jointly do collaboration to review the process of environmental assessments for MSMEs' green projects.

Keywords: Behavioral Intentions · Green Sukuk · MSMEs · Securities Crowdfunding · Sustainability

1 Introduction

The presence of Securities Crowdfunding (SCF), which is the result of the development of Equity Crowdfunding (ECF) based on POJK Number No. 57/POJK.04/2020, is a significant potential relation with alternative financing schemes for MSME actors. SCF, which focuses more on MSME financing, comes with the advantages of its products, which can be in the form of issuing shares or Sukuk on a small scale. Majid and Nugraha (2022) emphasized that the presence of SCF in the national FinTech landscape is a means to obtain funding following sharia principles and as a forum for implementing MSME business operations in terms of core business and operations that do not violate sharia principles.

Unfortunately, unlike the green Sukuk that have been issued to integrate environmentally friendly investments with the development of large state-owned projects, the Sukuk issued by the SCF, especially the sharia SCF, has not accommodated the characteristics of the green Sukuk issued by the state. Operations and projects run by MSMEs require an ample supply of energy which has logical consequences for the threat of fulfilling natural sustainability, namely from the availability of water resources, accumulation of waste, and damage to land (Kementerian Lingkungan Hidup dan Kehutanan Republik Indonesia, 2020). Meanwhile, the Ministry of Environment and Forestry of the Republic of Indonesia (2020) stated that the increase in greenhouse gas emissions was caused by the rise in energy consumption in the four final energy use sectors, including MSME activities (BPS, 2021).

The author sees the significant prospect of the SCF industry for MSMEs in the future. Currently, the number of SCF operators who have joined the Indonesian crowdfunding service association (ALUDI) and are licensed by the OJK are only ten providers, one of which operates under sharia principles. This number is tiny compared to all MSMEs reaching 64 million units in Indonesia (Table 1).

In addition, when compared, the total credit carried out by MSMEs in Indonesia shows a positive trend; as of 2019, it reached 1098.14 trillion. The number is enormous when compared to the total value of funds raised through SCF in the form of shares, bonds, and Sukuk, which as of June 3, 2022, had only reached 507.20 billion or equivalent to 0.0005% of the total financing needed by MSMEs (katadata, 2022). It's equal to 0.0005% of the total funding required by MSMEs. Or, if it is devoted to medium-sized businesses, the total funds collected by SCF only cover 0.001% of the needed funds.

Table 1. The Proportion of MSMEs' Loans

Credit Position	The proportion of MSME Loans to Total Loans (Trillion Rupiah)							
	2012	2013	2014	2015	2016	2017	2018	2019
Micro	97.18	118.77	140.27	164.87	195.62	221.41	251.34	277.23
Small	164.27	187.73	201.98	215.92	255.50	282.78	312.07	332.12
Medium	264.95	303.53	329.47	359.01	405.84	438.20	469.24	488.79
Total MSMEs	526.40	610.03	671.72	739.80	856.96	942.39	1032.64	1098.14

Source: Indonesian Economic and Financial Statistics (SEKI) Bank Indonesia (BPS, 2019)

Based on our best knowledge, research on the intention to use Islamic SCF (I-SCF) FinTech to get financing is very rare. In more detail, research on the behavioral intention to use SCF was conducted by several researchers. The study conducted by Darmansyah, Fianto et al. (2020), Purwantini et al. (2020), Marzuki and Nurdin (2020), and Yuspita et al. (2019) in Indonesia, Ali et al. (2021) in Pakistan, Jerene and Sharma (2020) in Ethiopia and Chuang, Liu, & Kao (2016) in Taiwan examined the intention of users to adopt Islamic FinTech in general. The intention to use crowdfunding in Bangladesh was carried out by Munim et al. (2020), then in China by Kang et al. 2016; Wang et al. (2019), in Malaysia by Wasiuzzaman et al. (2021a, 2021b), in Brunei Darussalam by Wasiuzzaman et al. (2021a, 2021b) and Nigeria by Sulaiman et al. (2021), as well as in Italia by Troise and Tani (2020) in relation with the equity crowdfunding. In addition, in Indonesia, Majid and Nugraha (2022) tested the intensity of investors to invest through SCF, either in buying shares or Sukuk. Meanwhile, research on the intention to purchase green Sukuk issued by the state has been carried out by Khairunnisa (2021) and Dhiradharana (2019).

Based on the explanation above, this study fills the research gap by proposing a green Sukuk scheme as issued by the state to consider its application in the issuance of Sukuk through the sharia SCF platform by MSME actors. After that, this research is in the form of testing potential investors' intentions to buy the green Sukuk. In particular, by adopting the Theory of Planned Behavior, in this study, the author focuses on adding the variables of Religiosity and Environmental Knowledge as exogenous variables.

The implementation of this Sukuk has consequences for the screening process of prospective issuers, which is not only in terms of sharia and business performance but also considers the environmental side of the project that becomes the underlying asset in the issuance of Sukuk. On this basis, based on our best knowledge, this study is the first to examine how interested investors are in investing if there is a green Sukuk issued through the SCF platform. The results of this study are expected to become material for policy recommendations in the context of decision-making by the authorities to consider the implementation of green Sukuk issuance at the SCF level, especially for SCF.

2 Literature Review

2.1 Theory of Planned Behavior

The theory of planned behavior argues that there are three conceptually independent determinants of intention (Icek Ajzen, 1991). The first is the attitude toward the behavior. It refers to the degree of a favorable or unfavorable evaluation or evaluation of the conduct in question. The second predictor is a subjective norm that refers to the perceived social pressure from the closest and influential circle of one to adopt or not to adopt a behavior. The third antecedent of intention is the degree of perceived behavioral control, which refers to the perceived ease or difficulty of doing the behavior. It is assumed to reflect experience, anticipated impediments, and obstacles (Icek Ajzen, 1991).

Ajzen and Fishbein (1970) define subjective Norm (SN) as the perceived pressure to perform a behavior according to the influence of people around someone. The closest people in one's circle have a stake in influencing, either because of the knowledge, information, or recommendations that help shape the perspective and motivation for

someone to want to use a product. In this study, influential people who can influence the view of potential Muslim investors to buy green Sukuk offered through I-SCF are family, co-workers, business partners, teachers/lecturers, public officials, and religious leaders who are followed.

2.2 Previous Study and Hypothesis

2.2.1 Subjective Norm and Attitude Toward Behavior

In terms of the use of products and services, some researchers argue that SN can increase the willingness to adopt Islamic FinTech products, Sharia-compliant credit cards, donating cash waqf, infaq, and sadaqah through online platforms, as well as micro-investment (Abdul Rahman et al. 2016; Aji et al., 2020; Chetioui et al., 2022; Darmansyah et al., 2020; Lawal, 2019; Majid, 2021; Niswah et al. 2019; Zabri and Mohammed, 2018). Concerning the provision of donations and or infaq during the COVID-19 pandemic, Chetioui et al. (2022) and Aji et al. (2020) found that SN had a significant positive effect on attitude toward giving donations. Similarly, concerning the adoption of Islamic banking among potential customers in Pakistan, Maryam et al. (2021) found the same thing. Thus, the hypothesis that is built is as follows.

