# CHAPTER 4

# FINDINGS

## 4.1 Introduction

This chapter focuses on reporting the result of data collection. The final data was analyzed and presented. The method was divided into two parts, determining the demographic profile and testing the path model (Karim et al., 2020).

Consolidating all the 403 responses, demographic statistics would be applied to determine the characteristics of the sample like gender, age, and level of income (Mohd Dali, 2014). A demographic profile was done by reporting the frequency and percentage.

Then, the path model of the study had been examined. Path models are the visual conceptual framework that is assessed by Structural Equation Modeling (SEM) (Hair Jr. et al., 2022). The path model is made up of a measurement model and a structural model (Hair Jr et al., 2017).

## 4.2 Demographic Profile

The questionnaire chose to use the Malay term "*Zakat al-Fitr*" instead of "*Zakat al-Fitr*" to avoid any confusion among respondents from various educational backgrounds. Table 4.1 shows the profile of samples based on gender, age, income, residing location, and the destination of channelling the *Zakat al-Fitr*. The respondents who were answering Putrajaya as the destination of channelling the *Zakat al-Fitr*, need to answer further questions regarding the detail of almsgiving as summarized in Table 4.2. The samples also revealed their basic knowledge and experience with FinTech as

mentioned in Table 4.3. The term "FinTech" or "financial technology" was employed to denote "digital payment."

**Table 4.1:** Demographic Profiles

| Variables | Frequency | Percentage |
|---|---|---|
| Gender | | |
| Male | 156 | 38.7% |
| Female | 247 | 61.3% |
| Age | | |
| 21 to 30 years old | 41 | 10.2% |
| 31 to 40 years old | 175 | 43.4% |
| 41 to 50 years old | 163 | 40.4% |
| 51 to 60 years old | 24 | 6.0% |
| Household Income | | |
| RM2,500 and below | 27 | 6.7% |
| RM2,501 to RM3,170 | 41 | 10.2% |
| RM3,171 to RM3,970 | 27 | 6.7% |
| RM3,971 to RM4,850 | 25 | 6.2% |
| RM4,851 to RM5,880 | 33 | 8.2% |
| RM5,881 to RM7,100 | 71 | 17.6% |
| RM7,101 to RM8,700 | 39 | 9.7% |
| RM8,701 to RM10,970 | 46 | 11.4% |
| RM10,971 to RM15,040 | 57 | 14.1% |
| RM15,041 and above | 37 | 9.2% |
| Residing Location | | |
| Outside of Wilayah Persekutuan Putrajaya | 241 | 59.8% |
| Wilayah Persekutuan Putrajaya | 162 | 40.2% |
| Destination of Channelling the Zakat al-Fitr | | |
| Outside of Wilayah Persekutuan Putrajaya | 213 | 52.9% |
| Wilayah Persekutuan Putrajaya | 162 | 40.2% |
| Did not contribute | 28 | 6.9% |

**Table 4.2:** Details of Almsgiving

| Variables | Frequency | Percentage |
|---|---|---|
| Contributor | | |
| Ownself | 99 | 61.1% |
| Family | 63 | 38.9% |
| Rate of Zakat al-Fitr | | |
| RM7 per person | 107 | 66.0% |
| RM14 per person | 31 | 19.1% |
| RM21 per person | 16 | 9.9% |
| Others | 8 | 4.9% |
| Number of Paid Family Members | | |
| 1 | 22 | 13.6% |
| 2 to 4 | 62 | 38.3% |
| 5 to 7 | 60 | 37.0% |
| 8 to 10 | 15 | 9.3% |
| more than 10 | 3 | 1.9% |

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**Table 4.3:** Knowledge and Experience in FinTech

| Variables | Frequency | Percentage |
|---|---|---|
| Any Knowledge? | | |
| Yes | 186 | 46.2% |
| No | 217 | 53.8% |
| Any Experience? | | |
| Yes | 156 | 38.7% |
| No | 247 | 61.3% |

The majority of the respondents are female (61.3%) similar to the finding of Mohd Ghani (2018) and Hassan (2020). Out of 403 respondents, only 156 respondents (38.7%) are male. Most age which represents 43.5% of the sample is between 31 to 40 years old. The next largest group of age is between 41 to 50 years old at 40.4%. In sequence, is followed by 21 to 30 years old (10.2%) and 51 to 60 years old (6%). The result of age supports the finding by Karim et al. (2020) that the BI of young adults (between 19 years old to 39 years old) influences the actual use of e-wallets.

