

## Digital Transformation of Islamic Philanthropy: An Analysis of Indonesian Higher Education Student Preferences Between Traditional Street Crowdfunding and Mobile Application - Based Sadaqah Platforms

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### ABSTRACT

*The digitalization of Islamic philanthropy has increasingly shaped contemporary sadaqah practices, particularly through the rise of mobile app-based platforms. These innovations offer alternative charitable pathways that coexist with traditional street crowdfunding, creating diverse options for donors in the digital era. This study examines the preferences of Indonesian higher education students regarding traditional street crowdfunding and mobile application-based sadaqah platforms, and identifies key factors influencing their choices. Using a cross-sectional quantitative design, data were collected from 235 students across four higher education institutions in Indonesia using a structured questionnaire that assessed demographics, technology adoption, religious practice intensity, trust factors, and platform preferences. Descriptive statistics, chi-square tests, and binary logistic regression were used to analyze the data. The results indicate that 61.7% of respondents prefer mobile application-based platforms, while 38.3% favor traditional street crowdfunding. Higher religious practice intensity and older age were significantly associated with a preference for traditional crowdfunding. Overall, the findings highlight a generational shift toward digital platforms, driven by convenience, transparency, and familiarity with technology. These insights suggest that organizations engaged in Islamic philanthropy should integrate digital innovations while maintaining traditional religious values to develop more inclusive, adaptive philanthropic strategies.*

### Keywords:

Crowdfunding; Digital Transformation; Higher Education; Islamic Philanthropy; Sadaqah.

**ABSTRAK**

*Digitalisasi filantropi Islam semakin membentuk praktik amal kontemporer, khususnya melalui munculnya platform berbasis aplikasi seluler. Inovasi ini menawarkan saluran amal alternatif di samping penggalangan dana jalanan tradisional, menciptakan beragam pilihan bagi para donatur di era digital. Studi ini meneliti preferensi mahasiswa pendidikan tinggi Indonesia mengenai penggalangan dana jalanan tradisional dan platform amal berbasis aplikasi seluler serta mengidentifikasi faktor-faktor kunci yang memengaruhi pilihan mereka. Dengan menggunakan desain kuantitatif lintas sektoral, data dikumpulkan dari 235 mahasiswa di empat institusi pendidikan tinggi di Indonesia menggunakan kuesioner terstruktur yang menilai demografi, adopsi teknologi, intensitas praktik keagamaan, faktor kepercayaan, dan preferensi platform. Statistik deskriptif, uji chi-square, dan regresi logistik biner digunakan untuk menganalisis data. Hasil menunjukkan bahwa 61,7% responden lebih menyukai platform berbasis aplikasi seluler, sedangkan 38,3% lebih menyukai penggalangan dana jalanan tradisional. Intensitas praktik keagamaan yang lebih tinggi dan usia yang lebih tua secara signifikan terkait dengan preferensi terhadap penggalangan dana tradisional. Secara keseluruhan, temuan ini menyoroti pergeseran generasi menuju platform digital, yang didorong oleh kemudahan, transparansi, dan keakraban dengan teknologi. Wawasan ini menunjukkan bahwa organisasi yang terlibat dalam filantropi Islami harus mengintegrasikan inovasi digital sambil tetap mempertahankan nilai-nilai keagamaan tradisional untuk mengembangkan strategi filantropi yang lebih inklusif dan adaptif.*

**Kata kunci:**

Crowdfunding; Transformasi Digital; Pendidikan Tinggi; Filantropi Islam; Sedekah.

**1. Introduction**

Islamic philanthropy is a key component of Islamic social finance, with sadaqah or voluntary charity serving as an important tool for redistributing wealth and improving social welfare (Adinugraha et al., 2023; Syahrir et al., 2023). In Indonesia, which has the largest Muslim population in the world, traditional acts of charitable giving are changing rapidly due to digitization and shifts in social relations, especially among the younger generations (Anoraga, 2024; Bonang et al., 2024). Islamic philanthropy is inclusive of charitable giving in many forms, with sadaqah meaning voluntary charity beyond the obligatory zakat (Othman et al., 2024). Additionally, sadaqah is more than just a monetary donation, and includes acts of kindness, sharing of knowledge, and social service, indicating Islam's holistic view of social welfare (Azhari & Asmuni, 2023). Sadaqah practices in Indonesia have been traditionally community-based, where charitable giving occurred with personal relationships and local networks as the center of the charitable giving (Adinugraha et al., 2023).

