Determinants of Savings Preferences Among Rural Villagers in Banten

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Abstract. This study investigates the determinants influencing saving decisions among Undrus villagers in the Banten region of Indonesia. The research examines six main factors: Islamic banking knowledge, social environment support, socialization of Islamic banks, accessibility to Islamic banks, religiosity, and understanding of the riba prohibition. Data were collected from 90 respondents selected through the Slovin method and accidental sampling technique. Employing a quantitative approach, the study utilizes multinomial logistic regression analysis using IBM SPSS 25 to explore the saving preferences among three categories: saving in Islamic banks, saving in conventional banks, and saving in neither. The findings reveal that religiosity significantly influences saving behavior, evidenced by a p-value of 0.021 ($p < 0.05$). The Negelkerke R^2 value of 0.394 indicates that the model explains 39.4% of the variance in saving preferences, while 60.6% is influenced by other factors not included in this model. This research contributes to a deeper understanding of rural saving behavior and provides insights for policymakers and Islamic financial institutions to strengthen financial inclusion and literacy in rural communities.

Keywords: Financial Inclusion; Sharia Banking Savings Preferences; Multinomial Logistic Regression; Religiosity.

A. INTRODUCTION

Financial inclusion is fundamental to achieving sustainable economic growth and poverty alleviation in developing countries (Jamaludin et al., 2023). In Indonesia, the world's most populous Muslim country, Islamic finance provides a unique opportunity to enhance financial inclusion(Ahmed & Ammar, 2020); (Ascarya, 2018); (Banna et al., 2022); (Hassan, 2015)). Despite a supportive regulatory environment and growing Islamic banking assets, penetration and preference for Islamic banking services, particularly in rural areas such as Banten Province, remain limited (Wastuti et al., 2025). A large proportion of the rural population still relies on the conventional banking system or remains unbanked (Subramanian, 2018), prompting an investigation into the factors underlying their financial choices.

The evolution of Islamic banking in Indonesia over the past two decades goes beyond financial innovation; it is a socio-religious movement. Islamic financial institutions offer alternatives based on Sharia principles, which prohibit interest (riba), encourage risk sharing, and promote ethical investment (Abduh & Jamaludin, 2017). However, the acceptance and accessibility of these services are uneven, particularly among rural communities where financial literacy, cultural values, and infrastructure challenges often hinder engagement. Understanding the reasons behind rural communities' choices—whether they choose Islamic banking, stick with conventional institutions, or avoid formal banking altogether—is critical to developing inclusive financial strategies that are appropriate for the rural context.

Various variables have been identified as factors influencing individual banking preferences. Some of these include knowledge of Islamic banking principles, religious beliefs, accessibility to banking services, social environment, and individual understanding of Islamic prohibitions such as usury. For example, Pratopo and Hasan (2024) found that knowledge and religiosity significantly influenced the interest in saving in Islamic banks among residents of Ponorogo, East Java. Their study underlined the importance of improving financial literacy and religious awareness to increase the use of Islamic banking services (Pratopo & Hasan, 2024).

Similarly, a study by Buna et al. (2024) in Palopo City and Luwu Regency revealed that knowledge, religiosity, and Islamic financial literacy significantly influenced people's interest in becoming Islamic bank customers. Their findings suggest that Islamic banks should focus on educational campaigns to increase public knowledge and utilize religious values to attract more customers (Buna et al., 2024).

The role of the social environment and community influence is also very important (Janah et al., 2020). In close-knit rural communities, financial decisions are often shaped by family, religious leaders, and community norms. Pratama and Utami (2023) found that religiosity and motivation had a positive and significant effect on the decision to save at Islamic banks, while the social environment had no significant effect. This indicates that although individual beliefs and motivations are important, the influence of the broader social environment can vary depending on the context (Pratama & Utami, 2023).

Another area that has not been explored is the impact of Islamic banking socialization. Arwin et al. (2022) conducted a study in Tasiwalie Village, Pinrang Regency, which highlighted that the lack of community knowledge about Islamic banking products was a significant barrier to adoption. Their community service initiative aimed to raise awareness through Islamic banking outreach activities, emphasizing the importance of direct involvement and education in rural areas (Arwin et al., 2022).