H1: SN of prospective Moslem investors has a significant influence on the attitude toward behavior to buy green sukuk offered by I-SCF FinTech

2.2.2 Perceived Behavioral Control, Attitude Toward Behavior, and Behavioral Intention

Perceived Behavioral Control (PBC) is the sense or belief of self-efficacy or ability to perform the behavior of interest (Icek Ajzen, 2005). Specifically, PBC is determined by ideas about situational and internal factors that support or inhibit a person from performing a behavior (Chetioui et al., 2022; Kasri and Chaerunnisa, 2020). In this study, PBC represents the attitude and ability or control of prospective Muslim investors on a strong desire in the midst of reinforcing and inhibiting factors that influence them to buy the green Sukuk issued by MSMEs through the mechanism of I-SCF. The information or basic knowledge also helps strengthen a person's enthusiasm and attitude so that, for him, the inhibiting factors become lost in his behavior. The influence of PBC in forming ATB was also found in a study conducted by Duong (2021) regarding the relationship between entrepreneurship education and intentions to become an entrepreneur. Chetioui et al. (2022) also proved that PBC had a significant positive effect on ATB in giving alms during the Covid-19 pandemic. However, previous studies in various fields have demonstrated a substantial influence of PBC on attitude (Ajzen ad Madden, 1986). Concerning research on investment intentions, there is a lack of previous studies that examine the effect of PBC on attitudes to buying green Sukuk or using products from Islamic FinTech. Thus, the hypothesis is as follows.

H2: PBC of prospective moslem investors has a positively-significant influence on the attitude toward behavior to buy Green Sukuk offered by I-SCF FinTech

Attitude is a disposition to respond enthusiastically or unenthusiastically to an object, person, institution, project, or event (Icek Ajzen, 1991, 2005). Therefore, attitude is

related to the personality, perceptions, and motivations that influence behavior (Kasri and Chaerunnisa, 2020). Hence, if the individuals feel that performing a behavior will generate positive results, then such individuals will have a favorable evaluation and practice the behavior (Chetioui et al., 2022). Attitude Toward Behavior (ATB) was highly correlated with the sum of the beliefs due to each multiplied by the respective evaluative aspect (Icek Ajzen and Fishbein, 1970). In this study, the ATB refers to prospective Muslim investors' attitudes, perceptions, and motivation to invest their capital to buy green Sukuk through I-SCF. The more they consider that I-SCF is a suitable capital facility, easy to use, and has many variations of contracts as well as implies to sustain the environment, the higher the intensity of buying green Sukuk offered by I-SCF. Previous research conducted by Yuspita et al. (2019) proved that ATB has a positive and significant correlation with Behavioral Intention (BI) to use Islamic FinTech in general. The same thing was found by Kim and Park (2022), Kasri and Chaerunnisa (2020), and Aji, Albari, et al. (2020), that ATB also increases user incentives to donate online or through the crowdfunding platform. Thus, the hypothesis that is built is as follows:

H3: ATB of prospective Moslem Investors has a significant influence on the Behavioral Intention to buy Green Sukuk offered by I-SCF FinTech

2.2.3 Religiosity, Attitude Toward Behavior, and Behavioral Intentions

Johan et al. (2020) define religiosity as the individual's ability to commit and perform to religious beliefs by obeying what can and should not be done, including values and practices in everyday life. Religiosity includes belief and is also realized in words and proven by actions. Religiosity will be very influential in shaping the perception and basic knowledge about a thing based on the source of information from what he believes. Ajzen and Fishbein (1970) argued that attitude was highly correlated with how much confidence a person believes in what aspects of evaluation. Therefore, the level of obedience of an individual in carrying out the teachings of the religion he adheres to is a vital aspect that can influence a person's behavior, habits, and decisions (Usman et al. 2022).

Previous research conducted by Alam et al. (2012) has proved the role of religiosity as the most important factor influencing user intentions to invest in Islamic homes in Malaysia's Klang Valley. In this study, religiosity represents how the level of implementation of Islamic teaching is not only believed to be a ritual of worship but also as a guide in carrying out business activities that also pay attention to the environmental side. Concerning the social side, Kasri and Chaerunnisa (2020) and Chetioui et al. (2022) also found that religiosity was the most impactful factor affecting the intention to perform donations and cash waqf. Similarly, from a commercial point of view, Johan et al. (2020) and Atal et al. (2022) in their research prove that the higher a person's level of religiosity affects his intention to use Islamic credit card products and Murabaha financing by Islamic financial institutions. Thus, the hypothesis is as follows:

H4a: Religiosity of prospective Moslem Investors has a significant influence on the Attitude Toward Behavior to buy Green Sukuk offered by I-SCF FinTech

H4b: Religiosity of prospective Moslem Investors has a significant influence on the Behavioral Intention to buy Green Sukuk offered by I-SCF FinTech

2.2.4 Environmental Knowledge on Attitude and Behavioral Intentions

Previous research has discussed how the role of environmental knowledge can change a person's attitude and behavior towards a particular activity or object. In the context of environmental sustainability, the knowledge that a person has psychologically will open up insights about facts and future expectations of how crucial environmental sustainability is. The opening of understanding will shape or change a person's attitude towards a view/mindset, which is then manifested through behavior (Lee, 2011; Otto and Pensini, 2017; Polonsky et al., 2012; Wang et al., 2021). Therefore, this study believes that the environmental knowledge embedded in the local investors will affect their attitude and the intention to behavioral MSMEs' Green Sukuk via Islamic SCF.

Literature guided this study for finally decided to examine environmental knowledge when discussing green behavior or green products. For Instance, Polonsky et al. (2012) found that overall ecological knowledge and specialized carbon offset knowledge appear to be connected to attitudes and that attitudes toward the environment influence general and specific environmental behaviors. Lee (2011) added that action-related knowledge could also affect environmental behavior besides knowledge related to carbon and gas emissions. They explained that action-based teaching in a classroom about saving environmental practices could positively impact the attitude and behavior of adolescence. Furthermore, Göçer and Sevil Oflaç (2017) revealed that ecological knowledge is the most critical factor influencing a product's positive tendency toward environmentally friendly labels. Consumers with high environmental Knowledge pay excellent attention to a product's ecologically friendly label. They have a positive tendency towards it, leading to behavioral intention. Based on the explanation above here, we proposed our next hypothesis as follows:

H5a: In a direct relationship, environmental knowledge affects the attitude of local investors toward MSMEs' green Sukuk via Islamic SCF

H5b: In a direct relationship, environmental knowledge affects the behavioral intention of MSMEs' green Sukuk in a positive and significant effect

3 Research Methods

The study was generally conducted through mixed-method, incorporating qualitative and quantitative measures. As green Sukuk in Islamic SCF has not existed, qualitative data analysis has been conducted to discuss the potential implementation of green Sukuk issued by SMEs in Islamic SCF based on expert opinion. Afterward, the quantitative analysis revealed vital factors of prospective investors' behavioral intentions toward green Sukuk in Islamic SCF.