Digital platforms for Islamic philanthropy are presenting new opportunities for charitable giving, but also disrupting how charitable giving has been practiced amongst Islamic cultures for centuries (Ridho et al., 2025; Triantoro et al., 2021). The impact of digitalization on Islamic finance has been significant, with philanthropic actors utilizing digital technology, including new mechanisms for charitable giving, collection, and distribution, as well as different modalities for monitoring, accountability, and efficiency (Afandi, 2023; Syahrir et al., 2023). In addition, Islamic charities are utilizing digital platforms to increase outreach while ensuring more accountability, transparency, and efficiency in fund management (Hazhin & Sunur, 2025; Ramadhan et al., 2023). Digitalization is developing innovations that are consistent with Islamic precepts regarding *maslaha* (public interest) and that of *istihalah* (continuous improvement), which are supportive of innovative approaches to social issues in beneficial ways (Feriaty et al., 2025; Sahabuddin et al., 2019). Street-based crowdfunding, which relies on direct human contact and immediate community engagement, has traditionally been the primary vehicle for sadaqah collection in Indonesia's urban settings (Risma, 2024).

This traditional approach to crowdfunding emphasizes interpersonal connection, direct validation of trust, and observable impact assessment. Street-based crowdfunding in Indonesia typically entails direct collection methodologies, which are facilitated through mosque networks, educational institutions, and community events, while emphasizing personal trust and immediate social validation (Hamidah et al., 2024). Conventional modalities leverage pre-existing orders of community ties, social capital, and religious authority to facilitate charitable giving while staying true to sociocultural conventions and communities.

On the other hand, mobile application-based crowdfunding platforms have introduced technological capabilities to charitable giving, which include convenience, transparency, wider audience access, and a systematic approach to documenting philanthropy activities (Muryani et al., 2023; Zaborek et al., 2024). To contribute to the growing demand for digital giving, these platforms harness technology to address the geographical barrier to giving, provide detailed beneficiary information, and allow real-time tracking of impact while offering generational appeal for tech-savvy younger generations (Altarteer & Bamoallem, 2025; Lynn-Sze & Fathi, 2023). The crowdfunding space has evolved into a contemporary manifestation of traditional Islamic financing principles, and in particular, the corresponding principles of *musharakah* (partnership) and *mudharabah* (profit-sharing) (Arzam et al., 2023; Susanti et al., 2024). All Islamic crowdfunding platforms must comply with Sharia principles by avoiding *riba* (usury), *gharar* (excessive uncertainty), and *haram* (forbidden) practices, while also addressing issues of social justice and economic development.

Mobile application-based crowdfunding platforms represent a modern development of systematic giving and include verified beneficiary profiles, transparency in fund allocation, impact reporting, and the shareability of social good. These platforms mitigate many traditional barriers, such as geographical barriers, limited information about beneficiaries, and limited information about impact, while improving the user interface and user experience (Dinh et al., 2024; Um, 2024). Higher

education students are an important population in planning the future of Islamic philanthropy, as they are the emerging adult population that will shape charitable giving patterns for the future (Rohayati et al., 2016; Rohmana et al., 2024). Their preferences for traditional versus digital sadaqah platforms also contribute to a broader understanding of the digital transformation of Islamic financial practices and how technology is changing how religion is perceived and may be enacted. Indonesian higher education students are a digital native population with high smartphone penetration and social media engagement (Tarsidi et al., 2023). Indonesian students adopt new technology based on ease-of-use, perceived usefulness, and social influence (Sasongko et al., 2025; Wibowo et al., 2024), and compatibility with previous practice (Al Balushi et al., 2019; Andespa et al., 2023).