Accessibility remains a perennial issue in financial inclusion. Mardhiyaturrositaningsih and Janah (2025) examined Islamic financial inclusion in Central Java, identifying barriers such as limited community literacy, lack of ATMs, limited branch networks, and inadequate outreach efforts. They proposed strategies such as targeted education campaigns and increased collaboration with community organizations to address these barriers (Mardhiyaturrositaningsih & Janah, 2025).

Despite these insights, the existing literature presents fragmented perspectives on the factors influencing rural Indonesians' choices regarding Islamic banking. There has been no comprehensive study that integrates variables such as knowledge, social influence, religious beliefs, accessibility, and understanding of Islamic principles into a single empirical model using multinomial logistic regression. This study aims to fill this gap by examining the determinants of savings preferences among rural residents in Banten Province.

The novelty of this study lies in its integrative approach and focus on rural communities in Banten, a region that is representative of rural dynamics in Indonesia more broadly. Using multinomial logistic regression, this study is able to model the probabilistic relationship between different saving options: Islamic banking, conventional banking, and not participating in either. This statistical technique is well suited to capture the complex and often non-linear interactions of multiple categorical predictors that influence individual decisions.

This study is very timely and important for policymakers, Islamic banks, and community leaders who want to promote inclusive financial services that are aligned with Islamic values. The findings are expected to provide actionable insights to increase Islamic banking penetration in rural areas by identifying key levers that influence across personal, social, and religious dimensions.

B. RESEARCH METHODOLOGY

Quantitative research approaches and multinomial logistic regression data analysis techniques are used in this research, and primary data is the sort of data used in this study, where primary data refers to a data that is obtained directly from the research object in the form of comments, ideas, criticism, and assessment from customer as a respondent (Šerić & Ljubica, 2018). The primary data were obtained from the findings of the responses to the questionnaires provided to the Undrus Village residents, which contained questions and then being analyzed using SPSS.

The chance of an event occurring was predicted using the logistic regression approach described by Hosmer, Lemeshow, and Sturdivant (Hosmer et al., 1997). This method is a linear model for binomial regression that is commonly used (Muschelli et al., 2014). Logistic regression does not require the assumption of normality, heteroscedasticity, or autocorrelation, since the related variables are dummy variables such like 0 and 1 (Abdulhafedh, 2017).

Data collection was gathered in order to gain the information needed to meet the research objectives. The researcher utilized a questionnaire/questionnaire to collect data for this study. A questionnaire/questionnaire is a way of collecting data by delivering a series of written statements directly to the respondents to be addressed (Dalati & Marx Gómez, 2018). A total of 100 questionnaires were given randomly to the residents of Undrus Village RT 002 and 003 Rw 006, Cijantra Village, Pagedangan District, Tangerang Regency. However, because some of the questionnaires were not completed correctly, only 90 questionnaires could be included for the analysis. The questionnaire used in this study is a closed questionnaire with a nominal scale and a dummy value with a score range of 0 to 1. Logistic regression test is chosen since the test features a dependent variable that employs a dummy and an independent variable that is assessed on a ration scale (Mood, 2010). Logistic linear regression is supported with IBM SPSS Statistics 21 software.

This logistic regression is to create dichotomous variable model with a set of covariates. Extension of the model and method for a dichotomous-dependent variable into a polytomous-dependent variable with a minor changes can be illustrated easily for independent variables that consist of three categories. Furthermore, for a dependent variable with more than three categories, generalization can be done.

Multinomial logistic regression analysis is a logistic regression that is applied when the response variable is polychotomous or multinomial, nominal and ordinal scale with more than two categories (Liang et al., 2020). The measuring scale must be considered in regression

models for response variables with more than two categories.

Data analysis on this research has a dependent variable regression model of more than two categories. People in the first category use Islamic banks, those in the second use conventional banks, and those in the third categories do not use banking institutions.

This logistic regression is similar to linear regression in that both have the same purpose of examining the dependent variable with one or more independent variables. Both are estimating the expected model parameter (Hellevik, 2009). The categorical dependent variable was employed in regression analysis. The conditional probabilities for each category are expressed using the following generic equation.

Instrument Test for the research includes the validity test as a tool to measure whether the research is valid or not, and is performed by comparing r value calculation with r table, this research is conducted using Bivariate Pearson correlation in the IBM SPSS Statistic 25 Software. Reliability test is completed to find out and to ensure whether the instrument used to obtain information in this research whether the information is reliable or not, it must be reliable and capable of generating information regarding the actual situation (Wahyuni, 2021). The reliability test used in this research is the statistic test of Cronbach Alpha Coefficient.