Data Collection and Sample

In the qualitative analysis stage, data were gathered through in-depth interviews with four experts who have capability and concern in Islamic Finance and capital market especially in green sukuk and Securities Crowdfunding. The fourth expert became interviewees from different perspectives to get a holistic insights.

No	Respondent Initial	Institution/Profession
1	ALH	Vice President of Business at PT Shafiq Digital Indonesia (The first and only currently of Islamic SCF, known as Shafiq)
2	AR	Lecturer and Researcher at Jakarta State Islamic University
3	BAF	Head of Islamic Economics program Faculty of Economics and Business Universitas Airlangga, Head of the SDGs Center at Universitas Airlangga.
4	LCK	CEO of PT Gema Pack and PT Gema Putra Abadi, Member of KPMI (Komunitas Pengusaha Muslim Indonesia), Head of Waqf and Endowment Fund Division of KPMI.

For the quantitative analysis, this study uses primary data collected through online self-reported surveys in the quantitative stage. The questionnaires were distributed for two weeks (June 26–July 9, 2022) in Bahasa Indonesia and succeeded in collecting as many as 162 respondents. Google forms are used to facilitate the survey process. To avoid self-report bias in the online survey process caused by the confusion of the respondents, we provide a brief overview of the operational definition of each indicator item group representing the variable. Besides, we also provided a quick lesson regarding the Green Sukuk Practice in Indonesia on the first page of the questionnaire. Hence, the respondents could recall their knowledge about the issue. Furthermore, we arranged the questions briefly, concisely, and clearly. We informed the respondents not to write their full names and replace them with initials so that their confidentiality was maintained and they felt comfortable filling out the questionnaire correctly.

This research used the purposive sampling method. Purposive sampling is a non-probability sampling method where the sampling process is carried out through selection by forming a series of essential criteria that support the research objectives (Ghozali, 2018). The criteria for the selected respondents are:

- 1) Muslim, male or female
- 2) At least 16 years old as of January 2022
- 3) Have a basic understanding of sharia investment
- 4) Investing some income per month

We got several answers which have missing values. Besides, we also analyzed the outlier data using SPSS software to make healthier data set. After screening the filled questionnaires, we have a final sample size of 152 respondents. The number of 152 samples in this study follows the recommendations set by Hair et al. (2017a, 2017b), which states that the number of samples suitable for carrying out data analysis using the SEM-PLS technique should be 5–10 times the number of indicators. There are six variables with 27 indicators, meaning the minimum sample must be 135 (<152). Therefore, the total sample of this research has met the requirement.

Model Development and Variable Measurement

We adopted the Extended Model of Theory Planned Behavior (TPB). A structured questionnaire was designed to measure respondents' perceptions and opinions regarding the indicators of the constructs built on the research model (Ghozali, 2018). The six latent

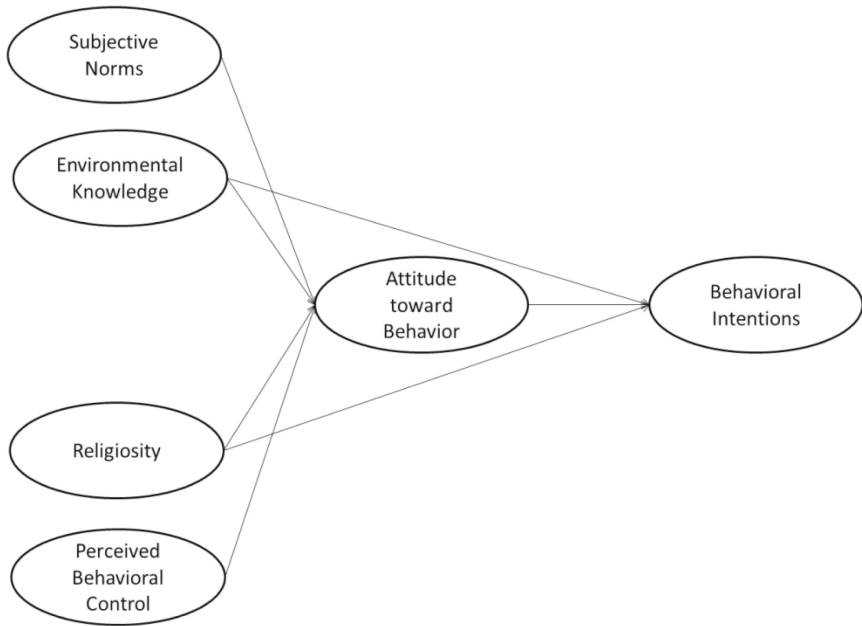


Fig. 1. Proposed Model

variables in this study consisted of four independent variables (Environmental Knowledge, Religiosity, Subjective Norm, and Perceived Behavioral Control), one mediator variable (Attitude toward Behavior), and one dependent variable (Behavioral Intention). All indicators representing the variables above were measured using a Likert scale of 1 to 7 (1 = strongly disagree and 7 = strongly agree). Table 2 describes the number of indicators and references used in developing the questionnaire instrument (Fig. 1).

Before distributing the official questionnaire, the pilot study was conducted by sending questionnaires to colleagues holding doctoral degrees in management and behavioral economics with high research experience to peer-review each indicator item. The peer-review results are then used as material for correction to improve the redaction of the questions for each indicator. The results of the validity and reliability test required the elimination of seven indicators consisting of three indicators of Environmental Knowledge (EK1, 2, and 7), three indicators of Religiosity (R1, 7, and 8), and one indicator of Behavioral Intention (BI3). Thus, the indicator that initially numbered 33 was reduced to 26.

4 Data Analysis

The interview results have been transcribed and arranged for qualitative analysis in a theme-based order. The triangulation process has been completed through a literature review. It ensures that the data from this stage has been linked and matched with the body of the literature. In the quantitative phase, partial Least Square and Structural Equation

Table 2. Measurement Items

Construct	Code	Items	References
Attitude Toward Behavior	ATB1	It is a good idea to invest in green Sukuk using Islamic SCF products	(Icek Ajzen, 1991; Darmansyah et al., 2020; Majid and Nugraha, 2022; Niswah et al., 2019)
	ATB2	Learning about green Sukuk investment schemes and steps on Islamic SCF beneficial for me	
	ATB3	I believe that the green Sukuk held by Islamic SCF is the right vehicle for green investment that is in line with sharia principles	
	ATB4	I believe that green Sukuk investments organized by Islamic SCF are more flexible in nominal investment and are promising compared to other Islamic investment facilities.	
	ATB5	I believe that investing in green Sukuk through Islamic SCF is materially and non-materially profitable	
Subjective Norms	SN1	My family supports me in investing green by buying green Sukuk through Islamic SCF	(Icek Ajzen, 1991b; Darmansyah et al., 2020; Majid & Nugraha, 2022; Niswah et al., 2019; Purwantini et al., 2020)
	SN2	My co-workers or business partners support me in investing in green by buying green Sukuk through Islamic SCF.	
	SN3	Teachers, lecturers, and public officials support me in investing in green by buying green Sukuk through Islamic SCF	