There is evidence that (Iradianty & Aditya, 2020; Rizki & Utami, 2025). However, it is clear that religious considerations are always core requirements, with students requiring confirmation that the digital platform was Sharia-compliant (Hadiyanto et al., 2025; Yuniati et al., 2024). Previous research has shown that the adoption of technology in Islamic finance varies broadly by demographic group, with younger, better-educated individuals more likely to use digital platforms (Pinasti & Achiria, 2024; Hantoro et al., 2023). Scholars have identified several factors that affect individuals' choice between conventional and digital charitable giving options. (Tan et al., 2025; Yu et al., 2024). Transparency and documentation are advantages of digital platforms, while digital platforms cannot easily offer individuals the immediacy and visibility of impact or the social interactions possible with conventional street-based approaches (Jiang et al., 2023; Mirghaderi et al., 2023).

Demographics of age, income, education level, and urbanity tend to correlate with markets adopting digital platforms at a higher rate (Ahmad et al., 2024; Lin et al., 2025). Demography aside, religious factors such as the religious importance of prayer, the importance of a religious community or social group of people, and general attitudes and beliefs around tradition and modernity may positively favor conventional charitable giving options (Judijanto et al., 2024; Wider et al., 2023). Factors related to technology, such as digital literacy, smartphone usage, and previous experience with buying or donating online, are critical in determining preference for the digital platform (Doungpitak et al., 2023; Jang et al., 2024).

Despite the rapid expansion of digital charitable platforms in Indonesia, empirical evidence on the specific preferences of higher education students toward congregational street crowdfunding and mobile application-based sadaqah remains limited. This gap is critical because young adults are simultaneously embedded in digital ecosystems and actively engaged in religious practices, making their giving behavior a key predictor of future philanthropic trends. Without understanding their underlying preferences and decision-making factors, philanthropic organizations risk adopting strategies that fail to resonate with emerging donor profiles, potentially reducing engagement and long-term sustainability. Therefore, addressing this gap is essential for developing evidence-based, culturally grounded, and technologically relevant philanthropic models that align with the evolving practices of Muslim youth in Indonesia.

The implications of this research extend beyond simple academic inquiry. Identifying and recognizing higher education students' preferences will help charitable organizations, contributors, students, and researchers develop more informed and effective giving strategies and digital platform designs. Profiling demographics and identifying barriers to engaging in Islamic social finance will help facilitate policy decision-making regarding the digitization of Islamic finance in general (Tok et al., 2022). As a further consideration, the outcomes of this research will contribute to scholarly discussions on digitally preserving Islamic traditions and providing contemporary society with new technological options that support and improve philanthropic action.

This study will fill the knowledge gap in identifying Indonesian higher education students' preferences for conventional street crowdfunding versus crowdfunding applications. Additionally, the study explores the factors influencing preferences and the impact of the digital transformation of Islamic philanthropy. This research will address questions in both the Islamic finance and technology adoption literature, while providing insights into crowdfunding applications and development, with applied learning offerings and other insights, including but not limited to attitudes toward other forms of social finance.

## **2. Methods**

### *2.1 Research Design*

This study employed a cross-sectional quantitative research design to examine Indonesian higher education students' preferences for traditional street crowdfunding and mobile application-based sadaqah platforms. This design enabled the researchers to statistically analyze preference patterns and the relationships among demographic, technological, religious, and trust-related factors, and to generalize the findings to the broader student population across participating institutions.

### *2.2 Population and Sample*

The target population consisted of undergraduate and graduate students enrolled in four Indonesian higher education institutions. Stratified random sampling was used to ensure demographic and geographic representation. The participating institutions included three Islamic higher education institutions: UIN Khas Jember, UIN Walisongo Semarang, and UIN Surabaya.

Sample size estimation was conducted using G\*Power 3.1.9.7 with an effect size of 0.3, an alpha level of 0.05, and a statistical power of 0.80, yielding a minimum required sample of 219 students. A total of 235 students participated, exceeding the required minimum. Inclusion criteria consisted of being a university student, identifying as muslim, having prior sadaqah experience, and owning a smartphone.