The range of household income was adopted from the threshold household income under The Key Findings: Income, Poverty, Inequality, Expenditure, Basic Amenities 2019 (Department of Statistics Malaysia, 2020). In this study, the range income between RM5,881 to RM7,100 is the largest group. The second largest group is RM10,971 to RM15,040 (14%), followed by RM8,701 to RM10,970 (11.4%), RM2,501 to RM3,170 (10.2%), RM7,101 to RM8,700 (9.7%), RM15,041 and above (9.2%), RM4,851 to RM5,880 (8.2%), RM2,500 and below and RM3,171 to RM3,970 (6.7%) and RM3,971 to RM4,850 (6.2%).

Only 162 samples lived in Wilayah Persekutuan Putrajaya which also had the same number of respondents who paid their *Zakat al-Fitr* into the *Zakat* institutions in Putrajaya. 241 respondents (59.8%) stay outside of Wilayah Persekutuan Putrajaya. While 213 respondents (52.9%) channel their *Zakat al-Fitr*'s contribution outside of

Wilayah Persekutuan Putrajaya. The remaining 28 respondents (6.9%) did not give any contribution to *Zakat al-Fitr*.

In terms of 162 respondents who channel their *Zakat al-Fitr* to Putrajaya, 99 of the people paid by themselves, and the remaining contribution of 63 samples (38.9%) was paid by their family members. Furthermore, 75.3% of the 162 contributors paid for between 2 to 7 family members. The remaining paid for themselves alone (13.6%) and more than seven family members (11.2%). The mode of the *Zakat al-Fitr*'s rate was RM7 per person (66%), RM14 per person (19.1%), RM21 per person (9.9%) and others (4.9%).

In the context of FinTech's background, most of the respondents neither know what Fintech (53.8%) is nor have experience using it (61.3%). The discovery may a little bit fallback to the effort of the Malaysia government to educate Malaysians in digital knowledge nationwide (Gong, 2020; Gong et al., 2021).

## 4.3 Measurement Model

### 4.3.1 Item/Indicator Reliability

Table 4.4 shows that all indicator loadings are more than 0.708 which implies acceptable item/indicator reliability.

**Table 4.4:** Indicator Loadings

| | **Outer loadings** |
|---|---|
| BI1 ← Behavioural Intention (BI) | 0.710 |
| BI2 ← Behavioural Intention (BI) | 0.940 |
| BI3 ← Behavioural Intention (BI) | 0.907 |
| BI4 ← Behavioural Intention (BI) | 0.936 |
| EE1 ← Effort Expectancy (EE) | 0.956 |
| EE2 ← Effort Expectancy (EE) | 0.971 |
| EE3 ← Effort Expectancy (EE) | 0.957 |
| EE4 ← Effort Expectancy (EE) | 0.962 |
| FC1 ← Facilitating Conditions (FC) | 0.949 |
| FC2 ← Facilitating Conditions (FC) | 0.967 |

**Table 4.4**, continued

| | Outer loadings |
|---|---|
| FC3 ← Facilitating Conditions (FC) | 0.949 |
| FC4 ← Facilitating Conditions (FC) | 0.948 |
| PE1 ← Performance Expectancy (PE) | 0.965 |
| PE2 ← Performance Expectancy (PE) | 0.971 |
| PE3 ← Performance Expectancy (PE) | 0.955 |
| PE4 ← Performance Expectancy (PE) | 0.967 |
| SI1 ← Social Influence (SI) | 0.914 |
| SI2 ← Social Influence (SI) | 0.888 |
| SI3 ← Social Influence (SI) | 0.892 |
| SI4 ← Social Influence (SI) | 0.885 |
| SI5 ← Social Influence (SI) | 0.873 |

### 4.3.2 Internal Consistency Reliability and Convergent Validity

Referring to Table 4.5, internal consistency reliability and convergent validity are achieved as Cronbach's alpha and composite reliability are more than 0.7, while AVE is more than 0.5.

. **Table 4.5:** Internal Consistency Reliability and Convergent Validity

| | Cronbach's Alpha | Composite Reliability (Rho_A) | Composite Reliability (Rho_C) | Average Variance Extracted (AVE) |
|---|---|---|---|---|
| **Behavioural Intention (BI)** | 0.898 | 0.923 | 0.930 | 0.772 |
| **Effort Expectancy (EE)** | 0.973 | 0.973 | 0.980 | 0.924 |
| **Facilitating Conditions (FC)** | 0.967 | 0.967 | 0.976 | 0.909 |
| **Performance Expectancy (PE)** | 0.975 | 0.975 | 0.982 | 0.930 |
| **Social Influence (SI)** | 0.936 | 0.956 | 0.950 | 0.793 |

### 4.3.3 Discriminant Validity

HTMT was applied since it is the best test for discriminant validity (Henseler, Ringle, & Sarstedt, 2015; Hair Jr. et al., 2017). The threshold value was set as 0.9 because of conceptual similarity among constructs as the construct of facilitating conditions in the modified UTAUT model was derived from the construct of effort expectancy on an earlier model (Venkatesh et al., 2003; Hair Jr. et al., 2017).