(continued)

Table 2. (continued)

Construct	Code	Items	References
	SN4	Religious leaders/ulama/fiqh experts that I know encourage green investment by buying green Sukuk through Islamic SCF	
Perceived Behavioral Control	PBC1	I have full awareness and control to buy green Sukuk through Islamic SCF to invest while maintaining environmental sustainability	(Icek Ajzen, 1991; Darmansyah et al., 2020; Kasri and Chaerunnisa, 2020; Majid and Nugraha, 2022; Niswah et al., 2019; Sulaiman et al., 2021)
	PBC2	The decision to buy green Sukuk through Islamic SCF to invest while maintaining environmental sustainability is entirely up to me	
	PBC3	I have the resources, knowledge, and ability to buy green Sukuk through Islamic SCF to invest while maintaining environmental sustainability	
Environmental Knowledge	EK3	I know what is meant by renewable energy resources	(Chekima et al., 2016; Otto and Pensini, 2017; Polonsky et al., 2012)
	EK4	I know what sustainable investing is	
	EK5	I can list at least five types of actions to protect the environment in our daily lives	
	EK6	I can explain what is meant by recycling (recycling)	
	EK8	I was taught at school/college/office about the importance of protecting the environment in production, consumption, and investment activities	

(continued)

Table 2. (continued)

Construct	Code	Items	References
Religiosity	R2	The beliefs and teachings of Islam that I hold are always taken into consideration in making decisions in life	(Alam et al., 2012; Johan et al., 2020; Kasri and Chaerunnisa, 2020; Majid, 2021)
	R3	Investing in green Sukuk in Islamic SCF will be much more rewarding because it will get profit-sharing/margin that follows sharia principles while contributing to environmental protection.	
	R4	I know Islamic guidelines in investing following sharia principles	
	R5	I contribute financially to the advancement of Muslims (such as zakat and alms)	
	R6	I routinely pray (Shalat) five times a day	
Behavioral Intention	BI1	I intend to invest in green Sukuk through Islamic SCF soon because it is effective, efficient, and helps to help preserve nature and the environment	(Icek Ajzen, 1991; Icek Ajzen and Fishbein, 1970; Darmansyah et al., 2020; Kasri and Chaerunnisa, 2020; Majid and Nugraha, 2022)
	BI2	Suppose I already have excess funds and have met all the requirements. In that case, I intend to buy green Sukuk through Islamic SCF because apart from getting a margin/profit sharing, it also helps preserve nature and the environment.	
	BI4	I intend to buy green Sukuk through Islamic SCF because it helps MSMEs in terms of capital and also helps preserve nature and the environment	

(continued)

Table 2. (continued)

Construct	Code	Items	References
	BI5	I will recommend others to buy green Sukuk through Islamic SCF	

Modeling (PLS-SEM) were jointly used to analyze the collected research data. PLS is a component or variance-based structural equation model for testing the predictive models. While SEM is a multivariate statistical technique that combines factor analysis and regression (correlation) to assess the relationship between variables in a model, indicators and their constructs, and connections between constructs (Hair Jr. et al., 2017a, 2017b). SmartPLS 3.3.0 is used to run the PLS-SEM analysis process. The reason behind using the PLS-SEM method is that this statistical technique is compelling for testing causality relationships between latent variables with complicated relationship paths. The Confirmatory Factor Analysis (CFA) approach was used in this study as the constructed model and indicators of each latent variable were built on a solid theoretical basis in previous studies.

The analysis process through the PLS-SEM method has two steps namely the outer model test and the inner model test. The outer model, also known as the measurement model, is a series of statistical analyses carried out to measure the validity and reliability of the construct consisting of a series of indicators on the questionnaire instrument (Hair Jr. et al., 2017a, 2017b). Two steps were conducted to calculate the instrument's validity: convergent and discriminant validity. The instrument reliability was evaluated using Composite Reliability (CR) and Cronbach's alpha (CA) values. In the CFA approach, each latent variable with a CR and CA value of >0.70 is considered reliable. Convergence validity is measured using the Average Variance Extracted (AVE) value which must be more than 0.50 (Ghozali, 2018). The outer model also examines whether there is a high collinearity value between the indicators of the research instrument, which can cause bias in the estimation results. There is an assumption of multicollinearity between indicator items if the Variance Inflation Factor (VIF) value is greater than 3. Table 3 shows that the entire VIF value of each indicator item is less than 3, meaning there is no multicollinearity among the indicators in this study.

Table 3 also shows that all indicator items in this study have a loading factor value above 0.70, indicating that all indicators involved represent the construct appropriately. The table shows that all CR and CA values of each latent variable in this study are >0.70 . The AVE value for each latent variable in this study is also >0.50 . The ratio values above show that the instrument built from these latent variables and indicators is reliable and valid.

On the other side, the Heterotrait-Monotrait (HTMT) value was used to test the instrument for discriminant validity. The use of the HTMT ratio, according to Henseler et al. (2009), is more accurate in measuring discriminant validity in PLS-SEM analysis. For an instrument to be valid, the HTMT ratio value must be below 0.90. Table 4 shows that the entire value of the HTMT ratio for each latent variable is below 0.90, which

Table 3. Convergent Validity and Reliability

Variables	Code	Loadings	Cronbach’s Alpha	CR	AVE	VIF
Attitude Toward Behavior	ATB1	0.8483	0.9017	0.9271	0.7179	2.6186
	ATB2	0.8639				2.8318
	ATB3	0.8629				2.6711
	ATB4	0.8339				2.3363
	ATB5	0.8267				2.2056
Behavioral Intention	BI1	0.8154	0.8812	0.9184	0.7380	1.8573
	BI2	0.8578				2.3320
	BI4	0.8975				2.8925
	BI5	0.8636				2.3182
Environmental Knowledge	EK3	0.8404	0.8899	0.9192	0.6949	2.3505
	EK4	0.8353				2.1981
	EK5	0.8681				2.5718
	EK6	0.8498				2.4702
	EK8	0.7713				1.7703
Perceived Behavioral Control	PBC1	0.9244	0.887	0.9297	0.8152	2.9881
	PBC2	0.9098				2.5771
	PBC3	0.8737				2.3188
Religiosity	R2	0.7378	0.8485	0.8911	0.6213	1.8434
	R3	0.8555				2.3274
	R4	0.8076				2.0615
	R5	0.7732				1.8623
	R6	0.7616				1.7477
Subjective Norms	SN1	0.8499	0.8258	0.8844	0.6575	2.4060
	SN2	0.8542				2.4757
	SN3	0.7360				1.4923
	SN4	0.7978				1.5322

means that this research instrument is valid for measuring the model built. According to the data above, it’s concluded that the validity and reliability testing has been passed.