### *2.3 Research Instruments*

Data were collected using a structured questionnaire developed based on prior studies and expert review. The instrument comprised six sections: 1) Demographics (age, sex, level of study), 2) Technology Adoption Profile (length of smartphone use, daily usage, number of applications used,

number of transactions using reputation-based APIs; 5-point Likert scale), 3) Religious Practice Profile (frequency of prayer, mosque attendance, Qur'an reading, community participation), 4) Sadaqah Platform Profile (preferred platform, frequency of use, average donation, personal experience). 5) Trust and Safety Profile (trust levels, concerns, transparency expectations, fundraising vetting processes; adapted from established trust scales). 6) Motivational Factors (reasons for platform choice, influential factors, social influence, future intentions; narrative-scale responses).

#### 2.4 Validity and Reliability

Content validity was assessed by three Islamic finance experts and one technology adoption expert. Face validity was examined through pilot testing on 30 students from two institutions not included in the main sample. Construct validity was confirmed through exploratory factor analysis (EFA), which supported the theoretical structure. Internal consistency reliability ranged from .78 to .89, indicating acceptable to good reliability. Test-retest reliability, conducted over a 2-week interval with 40 students, yielded correlation coefficients ranging from .82 to .91.

#### 2.5 Data Collection Procedure

Participants were recruited using stratified random selection proportional to study level and academic field. The questionnaire was distributed electronically via Google Forms, and participation was voluntary based on informed consent. Trained student research assistants supervised the data collection to ensure standardized administration and to respond to participant inquiries.

#### 2.6 Data Analysis Techniques

Data were analyzed using SPSS version 29.0. Descriptive statistics included frequency distributions, means, and measures of variability. Bivariate analyses employed chi-square tests for categorical variables and independent t-tests for continuous variables to examine associations between demographic factors and platform preferences. Binary logistic regression was used in a multivariate analysis to identify significant predictors of platform preference, controlling for confounding variables. Model assumptions were tested using residual diagnostics and goodness-of-fit measures. The level of statistical significance was set at  $p < 0.05$ , with 95% confidence intervals.

### 3. Results and Discussion

#### 3.1 Results

A total of 235 higher education students from Indonesia participated in this study, and demographic characteristics are presented in Table 1. Participants consisted of 142 females (60.4%) and 93 males (39.6%), which was sometimes considered a flying 50/50 split in gender distribution in Indonesian higher education. Participants' ages ranged from 18 to 28 years ( $M = 21.3$ ,  $SD = 2.1$ ). The participants comprised 89.4% ( $n=210$ ) undergraduate students and 10.6% ( $n=25$ ) postgraduate students.

**Table 1.** Demographic Characteristics of Participants (N=235)

Characteristics	Category	N	%
Gender	Female	142	60.4
	Male	93	39.6
Age Group	18-20	98	41.7
	21-23	101	43.0
	24-28	36	15.3
Study Level	Undergraduate	210	89.4
	Graduate	25	10.6

The demographic distribution shows that female students were more represented, consistent with national higher education participation trends, in which women increasingly dominate enrollment in Islamic and social science programs. The concentration of respondents in the 18-23 age range reflects the developmental stage characterized by high digital adoption, aligning with technology acceptance theories that identify young adults as early and intensive adopters of mobile-based platforms. Furthermore, the predominance of undergraduate students is theoretically relevant, as this group typically exhibits stronger engagement with digital tools and more exploratory behavior in charitable decision-making compared to postgraduate students. Together, these demographic patterns provide a theoretical foundation for understanding why younger and predominantly female populations may lean toward technologically mediated sadaqah practices.

### 3.1.1 Technology Adoption

All participants engaged in a high level of technology adoption; for example, 98.7% (n=232) had a smartphone for more than 2 years, and 87.2% (n=205) used their smartphone for 4 hours or more daily. Mobile applications were in common use: 91.5% (n=215) used financial applications on their devices, and 78.3% (n=184) reported experience with online charitable giving applications.