**Table 4.6** shows that all criteria below the threshold value of 0.9 except Performance Expectancy (PE) → Effort Expectancy (EE) measured as 0.901. Therefore, the treatment of the problem is done by removing low correlation items by trying one by one from the constructs, which are PE1 to EE1 to EE3 (Henseler et al., 2015).

**Table 4.6:** Heterotrait-Monotrait Ratio (HTMT)

| | **Heterotrait-Monotrait Ratio (HTMT)** |
|---|---|
| Effort Expectancy (EE) → Behavioural Intention (BI) | 0.781 |
| Facilitating Conditions (FC) → Behavioural Intention (BI) | 0.678 |
| Facilitating Conditions (FC) → Effort Expectancy (EE) | 0.784 |
| Performance Expectancy (PE) → Behavioural Intention (BI) | 0.824 |
| **Performance Expectancy (PE) → Effort Expectancy (EE)** | **0.901** |
| Performance Expectancy (PE) → Facilitating Conditions (FC) | 0.743 |
| Social Influence (SI) → Behavioural Intention (BI) | 0.603 |
| Social Influence (SI) → Effort Expectancy (EE) | 0.660 |
| Social Influence (SI) → Facilitating Conditions (FC) | 0.737 |
| Social Influence (SI) → Performance Expectancy (PE) | 0.654 |

As a result, after treatment by removing EE3, the discriminant validity existed as reported in Table 4.7. HTMT (Original Sample (O)) is below 0.9 and value 1 is not within the confidence interval (bound between 2.5% to 97.5% of the 95%) (Hair Jr. et al., 2017). The corrected path model is shown in Figure 4.1.

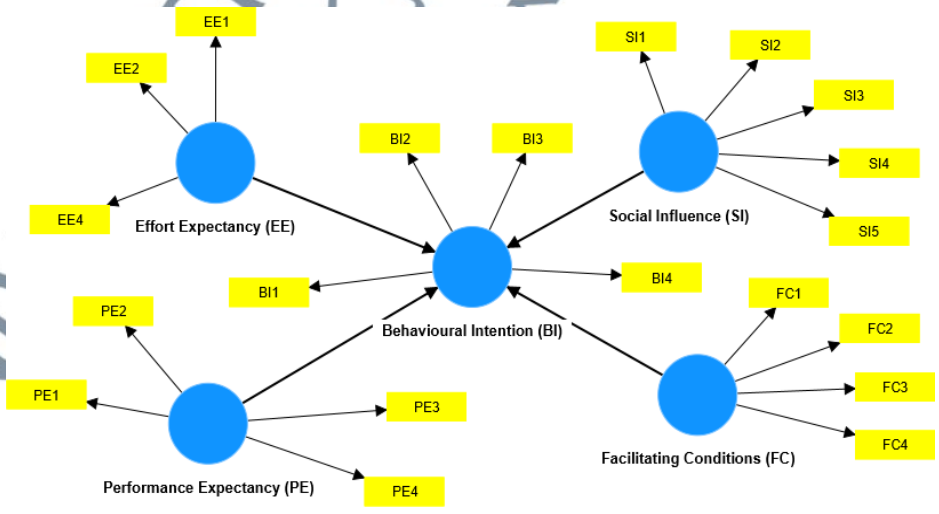


**Figure 4.1**: Path Model (Correction)

**Table 4.7:** Confidence Intervals Bias Corrected After Treatment

| | Original Sample (O) | Sample Mean (M) | Bias | 2.5% | 97.5% |
|---|---|---|---|---|---|
| Effort Expectancy (EE) → Behavioural Intention (BI) | 0.772 | 0.771 | -0.001 | 0.692 | 0.832 |
| Facilitating Conditions (FC) → Behavioural Intention (BI) | 0.678 | 0.678 | 0.000 | 0.598 | 0.748 |
| Facilitating Conditions (FC) → Effort Expectancy (EE) | 0.780 | 0.779 | -0.001 | 0.725 | 0.829 |
| Performance Expectancy (PE) → Behavioural Intention (BI) | 0.824 | 0.824 | 0.000 | 0.750 | 0.875 |
| Performance Expectancy (PE) → Effort Expectancy (EE) | 0.893 | 0.892 | 0.000 | 0.849 | 0.925 |
| Performance Expectancy (PE) → Facilitating Conditions (FC) | 0.743 | 0.742 | -0.001 | 0.685 | 0.793 |
| Social Influence (SI) → Behavioural Intention (BI) | 0.603 | 0.604 | 0.000 | 0.503 | 0.686 |
| Social Influence (SI) → Effort Expectancy (EE) | 0.655 | 0.656 | 0.001 | 0.569 | 0.731 |
| Social Influence (SI) → Facilitating Conditions (FC) | 0.737 | 0.736 | 0.000 | 0.656 | 0.803 |
| Social Influence (SI) → Performance Expectancy (PE) | 0.654 | 0.655 | 0.000 | 0.573 | 0.725 |

## 4.4 Structural Model

### 4.4.1 Collinearity (VIF) Assessment

The VIF values reported in Table 4.8 is lower than five indicating that collinearity among effort expectancy, facilitating conditions, performance expectancy and social influence as the predictor constructs are acceptable.