The inner model (structural model) measurement aims to analyze the conceptual model’s ability to predict the variance of the independent variable and dependent variables (Ghozali, 2018). In doing so, four measurement analyses were carried out. **First**, the coefficient determination value is measured by looking at the R² value. The aim is to determine the level of significance of the combined effect of exogenous variables in influencing endogenous variables. **Second**, testing the significance of the direct and indirect path coefficients using the bootstrapping method with a subsample of 5000.

Table 4. Discriminant Validity (HTMT Ratio)

	1	2	3	4	5	6
1. Attitude Toward behavior						
2. Behavioral Intention	0.7226					
3. Environmental Knowledge	0.6389	0.6615				
4. Perceived Behavioral Intention	0.7845	0.7971	0.6195			
5. Religiosity	0.7750	0.7258	0.8024	0.8082		
6. Subjective Norms	0.6799	0.8129	0.4734	0.6914	0.6085	

The test is carried out by looking at the t-statistical value or p-value, which must be less than 0.05/0.10 so that a path relationship between latent variables is considered to have a significant relationship. At this stage, the hypothesis proposed in the study is tested. **Third**, model fit analysis (goodness of fit) was conducted to validate the overall structural model and see the combined performance of the measurement and structural models. This analysis was carried out by evaluating the value of the SRMR, NFI, or Chi-Square ratios. **Fourth**, the analysis of predictive relevance is carried out through a blindfolding method based on cross-validated redundancy to determine the predictive relevance level of a construct model (Henseler et al., 2009; Hair et al., 2018). It will be explained further below.

5 Result and Analysis

5.1 Result

5.1.1 Respondent Profile (Data Demographic)

Table 5 provides an overview of the respondents' profiles. The involvement of male and female respondents in this study was equal. The 50:50 percentage saw it as the gender with 76 respondents, respectively. Millennial investors (26–41 years old) dominated this survey with a 52.63% percentage (80 respondents). It's followed by the Z generation (10–25 years old) with 62 respondents (40.79%). In contrast, the percentage of the X / Boomers generation (>42 years old) is only 6.58%, with only ten respondents. It's understandable because Generation Z and millennials have more profound knowledge and long experience transacting using the crowdfunding platform than Generation X and Boomers. So they dominate the survey. On the other hand, 40.79% (25% undergraduate and 15.79% master) of the respondents held bachelor's and master's degrees. Meanwhile, 56.58% of respondents graduated from high school and are currently pursuing undergraduate education. The remaining four graduated from elementary school, junior high school, diploma, and doctoral degrees.

As the millennial and Z generation dominated this survey, most respondents (73.68%) have an investment budget of 250.000–1.000.000 rupiah per month. Eighty-five respondents (55.92%) have 250.000–500.000 rupiah, and 27 respondents have 500.000–1.000.000 rupiah for the investment budget. It's what we call the “students/young”

Table 5. Respondent Profile

Profile	Frequency	Percentage (%)	Profile	Frequency	Percentage (%)
Age			Gender		
16–20	62	40.79%	Male	76	50%
21–30	67	44.08%	Female	76	50%
31–41	13	8.55%	Investment Budget (Rupiah)		
42–50	8	5.26%	250.000–500.000	85	55.92%
>51	2	1.32%	500.000–1.000.000	27	17.76%
Education			1.000.000–2.500.000	12	7.89%
<Senior High school Elementary School	88	57.90%	2.500.000–5.000.000	14	9.21%
Bachelor	38	25.00%	5.000.000–10.000.000	8	5.26%
Master	24	15.79%	> 10.000.000	6	3.95%
Doctor	1	0.66%	Islamic SCF Familiarity		
			Yes	83	54.61%
			No	69	45.39%

budget. The demographics of the respondents in this study match the characteristics of green Sukuk investment through Islamic SCF, which many young people love as this instrument allows local investors to participate with small funds ranging from 100,000 rupiah to hundreds of millions rupiah. In addition, 54.61% of respondents are familiar with the Islamic SCF digital investment facility, and the rest (45.39%) are unfamiliar with It. 99% of our respondents are daily internet users, and only 1 is not an everyday user. It shows that all respondents are appropriate with the research issues that discuss online digital investment instruments.

5.1.2 Inner/Structural Model

There are two pretest processes supposed to do before we evaluate the structural model. First is the model fit analysis (goodness of fit). The model fit analysis should be tested to evaluate the combined performance between the outer/measurement model and structural/inner model (Hair et al., 2018). To meet the model fit criteria, the value of SRMR must be less than 0.05. The SMART PLS official website explains various standards of the threshold value. RMS Theta (Root Mean Square) value $\Theta < 0.102$, SRMR (Standardized Root Mean Square) < 0.10 or < 0.08 , and NFI value > 0.9 or close to 1 (Henseler et al., 2009). Table 6 shows that the NFI value of the estimated model is 0.7703 (close to 1), and the SRMR value is 0.0787 (< 0.10). Hence, we can conclude that the model built in this study has fulfilled the Goodness of Fit (GoF) assumption.

Table 6. Model Fit Test Result

	Saturated Model	Estimated Model
SRMR	0.0646	0.0787
d_ULS	1.4647	2.1762
d_G	0.7500	0.8260
Chi-Square	656.0136	697.262
NFI	0.7839	0.7703

Table 7. Inner VIF Collinearity Statistic

	Behavioral Intention	Attitude Toward Behavior
Attitude Toward Behavior	1.9557	
Behavioral Intention		
Environmental Knowledge	2.0052	1.9654
Perceived Behavioral Control		2.4440
Religiosity	2.5455	2.8567
Subjective Norms		1.6115

The second condition that must be met before conducting a structural model analysis is free of multicollinearity assumption. This condition can be fulfilled by measuring the value of the inner VIF through the PLS algorithm process. The inner VIF requires that the latent variables in the model must have a VIF value of less than 3 (Hair Jr. et al., 2017a, 2017b). Table 7 shows that all latent variables in this study have a VIF value < 3. Therefore, it can be concluded that there is no multicollinearity in this research model.

5.1.3 Coefficient Determination Measurement

The coefficient determination results from the R^2 value generated via the PLS algorithm stages. There are three categorizations of R^2 values, namely 0.75 (strong), 0.50 (moderate), and 0.25 (weak) (J. F. Hair et al., 2018). Table 8 shows that the R^2 value of the Behavioral Intention (0.6033) and attitude toward behavior (0.5156) are included in the moderate category as they are higher than 0.55. The combination of exogenous variables (TPB Variables + Environmental Knowledge and Religiosity) contributes moderately to explaining the endogenous variable. We can conclude that the combination of exogenous variables in this research contributes to influencing the behavioral intention variable by 60.33%, while other factors outside the model explain the rest. At the same time, the combination of the exogenous variables affects the attitude toward behavior by 51.56%, and other factors outside the model explain the rest.

