

Development of Sharia Finance Digitalization Towards Inclusive Finance Within a Sharia Maqashid Framework (Case Study on PT Bank Syariah Indonesia's BSI Mobile Banking Product)

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Abstract

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The level of Islamic financial literacy and inclusion in Indonesia is still relatively low, data from the Financial Services Authority (OJK) in 2020 shows that the level of Islamic financial literacy is around 8.93% compared to the national index of 76.19% and the level of Islamic financial inclusion is around 9.9%. has not reached 10%. This low public access can be overcome by combining financial services and products with the latest technology. This is an opportunity for the Islamic finance industry to innovate digitally. The author examines digital product innovation to increase literacy and inclusion of Islamic finance, namely the "BSI Mobile Banking" application with 15 features of Islamic financial services owned by PT Bank Syariah Indonesia Tbk. This study uses a qualitative analysis method that explains the suitability of 15 application features with the maqashid sharia concept (Dharuriyyah, Hajiyat and Tahsiniyat) and analyzes the implications of digital applications on Islamic financial literacy and inclusion. The results show that the digital innovation "BSI Mobile Banking" is in accordance with the maqashid sharia concept and can help increase the level of sharia financial literacy and inclusion and support halal needs according to sharia maqashid.

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INTRODUCTION

In Indonesia, there are still unequal access to the world of banking between urban and rural areas causing low levels of financial inclusion and literacy. In 2019, the Financial Services Authority (OJK) conducted a survey related to financial inclusion and literacy in Indonesia and the results were 76.19% financial literacy rate and 38.03% financial inclusion rate for Indonesian people. However, this result is a total of all financial institutions, while the level of Islamic financial literacy is only 8.93% and the level of Islamic financial inclusion is around 9.1%. (www.ojk.go.id). This condition shows that the level of Islamic financial literacy and inclusion in Indonesia is still very low. Meanwhile, the target of the Government of Indonesia in 2024 is that the financial literacy level reaches 90% of the total adult population. This is corroborated by the research of Sanjana and Nursechafia (2016) that the factor that most influences the level of financial inclusion in Indonesia is public accessibility to banking, while the availability and usage indicators are not very influential.

Therefore, there needs to be a special approach so that people know about Islamic financial products and services. One approach that can be taken by companies and practitioners of Islamic finance is to utilize digital technology as a means to increase public access to Islamic financial products and services.

In 2021, the Government of Indonesia, through the Ministry of SOEs, will merge three Islamic commercial banks under the Association of Government-Owned Banks (Himbara), namely PT Bank Syariah Mandiri, PT BNI Syariah and PT BRI Syariah Tbk., to become PT Bank Syariah Indonesia Tbk., to be exact on February 1, 2021. The government's goal to merge the three Islamic commercial banks is to increase the Islamic financial literacy and inclusion of the public in Indonesia and become a global player in the top ten (10 big) largest Islamic financial institutions in the world by 2025. This dream is not a dream. It is impossible because the potential for the Muslim population in Indonesia is quite large to be ranked number one in the world or around 227 million Muslim population in Indonesia.

Merger of three Islamic commercial banks to become PT Bank Syariah Indonesia Tbk. (BSI) increased the bank's assets to Rp240 trillion and placed BSI in the 7th rank in national banking. BSI is only below Bank BRI with total assets of Rp1,422 trillion, Bank Mandiri Rp1,209 trillion, BCA Rp1,056 trillion, BNI Rp818 trillion, Bank BTN Rp361 trillion, and Bank CIMB Niaga Rp279

trillion (asset position as of December 2020). In the global Islamic banking landscape, the aggregate total assets of the top 100 Islamic banks worldwide collected by The Asian Banker reached USD 1.03 trillion, up from USD 903.9 billion in the previous year's evaluation. Banks from Malaysia, Saudi Arabia, United Arab Emirates, Kuwait and Qatar control 77 percent of the total assets of this list of the world's 100 largest Islamic banks. Meanwhile, Indonesia and Bahrain, which account for 26 Islamic banks on this list, only own 7.9 percent of the total assets.