**Table 2.** Technology Adoption and Usage

Technology Factors	Mean	Range
Daily smartphone use	6.2	2-12
Number of mobile apps installed	47.8	15-95
Online Transaction Frequency	8.4	0-25
Digital Literacy Score (1-5)	4.1	2.5-5.0
Technology adaptation Score (1-5)	3.9	2.0-5.0

The high levels of technology adoption observed in this sample are theoretically significant within the Technology Acceptance Model (TAM) and the Unified Theory of Acceptance and Use of Technology (UTAUT). According to these theories, frequent smartphone use, strong digital literacy, and regular engagement in online transactions increase perceived ease of use and performance expectancy, which, in turn, enhance the likelihood of adopting digital charitable platforms. The mean digital literacy score (4.1) and technology adaptation score (3.9) indicate that students possess the cognitive and behavioral readiness to transition from traditional street crowdfunding to smartphone-based sadaqah. Moreover, the high number of mobile applications and frequent online transactions suggests a strong integration of mobile technologies into daily life, an essential predictor of digital

philanthropy participation. These findings highlight that students' technology-related competencies are a foundational factor shaping their preferences for sadaqah platforms.

### 3.1.2 Religious Practice Analysis

Religious practice across participants generally indicated moderate to high levels of Islamic adherence, with a mean prayer frequency of 4.6 times a day (SD = 0.8), and 76.2% (n=179) attending Friday prayers in congregation. Participants read the Quran 4.1 times per week (SD = 1.9), and their involvement in a community received a score of 3.7 out of 5.0 (SD = 1.1).

### 3.1.3 Sadaqah Platform Preferences

The main research finding was that 61.7% (n=145) of participants preferred a sadaqah (sic) platform, specifically a mobile application. And only 38.3% (n=90) preferred traditional crowdfunding bases on street charitable methods. The preference distribution was statistically significant ( $\chi^2 = 12.87, p < 0.001$ ), clearly demonstrating that Indonesian Higher Education students preferred digital platforms.

**Table 3.** Sadaqah Platform Preference and Usage Patterns

Platform Type	Preferred (%)	Monthly Usage Frequency	Average Donation (Rp)
Mobile	145 (61.7%)	3.8	47.500
Direct/Street Donation	90 (38.7%)	2.3	31.800
Total	235 (100%)	3.2	41.200

The dominant preference for mobile-based sadaqah platforms aligns with the Technology Acceptance Model (TAM) and Diffusion of Innovations Theory, which argue that technological solutions with high perceived ease of use, convenience, and relative advantage are more likely to be adopted, especially by younger, digitally literate populations. The higher frequency of use and larger average donations made through mobile applications suggest that digital platforms may not only be preferred but also enhance donor engagement and transaction efficiency. In contrast, the lower preference for street-based giving reflects a shift away from traditional practices, which may be perceived as less transparent or less convenient. These results are theoretically important because they signify a generational transformation in religious philanthropy, where digital ecosystems increasingly shape how Muslim youth express charitable behavior. This shift aligns with emerging literature highlighting the modernization of Islamic philanthropic practices in digitally connected societies.

### 3.1.4 Trust and Security Factors

The level of trust was also different for each type of platform since mobile app users had higher confidence that they were safe digitally (4.0 vs 2.8,  $t = 7.42, p < 0.001$ ) but lower scores in interpersonal trust (3.1 vs 4.2,  $t = 6.18, p < 0.001$ ), where street crowdfunding users had greater levels. Mobile app users rated higher than street crowdfunding users in their expected level of transparency (4.3 vs 3.6,  $t = 4.91, p < 0.001$ ). In contrast, street crowdfunding users preferred in-person transaction verification (4.1 vs 2.7,  $t = 8.34, p < 0.001$ ) over digital platforms.

3.1.5 *Multivariate Analyses*

A binary logistic regression was conducted to determine independent predictors of mobile app preference whilst controlling for covariates. In the end, the final model used only variables with significant bivariate associations and a theoretical rationale.