Table 8. R² Results

	R Square	R Square Adjusted
Attitude Toward Behavior	0.6033	0.5925
Behavioral Intention	0.5156	0.5058

Table 9. Blindfolding Test Results

	SSO	SSE	Q ² (=1-SSE/SSO)
Attitude Toward Behavior	760	439.3081	0.4220
Behavioral Intention	608	381.3411	0.3728
Environmental Knowledge	760	760	
Perceived Behavioral Control	456	456	
Religiosity	760	760	
Subjective Norms	608	608	

5.1.4 Blindfolding Test

Blindfolding is an analysis used to assess the level of relevance of predictions from a construct model by looking at the value of Q². If Q² > 0.05, it can be concluded that a construct model is relevant (Hair et al., 2018). Table 9 shows that the Q² value of the two endogenous variables in this study is more than 0.05 (0.4220 and 0.3728). Hence, the exogenous variables used to predict endogenous variables are appropriate. It can be concluded that a construct model is relevant.

5.1.5 Hypothesis Testing (Path Coefficient Results)

Considering that this study highlights the role of religiosity and environmental knowledge on attitude (as a mediating variable) and behavioral intention, the discussion of the path coefficient test is divided into two sections. First is the analysis of the direct relationship. The second is the indirect relationship. The results of hypothesis testing are explained below:

5.1.6 Direct Effect Test Results

Table 10 shows the results of the direct relationship between exogenous and endogenous variables. In general, all exogenous variables in this study affect endogenous variables positively and significantly. Perceived behavioral control significantly and positively affects attitude in a direct relationship. Subjective norms also have a positive and significant influence in a direct connection to attitude. So we can conclude that H1 and H2 have been supported. Similar results were also found in the variables of religiosity and environmental knowledge. Religiosity in a direct relationship affects attitude and behavioral intention positively and significantly.

Table 10. Hypothesis Testing in Direct Effect

Hypothesis	Path	Original Sample	Sample Mean	T Statistics	P Values	Decision
H2	PBC → ATB	0.3273	0.3233	3.7160	0.0002**	Supported
H1	SN → ATB	0.2143	0.2214	3.1090	0.0019**	Supported
H5a	EK → BI	0.2078	0.2052	2.2145	0.0268**	Supported
H5b	EK → ATB	0.1308	0.1280	1.4756	0.1401	Not Supported
H4a	R → BI	0.2664	0.2589	2.6021	0.0093**	Supported
H4b	R → ATB	0.2470	0.2464	2.6040	0.0092**	Supported
H3	ATB → BI	0.3428	0.3522	3.1320	0.0017**	Supported

* Significant in 10% error ** Significant in 5% error

Meanwhile, environmental knowledge positively and significantly affects behavioral intention but not attitude. It indicates that H3a, H4a, and H4b have been supported, while H3b has been rejected. One of the prerequisites for the mediating effect of the intervening variable is if the independent variable impacts the mediator variable and the mediator variable influences the dependent variable considerably at the same time (Hayes, 2018). The analysis results show that all independent variables except environmental knowledge affect the mediator variable (attitude toward a behavior), which means that the first condition of the mediation relationship has been fulfilled.

Furthermore, attitude toward behavior as a mediator variable affects behavioral intention positively and significantly, which means that H5 has been supported. Hence, the second condition for forming a mediation relationship has been fulfilled. It is likely that the attitude variable in the indirect relationship substantially mediates the relationship between religiosity, environmental knowledge, subjective norms, and perceived behavioral control on behavioral intention. We will prove this by analyzing the indirect relationship and the total effect below:

5.1.7 Indirect and Total Effect Results

Indirect relationship analysis is essential as this research explores how the role of religiosity and environmental knowledge can affect the behavioral intention of local investors in a direct and indirect relationship toward green Sukuk of MSME. Table 11 shows the indirect relationship between latent variables. The attitude toward behavior mediates the positive relationship between perceived behavioral control and behavioral intention. The same results are found in the relationship between subjective norms and religiosity toward behavioral intention, where attitude greatly influences these two independent variables. On the other hand, attitude toward behavior does not significantly mediate the relationship between environmental knowledge and behavioral intention. These results prove that attitude mediates the relationship between independent variables on behavioral intention except environmental knowledge. Environmental knowledge directly affects behavioral intention without needing an explanation from a mediator variable.

Table 11. Indirect and Total Effect Results

Path	Original Sample	Sample Mean	T Statistics	P Values
PBC → ATB → BI	0.1122	0.1162	2.1458	0.0319**
SN → ATB → BI	0.0735	0.0776	2.1665	0.0303**
EK → ATB → BI	0.0448	0.0475	1.1747	0.2402
R → ATB → BI	0.0847	0.0866	1.9504	0.0512*

* Significant in 10% error ** Significant in 5% error

5.2 Analysis

5.2.1 Behavioral Intentions of Prospective Investors Toward Green Sukuk of MSMEs in SCF

The results showed that SN successfully explored the attitude toward the behavior of prospective Muslim investors to buy green Sukuk if, in the future, MSME is required and complies to issue green Sukuk through SCF. It means there is a significant influence from the closest influential people who contribute significantly to the perceptions and attitudes of Muslim investors to buying green Sukuk. In addition, this finding opens the horizon of knowledge that prospective Muslim invest green investment product is powerfully influenced by the closest people such as colleagues, business partners, family or even religious leaders, lecturers/teachers, and public officials. Meanwhile, for social purposes, Chetioui et al. (2022) also found that SN can significantly influence ATB to give alms donations during the covid-19 pandemic. In addition, this study’s results align with what was seen by Bananuka et al. (2019) concerning the intention to choose Islamic banking as an alternative to financial institutions. In more detail, the same result was also confirmed by Atal et al. (2022) to use *Murabaha* products in Islamic financial institutions.

Furthermore, religiosity also shows the same result. A good level of religious understanding from prospective Muslim investors not only forms attitudes and perceptions towards green Sukuk but is also followed by the intention to buy green Sukuk if later offered by I-SCF. It indicates how the influence and practice of holistic Islamic values and concepts are reflected in *maqoshidusy-shari’ah*, which emphasizes that the presence of Shari’a is not only to protect religion but also soul, mind, lineage, and property. The implementation of green financing through Sukuk will be seen in the performance of projects that pay attention to the environmental side because previously, there have been opinions and statements from environmental experts, as is a requirement for implementing green bonds. This condition has undoubtedly realized the goal of sharia, namely efforts to protect the soul and offspring concerning every individual’s right to feel the benefits of nature. Concerning the intention to use sharia products, research conducted by Majid (2021) has proven that the higher the religious knowledge of MSME actors, the higher their choice to use sharia FinTech products and services. In the context of product selection in Islamic banking, Alam et al., 2012; Atal et al., 2022; and Bananuka et al. (2019) revealed that religiosity is apparent in shaping perceptions that are followed by intentions to adopt the products provided.

Moreover, it is known that PBC has a role in shaping the perceptions and attitudes of prospective Muslim investors in buying green Sukuk in SCF. It confirms that full awareness and control, resources, knowledge, and capabilities, as well as the decision to invest green in MSME projects through Sukuk issued on SCF, can influence the attitudes of potential investors. Like retail and savings Sukuk, the minimum purchase of Sukuk issued in SCF also starts from a nominal value of IDR 1 million. In addition, compared to retail and savings Sukuk, although the maximum tenor of Sukuk in SCF is two years, in reality, Sukuk that have been issued in SCF are dominated by shorter durations of three to six months. The results of this study align with what was found by Chetioui et al. (2022) that PBC was able to explain ATB concerning antecedents of giving charitable donations during the covid-19 pandemic in Morocco. Even so, research on the scope of investment intentions through Islamic FinTech or Islamic financial products, in general, is still insufficient that examines PBC intentions towards attitude formation.