$X1$ = Knowledge, whether the respondent understand what an Islamic bank is or not, 1: Yes, 0: No

$X2$ = Social Environment, Whether the respondent environment contains more or fewer individuals who use Islamic banks, 1: Yes, 0: No

$X3$ =Socialization, respondents have either participated in or never participated in Islamic banking socialization., 1: Yes, 0: No

$X4$ = Accessibility, The respondent's current address is in close location to Islamic banks. 1: Yes, 0:No

$X5$ =Relegiosity, Respondents constantly follow the Five Pillars of Islam (Istiqamah)1: Yes 0: No

$X6$ =Respondents have a basic understanding of Riba, including the concept of usury and the associated sin. 1: Yes, 0: No

C. RESULTS AND DISCUSSION

The method is based on the distribution of a total of 100 questionnaires which were given randomly to the residents of Undrus Village RT 002 and 003 Rw 006, Cijantra Village, Pagedangan District, Tangerang Regency. However, because some of the questionnaires were not completed correctly, only 90 questionnaires could be included for the analysis. An analysis of the characteristics of the respondents in this survey by gender found that more than half of them were women, with 50 people making up 56 percent of the total. The responders were mostly between the ages of 50 and 70, with 35 people representing 39 percent of the total. The majority of respondents with a monthly income below the minimum wage are 78 persons, accounting for 86.6 percent of the total. The respondent's profession is generally that of a farmer, which accounted for 20 people or 22 percent of the total. Their most recent education was High School grads, which accounted for 48 people, or 53 percent of the total. The bank used by the respondents currently consists of 1 Islamic bank customer with a percentage of 1%, 44 respondents are conventional banks customers with a percentage of 49 percent, and those who do not use banking service are 45 respondents with a percentage of 50 percent. This indicates that many residents in Undrus Village generally do not use banks and rely on conventional banks.

Table 1. Validity Test Result

No.	Item	r count	r table	Description

1	P1	0,635	0,174	Valid
2	P2	0,285	0,174	Valid
3	P3	0,177	0,174	Valid
4	P4	0,303	0,174	Valid
5	P5	0,223	0.174	Valid
6	P6	0,648	0,174	Valid
7	Y	0,304	0,174	Valid

Source: Data Processed by SPSS

Based on the results presented in Table 1, it is evident that all items on the questionnaire exhibit a calculated r-value exceeding the critical value of the r-table, which is 0.174. This indicates that each statement item used to measure the independent variable (X) and the dependent variable (Y) has met the criteria for construct validity (Westen & Rosenthal, 2003). Consequently, all questionnaire items can be deemed valid and are appropriate for use in this study, which investigates the factors influencing the saving decisions of the Undrus Village community in relation to Islamic banking. The validity of these items ensures that the instrument accurately captures the constructs being studied and contributes to the reliability and robustness of the research findings.

Table 2. Reliability Test Result

Variable	Cronbach's Alpha	Description
X1 : Knowledge on Islamic Banking X2 : Social Environment X3 : Socialization of Islamic Bank X4 : Accessibility X5 : Religiosity X6 : Understanding of Usury	0,710	Reliable

Source: Data Processed by SPSS

Table 2 presents the results of the reliability analysis, indicating a Cronbach's alpha coefficient of 0.710. This value surpasses the commonly accepted minimum threshold of 0.60 for internal consistency, as proposed by (Sekaran & Bougie, 2016), thereby demonstrating that the measurement instrument employed in this study possesses an acceptable level of reliability. In conjunction with a total sample size of N = 90, the critical value for the r-table at the 10% significance level is identified as 0.174. Given that the obtained alpha value (0.710) is substantially higher than this threshold, it can be inferred that the questionnaire items consistently measure the underlying constructs across the different dimensions of the study. This reliability ensures that the data collection tool yields stable and consistent results, which enhances the credibility of the empirical findings. Thus, the instrument is deemed dependable for capturing the factors influencing the saving preferences of rural villagers in Undrus Village, particularly in the context of their engagement with Islamic banking.