**Table 4.** Binary Logistic Regression Analysis as Predictors for Mobile App Preference

Platform Type		B	SE	Wald	p-value	OR	95% CI
Technology Score	Adaptation	0.851	0.234	13.24	<0.001	2.34	1.48-3.70
Age		-0.248	0.111	4.95	0.025	0.78	0.63-0.97
Religious Practice Score		-0.402	0.152	7.01	0.008	0.67	0.50-0.90
Gender		0.312	0.198	2.48	0.115	1.37	0.93-2.01

Model:  $\chi^2 = 89.43$ ,  $df = 6$ ,  $p < 0.001$ ; Nagelkerke  $R^2 = 0.467$ ; Hosmer-Lemeshow test:  $\chi^2 = 6.82$ ,  $p = 0.556$

The results of the logistic regression analysis were significant ( $\chi^2 = 89.43$ ,  $p < 0.001$ ); the model explained 46.7% of the variance in predicting platform preference (Nagelkerke  $R^2 = 0.467$ ). The model had an adequate fit (Hosmer-Lemeshow test:  $p = 0.556$ ) and classified 78.3% accurately.

3.1.6 *Motivational Factors*

The analysis of the motivational factors across periods showed distinct preference patterns by platform. Mobile app users reported preferring convenience (87.6%), transparency (82.1%), and having more recipients (74.5%), among other factors. The street crowdfunding group reported preferring personal connection (89.9%), immediate-verification trust (81.1%), and community engagement (76.7%).

**Table 5.** Top Motivational Factors by Platform Preference

Mobile App	(%)	Direct/Street	%
Accessibility	87.6	Personal Connection	89.9
Transparency	82.1	Trust	81.1
Beneficiary Reach	74.5	Community Involvement	76.7
Documentation	71.0	Familiarity	68.9
Time Efficiency	68.3	Religious Authority	64.4
Social Sharing	52.4	Face-to-face interaction	61.1

The motivational differences between platform preferences correspond strongly with established frameworks in Motivation Theory, Digital Philanthropy Models, and Social Presence Theory. Mobile app users' emphasis on convenience, transparency, and reach aligns with the principles of Self-Determination Theory, in which autonomy and efficiency increase intrinsic motivation to give digitally. These findings also resonate with the Technology Acceptance Model (TAM), which posits that perceived usefulness (e.g., documentation, efficiency) and ease of use significantly shape user adoption behaviors. Meanwhile, motivations among direct/street donors align with constructs from Social Presence Theory and Interpersonal Trust Models, suggesting that face-to-face interactions, emotional connection, and community engagement enhance trust and encourage

traditional giving behaviors. The importance of religious authority and familiarity also mirrors literature on Islamic Philanthropy, which highlights the enduring cultural and spiritual value of direct, relational charity practices. These insights are theoretically significant because they demonstrate that platform preference is not merely a technological decision but also a psychological and socio-religious process. Understanding these motivational patterns is essential for designing inclusive philanthropic strategies that integrate both digital innovation and traditional values.

### 3.2 Discussion

The finding that 61.7% of Indonesian higher education students prefer sadaqah platforms via mobile applications represents a substantial shift in Islamic socio-philanthropic behavior. It is consistent with broader social trends of digital transformation in Indonesia. This preference distribution is higher than prior digital adoption estimates in Islamic finance (Pinasti & Achiria, 2024; Hantoro et al., 2023) and indicates a faster rate of acceptance of technology-mediated religious practice in younger Indonesian populations. The preference for digital platforms is explained by the ease of technology and ease of use, in combination with developing religious practice patterns. Mobile applications offer features that fit a student's lifestyle and integrate with the existing digital ecosystem, such as 24-hour availability, rich information about the benefactor, transparent fund tracking, and so on. In some ways, technology may overcome the limitations of street-based crowdfunding while honoring religious fidelity through Sharia-compliant platform design and endorsement by religious authorities.

Conversely, a substantial minority (38.3%) still preferred street crowdfunding, underscoring the importance of human connection and the community value placed on charitable giving. This preference again implies that digital transformation does not unconditionally replace traditional cosmological options but rather helps create a viable, distinctive philanthropic ecosystem that favors neither pre-existing technologies nor others based on need and value systems. As noted above, overlapping demographic and socioeconomic influences were observed for technology adoption and street crowdfunding preferences. Logistic regression analysis suggests the dominant predictors of platform preference were technology adoption score (OR = 2.34; the strongest predictor). The negative association between age and mobile app preference (OR = 0.78) in the student sample suggests that even small age differences affect technology adoption patterns, underscoring the pace of digital change and the importance of generational factors in the evolution of religious practice. This socioeconomic aspect raises questions about equitable access to modern philanthropic tools and whether digital divides affect participation in religious practice.