**Table 4.8:** Collinearity (VIF) Assessment

| | Behavioural Intention (BI) |
|---|---|
| Behavioural Intention (BI) | |
| Effort Expectancy (EE) | 4.685 |
| Facilitating Conditions (FC) | 2.966 |
| Performance Expectancy (PE) | 4.308 |
| Social Influence (SI) | 2.186 |

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### 4.4.2 Path Coefficients

Table 4.9 shows exogenous variables correlate with the endogenous variable as the path coefficient is not zero. Based on significance values of 1% and 5%, only the hypothesis of the correlation between PE and BI is accepted. However, at 10%, besides PE, variables of EE and SI are also accepted. Applying the coin-flip, this study takes a significant value of 0.05.

Therefore, only PE is significant and correlates with BI. While EE, FC and SI is insignificant. As there is correlation between PE and BI, the samples are accepted to use digital payment for *Zakat al-Fitr*. Therefore, all the hypotheses are being answered.

**Table 4.9:** Path Coefficients

| | **Path Coefficients (β)** | ***t*** | ***p*** | **p<0.1** | **p<0.05** | **p<0.01** |
|---|---|---|---|---|---|---|
| Effort Expectancy (EE) → Behavioural Intention (BI) | 0.153 | 1.774 | 0.076 | **Yes** | No | No |
| Facilitating Conditions (FC) → Behavioural Intention (BI) | 0.084 | 1.426 | 0.154 | No | No | No |
| Performance Expectancy (PE) → Behavioural Intention (BI) | 0.529 | 6.557 | 0.000 | **Yes** | **Yes** | **Yes** |
| Social Influence (SI) → Behavioural Intention (BI) | 0.082 | 1.732 | 0.083 | **Yes** | No | No |

### 4.4.3 The Coefficient of Determination ($R^2$ Value)

The $R^2$ value is 0.623 which indicates a moderate model's explanatory power. It means that 62.3% of the variance of endogenous can be explained by exogenous consisting of PE, EE, SI, and FC (Sulaeman & Ninglasari, 2020). Therefore, the modified UTAUT model can be a predictor.

### 4.4.4 Effect Size $f^2$

Only performance expectancy has a medium effect size on behavioural intention as shown in Table 4.10.

**Table 4.10:** Effect Size $f^2$

| | Behavioural Intention (BI) |
|---|---|
| Behavioural Intention (BI) | |
| Effort Expectancy (EE) | 0.013 |
| Facilitating Conditions (FC) | 0.006 |
| Performance Expectancy (PE) | 0.172 |
| Social Influence (SI) | 0.008 |

### 4.4.5 Predictive Relevance $Q^2$

Predictive Relevance Q2 is 0.612 which represents a high predictive accuracy of the model toward behavioural intention as the endogenous variable.

### 4.4.6 PLSpredict

Table 4.11 shows that the mean absolute error (MAE) for the model has an equal amount of higher value compared to the MAE of the linear regression model (LM), the model has medium predictive power.

**Table 4.11:** PLSpredict

| | $Q^2$predict | PLS-SEM_MAE | LM_MAE |
|---|---|---|---|
| BI1 | 0.260 | 0.463 | **0.484** |
| BI2 | 0.592 | **0.408** | 0.398 |
| BI3 | 0.453 | 0.502 | **0.524** |
| BI4 | 0.570 | **0.415** | 0.408 |

## 4.5 Conclusion

The findings of this research which consists of demographic profile and path model assessments were reported in this chapter. A total of 403 sets of data were analysed by using PLS-SEM.

As a result, this study showed most of the respondents are female, the group age is between 31 to 40 years, group household income is between RM5,881 to RM7,100. Only 61.1% contribute their *Zakat al-Fitr* to *zakat* institutions in Putrajaya with many

of them paid RM7 per person. Ironically, most of the respondents neither know nor experience Fintech.

This research also revealed that performance expectancy is the only construct that significant and correlates to the endogenous behavioural intention of Muslim civil servants in Putrajaya to use digital transactions to pay their *Zakat al-Fitr*. It indicates that government servants in Putrajaya accept to pay digitally *Zakat al-Fitr* as it helps to ease their daily routine. Furthermore, in the context of the study, the modified UTAUT can be a predictor.

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