From the results of hypothesis testing, it can be seen that the ATB has a significant influence on BI. It implies that the perception, assessment, and information accepted by prospective Muslim investors about Sukuk issued by I-SCF combined with the green finance issue results in positive engagement to buy green Sukuk. It may be influenced by the SCF business model, which focuses on financing MSMEs, which are business domination and a catalyst for the national economy. Concerning green financing, the spread of an abundant number of MSMEs will certainly impact natural sustainability. These results are interesting for the SCF industry due to previous studies such as Niswah et al. (2019), Darmansyah et al. (2020), Purwantini et al. (2020), and Majid (2021) found that ATB had no significant effect on BI. However, these results are in line with and support what was obtained by Aji et al. (2020), Kasri and Chaerunnisa (2020), Saptasari and Aji (2020), Farouk et al. (2008), Bananuka et al. (2019), and Chetioui et al. (2022).

The finding also shows that environmental knowledge affects behavioral intention directly. The coefficient value of ecological knowledge is quite significant, namely 0.2078, with a p-value of 0.0268. This study supports the theoretical basis built by previous studies such as (Chekima et al., 2016; Lee, 2011; Polonsky et al., 2012). Yet, at the same time, this research has also rejected another finding from Polonsky et al. (2012), which states that knowledge about the environment significantly impacts attitude. However, this research is not alone in building the argument that environmental knowledge does not always impact attitude substantially. Studies from Aman (2011), C., Aimon, and Sentosa (2022), and Kristiyono and Felim (2021) also got similar finding.

The more comprehensive investors' insight about a sustainable environment, the higher their intention to invest in green Sukuk via Islamic SCF. Investors with a high level of environmental knowledge tend to be more interested in buying MSME green Sukuk because they have the dual benefits of protecting the environment and profitable investment. Respondents' self-perceptions of environmental knowledge may be influenced by how they check their understanding. Respondents concerned about local environmental issues may believe they are educated about such topics. It might be because they frequently engage in issue-relevant thinking (Lee, 2011). The knowledge that a person has psychologically will open up insights about facts and future expectations of how crucial environmental sustainability is. The opening of understanding will shape or change a person's attitude towards a view/mindset, which is then manifested through

behavior (Lee, 2011; Otto and Pensini, 2017; Polonsky et al., 2012; H. Wang et al., 2021).

5.2.2 Policy Recommendations for Green Sukuk Issuance Through SCF

With a dominant number (99% of the total business), MSMEs have significantly contributed to water, air, and soil environmental pollution. In terms of water pollution, in 2013 alone, MSMEs in Indonesia contributed 2.3 million tons and 0.96 million tons of methane, or 24 million CO₂ equivalents from tapioca, tofu, batik, and livestock activities. Experts explain that MSMEs have become the center of government attention to control environmental pollution from business activities in Indonesia. It is evidenced by the existence of a national policy for handling environmental pollution for small-scale businesses by the Ministry of the Environment several years ago. In addition, a survey involving 3000 MSME actors in Indonesia conducted by the Ministry of Cooperatives and MSMEs together with the United Nations Development Program (UNDP) shows that 95% of MSMEs in Indonesia are interested in carrying out environmentally friendly business practices. The facts above prove that environmental control from a financial perspective must also involve MSMEs. Sukuk has become a suitable Islamic financial instrument to support this government program. Like debt securities, Sukuk is more flexible and popular with Muslim investors. Given the straightforward structure and organizational system compared to large corporations, MSMEs need flexible instruments that do not change their business ownership status. Compared to shares whose issuance is complicated and will change ownership status, Sukuk makes it easier for MSMEs to get additional capital quickly.

Based on the excellent opportunity for implementing green Sukuk by MSMEs in the SCF realm, in this case, there are several recommendations from the author to related parties based on the results of in-depth interviews with experts with the capability and competence regarding green financing, MSMEs, and Securities Crowdfunding.

1. Government

The government, in this case, needs to provide incentives to actors directly related to the implementation of green Sukuk issuance by MSMEs (as issuers) through Islamic SCF. The incentives provided can be in the form of, among others, the following:

2. Incentives for MSMEs as Issue

Even though it is overgrowing, the (Islamic) SCF industry is a new industry, where there is only one player, namely *Shafiq*, which has received a license from the OJK. With it, the number of Sukuk issued through SCF is still relatively small. However, the number of Sukuk that have been and will be issued through SCF is expected to be significant, considering a large number of MSMEs in Indonesia. Incentives given to the issuer, in this case, reduce the 'platform fee' fee paid to the organizer. In this case, the government can subsidize the platform fee for every MSME that successfully issues green Sukuk through SCF. It is in line with what was conveyed by the respondent, who represents *Shafiq*.

“From the MSME side, if we issue the green Sukuk, what’s in it for me? I have to complete more requirements than usual, what are the benefits for me?. Here, for example, the incentive for MSMEs, in my opinion, is a reduction in PPN (VAT). So,

for example, there is a subsidy from the government for yields or taxes, correct?"
(Statement of ALH)

2) An incentive for the organizer

The number of MSMEs, which make up the majority of businesses and reach 64 million units, is a large market for Sukuk issuance, including for green Sukuk through sharia SCF. It is to attract several publishers and organizers to issue this green Sukuk. In this case, following OJK regulation No.60/POJK.04/2017 concerning Issuance and Requirements for Green Bonds, which is one of the cornerstones for the issuance of green Sukuk, it is explained that the issuance of green securities must be accompanied by the opinion or assessment results from environmental experts. Based on this, sharia SCF organizers need to use the services of environmental experts, which will affect the costs charged to the issuer. Therefore, the government, in this case, can provide incentives in this regard. Other incentives that need to be considered by the government are in terms of platform fees and the reduced tax rebates that we recommend to differentiate them from the issuance of Sukuk in general.

Moreover, the implementation of sustainable finance in the scope of MSMEs, although not with 'green' packaging, has substantially been carried out in terms of Sukuk issuance. For example, the issuers are the hospitals, so they must comply with the documents or environmental analysis regarding waste, and its management is required.

"The issue of financing with the sustainable finance scheme through this Sukuk, it seems that it has been applied indirectly, right? For example, for the issuance of Sukuk by hospital businesses, there is also a need for documents and requirements regarding the Environmental Impact Analysis (AMDAL) report regarding waste management, etc." (The Statement of ALH)

"If shortly, the Islamic SCF sharia has green Sukuk, MSMEs whose vision is in line with the green economy, in my opinion, maybe they will join" (The Statement of LCK)

3) Incentives for investors

To attract investors to invest in green Sukuk issued by MSMEs, the government can provide incentives in the form of competitive tax breaks, which are not as big as tax breaks when investing in Sukuk in general.