Tabel 3. Case Processing Summary

Case Processing Summary

		N	Marginal Percentage
Y_Bank	Islamic Bank	1	1.1%
	Conventional Bank	44	48.9%
	Do not use the Bank	45	50.0%
X1_Knowledge on Islamic Banking	No	60	66.7%

	Yes	30	33.3%
X2_Social Environment	No	85	94.4%
	Yes	5	5.6%
X3_Islamic Banking Socialization	No	67	74.4%
	Yes	23	25.6%
X4_Accessibility	No	82	91.1%
	Yes	8	8.9%
X5_Religiosity	No	5	5.6%
	Yes	85	94.4%
X6_Understanding of Usury	No	25	27.8%
	Yes	65	72.2%
Valid		90	100.0%
Missing		0	
Total		90	
Subpopulation		13[a]	

Source: Data Processed by SPSS 25

Table 3 above illustrates the distribution of respondents across the dependent and independent variables employed in this study. Among the 90 respondents surveyed in Undrus Village, only a single individual (1.1%) reported using Islamic banking services, signifying a notably low adoption rate. In contrast, 44 respondents (48.9%) indicated a preference for conventional banking institutions, while a slightly higher proportion—45 individuals (50.0%)—reported not utilizing any form of banking services at all. This distribution highlights a significant gap in Islamic banking outreach and relevance within this rural context. With respect to the independent variables, the data reveals limited awareness and engagement with Islamic banking principles. For the variable Knowledge of Islamic Banking (X1), 60 respondents (66.7%) reported having no knowledge, while only 30 respondents (33.3%) affirmed awareness. This suggests that a substantial portion of the population lacks basic familiarity with the operational and ethical principles that distinguish Islamic banking from its conventional counterpart.

In terms of the Social Environment variable (X2), which assesses whether respondents are influenced by family, peers, or community support for Islamic banking, the majority—85 individuals (94.4%)—reported no such influence, whereas only 5 respondents (5.6%) indicated being situated in a socially supportive environment conducive to Islamic banking adoption. This finding implies that Islamic banking has yet to achieve normative acceptance or peer validation in the community. For the Islamic Banking Socialization variable (X3), designed to measure exposure to information or promotional activities regarding Islamic banking, 67 respondents (74.4%) reported no exposure, while only 23 individuals (25.6%) indicated they had received some form of socialization or outreach. This reflects an apparent deficiency in educational campaigns or community-level engagement initiatives by Islamic banking institutions in rural areas like Undrus Village.

In assessing the Accessibility variable (X4), a vast majority—82 respondents (91.1%)—perceived Islamic banking services as inaccessible, while only 8 respondents (8.9%) considered them accessible. This finding underscores a critical infrastructural and geographical challenge faced by Islamic banks in expanding their physical or digital reach into remote areas. Conversely, the Religiosity variable (X5) yielded more promising results: 85 respondents (94.4%) reported having strong religious inclinations, with only 5 respondents (5.6%) indicating otherwise. This high level of religiosity theoretically aligns well with Islamic banking principles and suggests a latent potential for increased engagement—provided the other barriers are adequately addressed. Lastly, regarding the Understanding of Riba Prohibition (X6), 65 respondents (72.2%) acknowledged having a clear understanding of the Islamic prohibition against interest (riba), while 25 respondents (27.8%) reported lacking such understanding. This demonstrates that while the concept of riba is relatively well understood among the villagers,

this understanding does not necessarily translate into the use of Islamic banking services—highlighting the presence of other intervening variables such as accessibility, socialization, and knowledge gaps.

Table 4. Information on the Suitability of Multinomial Log. Regression Model

Model Fitting Information						
Model	**Model Fitting Criteria**			**Likelihood Ratio Tests**		
	AIC	**BIC**	**-2 Log Likelihood**	**Chi-Square**	**df**	**Sig.**
Intercept Only	58.837	63.837	54.837			
Final	50.082	85.079	22.082	32.756	12	**0.001**

Source: Data Processed by SPSS 25

The Model Fitting Information table shows a significant improvement in model performance when predictor variables are included. The final model's -2 Log Likelihood value (22.082) is notably lower than the intercept-only model (54.837), and the AIC also drops from 58.837 to 50.082. This indicates that adding variables such as knowledge of Islamic banking, religiosity, and access significantly enhances the model's ability to explain the variation in villagers' banking preferences. Additionally, the likelihood ratio test reports a chi-square value of 32.756 with 12 degrees of freedom and a p-value of 0.001, confirming that the full model is statistically superior to the null model (Hosmer et al., 1997). These results suggest that the included factors meaningfully predict whether individuals in Undrus Village choose Islamic banking, conventional banking, or remain unbanked.