#### 3.2.1 Considerations for Religious Practice

The finding that a higher intensity of religious practice negatively predicted mobile app preference (OR = 0.67) raises an interesting paradox that warrants further exploration. Perhaps students who are more strongly engaged in traditional religious practice are choosing street crowdfunding partly because it reflects earlier historical classical Islamic philanthropy through its informal design, physical engagement through direct personal interaction, and incorporation into people's existing religious community practices.

This relationship does not imply that digital platforms do not coexist with Islamic practice, but rather that different expressions of religiosity may prefer different philanthropic practices. Traditional religious practice may privilege connection to community and building relationships with others, while contemporary Islamic practice holds that technological advances that enable charitable impact and greater efficiency in religious observance are beneficial. The adoption of technology in religious practice is an ongoing negotiation between the need to respect tradition and the need to incorporate new technologies into Islamic practice. Students with a higher intensity of religious practice may need additional, valid assurances that the platform is

authentic, has religious authority endorsement, and that the digital ways of philanthropy will follow classical principles of Islam to feel comfortable and open to learning about digital philanthropic technologies.

### 3.2.2 *Trust and Security*

Differential trust patterns across platform types provide important insights into trust in evolving digital religious contexts. Mobile app users expressed greater assurance and confidence in the technological security, and less personal trust. This suggests a transition from a relationship-based trust mechanism to a system-based trust mechanism. This transition follows a general trend of digitization, but it is important to reserve commentary for the social side of Islamic philanthropy.

Street crowdfunding users' preference for personally verifying and interacting face-to-face reflects the importance of the human element in establishing trust, which makes complete sense in religious fields where authenticity and sincerity play a key role. These tensions reflect the challenges digital platforms face in replicating the trust-building mechanisms used in traditional donation settings.

Mobile app users had higher expectations for transparency, suggesting that digital platforms may need to go beyond traditional levels to help users feel confident. This could provide avenues for innovation in impact reporting, beneficiary verification, and fund allocation tracking, as well as for establishing different types of expectations and benchmarks to improve accountability in philanthropy.

### 3.2.3 *Motivational Factor Analysis*

Different motivational profiles across platform types demonstrate fundamental distinctions in contributors' priorities and criteria for their decisions to give. Mobile app users emphasize convenience, transparency, and reach, highlighting a rational, efficiency-based mode of charitable behavior that reflects modern lifestyles and digital demographic expectations. In contrast, street crowdfunding users prioritize personal connection, trust validation, and community engagement, demonstrating relationship-based charitable behavior that elevates social interaction and community building as important aspects of practice. These preferences imply that, to appeal to these users, digital platforms would need socially driven hooks and community-building processes to be effective.

Cultural familiarity and religious authority matter to street crowdfunding users, illustrating social legitimacy as key to adoption in religious practice. Digital platforms that aim to grow their audiences must implement strategies that support community engagement, leader endorsements, and cultural initiatives to encourage broader adoption and use.

The implications of these findings have important consequences for the future of Islamic philanthropic systems in Indonesia and other similar environments, building on the work of many theorists of Islamic social finance. The clear preference among younger cohorts for digital platforms confirms Tok et al. (2022) contention that philanthropic organizations need to develop agile all-digital strategies while providing an option for individuals who prefer more traditional methods, to accommodate users with varying wants and needs. This finding represents an extension of Hazhin & Sunur (2025) and Ramadhan et al. (2023) analysis of Islamic finance digitization, specifically within the context of philanthropic giving.