"From the investor's point of view, what do you get? For example, higher yields or lower taxes. At this rate, people will be interested in buying this green Sukuk"
(The statement of ALH)

2. The Financial Service Authority, Directorate of Islamic Capital Market

The OJK directorate for the Islamic capital market, especially the one in charge of supervising the SCF industry, needs to prepare a comprehensive regulatory framework. In this case, the basic frame of reference remains based on the issuance of green bonds/Sukuk that the state has previously issued, namely OJK Regulation No.60/POJK.04/2017 concerning Issuance and Requirements for Green Bonds.

“In this case, regulators need to peek at market demand from the industry and investors. From the industry side, it is necessary to see how prepared the MSMEs will be, which will later act as publishers. From the investor’s perspective, it is essential to pay attention to how interested they are in investing in green financial instruments” (The statement of BAF)

“In this case, regulators need to peek at market demand from the industry and investors. From the industry side, it is necessary to see how prepared the MSMEs will be, which will later act as publishers. From the investor’s perspective, paying attention to how interested they are in investing in green financial instruments is essential.” (The statement of AR)

3. ALUDI and the Operator of Islamic SCF

ALUDI, as an umbrella united SCF in this case, can encourage the implementation of sustainable finance on the issued Sukuk. In this case, the authors recommend that at the initial stage, a minimum of five to ten percent of the Sukuk issued by one organizer each year must be green Sukuk. According to the author’s analysis, the implementation of sustainable finance in the realm of MSMEs will encourage the level of inclusiveness of this green spirit. Moreover, the presence of SCF from the beginning has targeted MSME actors. Also, there is currently no financing channel oriented to the green economy concept. Thus, the potential for sharia SCF to implement this is enormous.

“Based on what I see from several existing financing channels. It seems that no one has prioritized the environmental side. Usually seen from the business side, at least two years, how is the financial performance, and it seems that no one has adjusted to the environmental side. For example, investors require environmental analysis and ESG reports, which is still not common in Indonesia. At the SME level, it seems that it is not ready yet. But for the Small and Medium Industry (IKM) level, in the past, if I’m not mistaken, some investors asked for reports related to this environment” (The statement of LCK)

4. Muslim Entrepreneurs Community and MSMEs as Prospective Issuers

Muslim entrepreneur communities such as the Indonesian Muslim Entrepreneurs Community (KPMI), which has chapters in many cities in Indonesia, can be the right place to encourage increased education and literacy regarding green projects and funding aligned with sharia principles. In this case, KPMI and MSMEs, assisted by SCF organizers, can cooperate with the Ministry of Environment and the Ministry of Cooperatives and SMEs, as well as academics concerned in this field. It is in line with what was conveyed by one of the expert respondents.

“In my opinion, it seems that MSMEs’ understanding of the green economy is still minimal, yes. Because at the MSME level, we usually calculate the costs incurred in line with the targeted revenue. So, the green economy and sustainable finance don’t seem to have been thought about much. Even though this has great potential to be encouraged and implemented by MSMEs” (The statement of LCK)

In addition, KPMI programs such as business trips abroad, where they directly conduct learning with entrepreneurs from abroad, can be used to learn/share with MSMEs abroad about the importance and how to implement sustainable finance. It can be seen from how the green Sukuk issued in Malaysia is by corporations/business actors, not the government/state, as in Indonesia.

“In my opinion, how MSMEs want to adopt the green concept depends on the vision and mission of the MSMEs themselves. If the vision, support it. InshaAllah, to elaborate it into its business operations is not too difficult. Back to the vision and mission. Networking with global MSMEs is also needed; they are aware of this green economy” (The Statement of LCK)

6 Conclusion

6.1 Conclusion

To implement sustainable financing for MSME actors, which is a catalyst for the national economy with distribution and projects in all points in Indonesia, which certainly affects environmental sustainability, balance, and sustainability, it is appropriate that Sukuk be issued through sharia SCF by MSME actors. This study seeks to examine the intentions of prospective Muslim investors to invest/buy the green Sukuk issued by the MSMEs actors through the mechanism of Islamic Securities Crowdfunding FinTech. The results showed that all the variables used in the model significantly affected the intention to buy green Sukuk. The ATB proved to mediate SN, PBC, EK, and religiosity against attempts to purchase green Sukuk. In particular, the main finding in this study shows that EK and Religiosity are empirically proven to encourage potential Muslim investors to participate in financing MSME green projects through SCF. Therefore, the greater the knowledge of Islamic principles, especially in *maqoshidusy syariah*, that teach us to protect the soul and lineage in line with the level of environmental knowledge, the greater the intention to buy the green Sukuk issued by MSMEs offered in I-SCF.

6.2 Implication and Policy Recommendation

This research has implications for extending the theory of planned behavior with the addition of knowledge about Islamic principles and the environment in terms of buying the green Sukuk offered by SCF. From a policy perspective, the results can be used as the foundation for regulators (Financial Services Authorities (OJK)) to discuss more deeply the issuance of MSMEs' green Sukuk. The crowdfunding service association (ALUDI) and Islamic crowdfunding providers can jointly review the process of environmental assessments for MSMEs' green projects. Further discussion on this great opportunity can also present the role and synergy of academics, the national sharia board-the Indonesian Ulema Council, Muslim entrepreneur associations/communities, and MSME actors (as prospective stakeholders). From the government side, the presence of the Ministry of Environment is also essential concerning integrating data on environmental damage by MSMEs and possible sustainable solutions that can be done. In this case, efforts are

also needed to assess the literacy level of MSME actors regarding the environment and green-oriented business projects because, later, they will act as green Sukuk issuers in SCF. Then, it is also necessary to make gradual efforts to provide sufficient education about green projects and financing on a more inclusive micro scale by involving the role of the ministry of environment, the ministry of cooperatives and SMEs, ALUDI, and sharia FinTech organizers, and the Muslim entrepreneur community.

More specifically, from a business and marketing perspective, the author sees that the issuance of green Sukuk will further strengthen this industry. It undoubtedly will attract the participation of many retail investors considering the maturity duration of the Sukuk and the relatively minor investment nominal compared to retail and savings Sukuk issued by the government. In addition, with the increasing number of providers licensed by the OJK, followed by the high intensity of Sukuk issuance and the large number of potential issuers, the issuance of green Sukuk through SCF will open a new chapter of implementing sustainable finance with a more inclusive environmental perspective.

6.3 Limitations and Future Research Suggestions

This research is limited because it only uses the perception of potential investors to buy green Sukuk if offered at SCF sharia later. However, future research can also combine the quantitative methods used in this study with qualitative methods such as Delphi or the Analytic Network Process (ANP) by interviewing more experts who are representatives of stakeholders in this industry. Further research can precede this scope by assessing how prepared MSME actors are to issue and complete the related requirements. In addition, the study that measures and evaluates the influence of literacy levels and knowledge about the environment of MSME actors on green Sukuk is also enjoyable.

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