Tabel 5. Pseudo R-square

Pseudo R-Square	
Cox and Snell	0.305
Nagelkerke	0.394
McFadden	0.244

Source: Data Processed by SPSS 25

Table 5 presents the Pseudo R-Square values, which indicate the explanatory power of the multinomial logistic regression model. The Cox and Snell value of 0.305 suggests that 30.5% of the variability in banking preferences is explained by the model, though it is constrained by maximum likelihood. The Nagelkerke value of 0.394 offers a more adjusted measure, showing that 39.4% of the variation is explained, providing a stronger fit. McFadden's value of 0.244, while lower, still indicates that the model explains a reasonable portion (24.4%) of the variation. Together, these results suggest a moderate model fit (Ozili, 2023), with Nagelkerke reflecting the most optimistic explanatory power, though other unobserved factors may also influence the outcomes.

Table 6. Likelihood Ratio Tests

Likelihood Ratio Tests	Likelihood Ratio Tests

Effect	Model Fitting Criteria	Likelihood Ratio Tests			Sig.
	AIC of Reduced Model	-2 Log Likelihood of Reduced Model	Chi-Square	df	
Intercept	50.082	22.082a	.000	0	.
X1_Knowledge on Islamic banking	49.078	25.078	2.996	2	0.224
X2_Social Environment	46.092	22.092	.011	2	0.995
X3_Islamic banking socialization	46.138	22.138b	.056	2	0.972
X4_Accessibility	47.239	23.239	1.157	2	0.561
X5_Religiosity	53.794	29.794	7.712	2	0.021
X6_Understanding of usury	49.428	25.428	3.346	2	0.188

Based on Tabel 6, the Likelihood Ratio Tests in Table X evaluate the contribution of each explanatory variable to the multinomial logistic regression model predicting villagers' choices among Islamic banks, conventional banks, or abstention from banking services. Among the six predictors analyzed, religiosity (X5) emerged as the sole statistically significant variable at the 5% significance level (χ^2 = 7.712, df = 2, p = 0.021), indicating a meaningful improvement in model fit when this variable is included. This suggests that personal religiosity—defined as the degree to which individuals internalize and act upon Islamic principles—exerts a substantial influence on financial decision-making in rural settings. This finding reinforces and extends prior empirical work by Ahmed et al. (2022), who documented the significant role of religiosity in enhancing the preference for Islamic financial services in Muslim-majority populations, particularly in contexts where Islamic identity is deeply entrenched in community life.

In contrast, other variables—such as knowledge of Islamic banking (X1), social environment (X2), Islamic banking socialization (X3), accessibility (X4), and understanding of usury (X6)—did not demonstrate statistically significant contributions to the model at conventional thresholds (p > 0.05). For example, although understanding of usury had a relatively higher chi-square value (χ^2 = 3.346, p = 0.188), it still fell short of statistical significance, indicating that cognitive awareness of riba prohibitions alone does not necessarily translate into Islamic banking behavior. This is congruent with findings by Kassim et al. (2021),

who argued that awareness of riba is often insufficient to motivate behavioral change without reinforcing structural support mechanisms and religious socialization. Likewise, the lack of significance in variables related to social environment and socialization contrasts with earlier studies (e.g., Rahman et al., 2020), suggesting that in more insular or underbanked rural communities, peer influence and institutional outreach may be limited in their reach or effectiveness.

Overall, the analysis underscores the salience of internalized religious values over external informational or environmental factors in shaping banking preferences within this specific socio-religious context. It also points to a potentially untapped opportunity for Islamic financial institutions to design interventions that directly strengthen individual religiosity-linked motivations—such as faith-based financial education—rather than relying solely on mass socialization campaigns or assumptions of peer influence. These results have important implications for expanding financial inclusion in rural Indonesia, particularly through the lens of value-based, culturally aligned Islamic banking strategies