The presence of both platform preferences validates the integrated philanthropic ecosystem idea proposed by Ridho et al (2025) and Triantoro et al (2021), in view of the necessity for systems to capitalize on the best of digital innovation in conjunction with traditional community connection, and further Arzam et al. (2023) and Susanti et al. (2024) notion of hybrid models that include both the advantage of digital convenience, as well as the convenience of providing channels for in-person interaction opportunities that could produce the best charitable giving experiences for user types, whilst reinforcing that digital transitions in Islamic contexts are complementary and not replacements, as established by several authors (Afandi, 2023; Syahrir et al., 2023).

The role of religious authority and legitimation in the decision to use a platform, in that a sizeable 64.4% of traditional users had asserted their preference for following up on religious authority's endorsement, directly supports the collaborative framework espoused by Feriati et al. (2025) and Sahabuddin et al. (2019) and subsequently developed in concert with more recent authors (Muryani et al., 2023; Zaborek et al., 2024). This finding confirms that strategic digital philanthropic initiatives that work require technology developers, religious scholars, and community leaders to collaborate to ensure that innovation is authentically brought into Islamic contexts, as suggested by the broader Islamic fintech literature (Hazhin & Sunur, 2025; Ramadhan et al., 2023).

The implications also extend beyond Indonesian contexts, cross-culturally supporting Zaborek et al. (2024) and Yuniati et al. (2024) sentiments regarding the digitization patterns of Islamic philanthropy in Malaysian contexts, providing empirical support for the conceptual frameworks proposed by international Islamic finance researchers on technology adoption within Muslim communities worldwide.

There are a few limitations to note when applying these results. The cross-sectional design prevents inferring causality regarding the various drivers of platform alternatives. Further, the focus on higher education students may limit the interpretation of the data to potential Islamic philanthropists or funders within Indonesian Muslim populations, rather than more broadly encompassing potential Islamic philanthropists or funders across varying educational formats and technological exposure levels.

The quantitative method of the study provided some insight into patterns of preference but, without regard for context, cannot provide substantive evidence of the motivations and decision-making processes involved in platform decisions. Future research may wish to pursue a qualitative examination into these psychological and cultural variables involved. Longitudinal studies accounting for potential evolution in preferences will provide a stronger basis for understanding what current preferences suggest about the stability of potential change and why change occurs. As well, studies comparing these findings across other cultural and economic contexts could add value to the lessons from this context about this finding.

#### **4. Conclusion**

This study provides a comprehensive understanding of how Indonesian higher education students experience the digital transformation of Islamic philanthropy, particularly in their shifting preferences toward mobile app-based sadaqah platforms. While the findings indicate that 61.7% of students prefer digital platforms and 38.3% still favor traditional street-based crowdfunding, the significance of these numbers extends beyond descriptive outcomes. The results illustrate an emerging dual-system philanthropic landscape in which digital and traditional practices coexist, shaped by technological accessibility, generational behavior, and cultural and religious orientations. Rather than merely indicating preference patterns, these findings suggest that Islamic philanthropy is undergoing a structural transition that calls for new theoretical considerations of hybrid philanthropic ecosystems in Muslim societies.

The study also enriches the discourse on Islamic financial technology adoption by demonstrating that technology readiness, generational characteristics, economic capacity, and the shifting intensity of traditional religious practices influence platform choices. These factors underscore the need to expand theoretical models of digital philanthropy to account for sociocultural dynamics, religiosity gradients, and mechanisms of user trust formation. From a practical standpoint, the findings highlight the importance of designing philanthropic platforms that integrate usability,

transparency, and spiritual engagement features to enhance the legitimacy and emotional resonance of giving behaviors among young Muslims. Importantly, the coexistence of digital and traditional giving preferences underscores that digital transformation does not erase conventional practices but instead reshapes philanthropy into a more pluralistic and layered system. This insight opens new pathways for exploring how hybrid philanthropic models can be optimized to strengthen community participation while maintaining cultural continuity. Future research should move beyond documenting user preferences by examining deeper psychological, socioreligious, and ethical dimensions influencing digital giving; longitudinally assessing how digital engagement shapes long-term charitable behavior; and evaluating how digital platforms can foster communal values traditionally associated with face-to-face giving. These directions are crucial for developing more holistic frameworks that connect technology-driven innovation with the spiritual and social essence of Islamic charitable practices.

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