Parameter Estimates									
Y_Bank*	B	Std. Error	Wald	df	Sig.	Exp(B)	95% Confidence Interval for Exp(B)		
							Lower Bound	Upper Bound	
Conventional bank Intercept	44.812	5661.892	.000	1	.994				
[X1_Knowledge on Islamic Banking=0]	-.351	3066.546	.000	1	1.000	.704	.000	.b	
[X1_Knowledge on Islamic Banking =1]	0c	.	.	0	.	.	.	.	
[X2_Social Environment=0]	-1.970	1.493	1.742	1	.187	.139	.007	2.599	
[X2_Social Environment=1]	0c	.	.	0	.	.	.	.	
[X3_Islamic Banking Socialization=0]	-26.691	3320.188	.000	1	.994	2.660E-012	.000	.b	
[X3_ Islamic Banking Socialization=1]	0c	.	.	0	.	.	.	.	
[X4_Accessibility=0]	2.381	2408.829	.000	1	.999	10.815	.000	.b	
[X4_Accessibility=1]	0c	.	.	0	.	.	.	.	
[X5_Religiosity=0]	-44.868	2646.020	.000	1	.986	1.000E-013	.000	.b	
[X5_Religiosity=1]	0c	.	.	0	.	.	.	.	
[X6_Understanding of Usury=0]	-1.202	2069.018	.000	1	1.000	.301	.000	.b	
[X6_Understanding of Usury=1]	0c	.	.	0	.	.	.	.	

The above multinomial logistic regression analysis presented in Table 7 reveals complex relationships between the independent variables and rural villagers' banking preferences—categorized as Islamic banking, conventional banking, and not using any banking services. Although many coefficients show statistical insignificance due to wide standard errors—likely a result of small cell sizes or multicollinearity—the analysis still provides valuable insights. For instance, the variable "Religiosity" (X5) shows a strongly negative coefficient in both comparisons (Conventional Bank vs. Islamic Bank and No Bank vs. Islamic Bank), suggesting that higher religiosity is associated with a greater likelihood of choosing Islamic banking. This is consistent with prior studies by (Wajdi Dusuki & Irwani Abdullah, 2007), who found that religious commitment significantly predicts Islamic banking behavior in Malaysia.

Similarly, "Understanding of Riba" (X6) appears to reduce the likelihood of selecting conventional banking, reinforcing findings by Hidayat and Abduh (2012), which highlighted that

awareness of riba discourages conventional banking use among Muslims. However, variables such as accessibility (X4) show extremely high odds ratios—e.g., Exp(B) = 30.747 for not using a bank—implying that poor access significantly contributes to financial exclusion. This aligns with Beck et al. (2007), who emphasized that physical and institutional access are critical determinants of financial inclusion in developing countries. Conversely, some counterintuitive results, such as the positive coefficient for knowledge of Islamic banking (X1) in the "No Bank" category, may indicate informational disconnects or mistrust, warranting further qualitative exploration. The extremely large standard errors across many coefficients suggest estimation instability, which future research should address with larger and more balanced samples.

Furthermore, accessibility (X4) shows a very high positive coefficient, especially for the "no bank" category (Exp(B) = 30.747), indicating that limited access significantly contributes to financial exclusion. This supports Beck et al. (2007), who emphasized the role of access in financial inclusion. Social Environment (X2) displays negative coefficients, particularly in the "no bank" group (B = -2.124, Exp(B) = 0.120), suggesting that weaker social connections may lead to higher financial exclusion, consistent with Kabeer (2005). Islamic Banking Socialization (X3) shows negative coefficients (e.g., B = -26.868 for "no bank"), indicating that insufficient exposure to Islamic finance education is a barrier, in line with (Khan & Batti, 2008). This disucussion highlights that religiosity, understanding of riba, and accessibility significantly influence rural villagers' banking preferences, particularly in choosing Islamic banking. Limited access and lack of social environment or banking socialization are major barriers to financial inclusion. Future research with larger samples is needed to validate these findings and refine strategies for improving financial access.

D. CONCLUSION

This study explores the factors influencing savings preferences among rural villagers in Undrus, Banten, Indonesia, focusing on the choice between Islamic banking, conventional banking, or no banking services. The findings highlight the importance of religiosity as a key determinant, while also revealing barriers such as limited accessibility, lack of knowledge, and insufficient socialization of Islamic banking. The research underscores the need for tailored strategies to enhance financial inclusion in rural areas by addressing these challenges.

The study contributes to the understanding of how cultural and religious values intersect with financial behavior in rural communities. It emphasizes the potential for Islamic banking to expand its reach by aligning its services with the needs and values of local populations. Future efforts should focus on improving education, accessibility, and community engagement to bridge the gap between religious principles and financial decision-making.

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