Acceleration of financial digitization continues in the midst of the pandemic. The value of digital banking transactions as of July 2021 increased by 53.08% (yoy) (Bank Indonesia data in August 2021). The value of electronic money transactions, which facilitate e-commerce transactions, also rose sharply by 57.71%. The number of QRIS merchants has also expanded to around 9.4 million. The increase in consumer acceptance and preference for digital transactions is good news for Islamic banks. Some actors are starting to adopt a digitalization strategy.

The OJK survey stated that the level of Islamic financial literacy of the Indonesian people was relatively stagnant throughout the 2016 - 2019 period. In fact, according to Bank Indonesia's sharia economic literacy index, only 16 out of 100 Muslims understand the basic principles of sharia economics, sharia social finance and halal products/services.

The assets of Islamic financial institutions are also not as strong as conventional financial institutions. According to OJK statistics in June 2021, the share of Islamic commercial banks' assets is only 4.3% of the total commercial banks. This has implications for expansion capabilities both in terms of networks, services, and infrastructure. Furthermore, the limitations of information technology infrastructure and human resources. In the digital era, the combination of HR and information technology will have implications for product and service innovation and development. As a result, Islamic financial products cannot meet increasingly high public expectations.

In this regard, Islamic banks can take four digitalization strategies. First, a sharper target consumer. So far, the business model strategy of Islamic banks tends to be one size fits all. Resources are limited so that ultimately less developed. Islamic banks can adopt a challenger bank or fintech model that focuses on certain segments that have not been served by banks in general. The payment services segment can be an opener. He can collaborate with actors who are already familiar

with digital payments, both payment gateways and point of sales (POS) applications. These two actors are parties who have a lot of consumer transaction data. Second, optimize the sharia economic ecosystem. The ecosystem approach can be started with the pesantren ecosystem as a potential consumer base, both in terms of sources of funds, potential transactions and payment data, and distribution of financing. Third, exploration of social media channels. According to Hootsuite (We are Social) in the Indonesian Digital Report 2020, there are 170 million active users of social media in Indonesia. At least, they spend an average of 3 hours 41 minutes per day.

This phenomenon makes social media not only a medium of communication but also for trading and collecting data. Fourth, the collaborative business model. Synergy with other parties is an option when information technology and human resources are limited. Collaboration can be done with parties who have real sector networks, both offline and online, parties who have technological capabilities, or by sharing infrastructure. Islamic banks can adapt the way of technology companies in expanding their business scale. According to Hootsuite (We are Social) in the Indonesian Digital Report 2020, there are 170 million active users of social media in Indonesia. At least, they spend an average of 3 hours 41 minutes per day. This phenomenon makes social media not only a medium of communication but also for trading and collecting data. Fourth, the collaborative business model. Synergy with other parties is an option when information technology and human resources are limited. Collaboration can be done with parties who have real sector networks, both offline and online, parties who have technological capabilities, or by sharing infrastructure. Islamic banks can adapt the way of technology companies in expanding their business scale. According to Hootsuite (We are Social) in the Indonesian Digital Report 2020, there are 170 million active users of social media in Indonesia. At least, they spend an average of 3 hours 41 minutes per day.

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Digital technology is currently developing quite rapidly, this is marked by the industrial revolution 4.0 where the industry develops and utilizes technology to help simplify its operations. The industrial sector that develops digital technology in its business is mostly initiated by e-commerce companies, Financial Technology (fintech) start-ups, be it peer to peer lending or crowd funding. From this background, the more open public information and easier public access to the internet, the opportunity to develop innovative digital-based Islamic financial products and services is very potential and this development can also increase the level of Islamic financial literacy and inclusion, especially for people in remote areas. The author is interested in studying the problems of Islamic financial literacy and inclusion and their solutions by developing innovative Islamic products and services digitally. The formulation of the problem in this study is 1) Can the digitalization product of BSI Mobile Banking PT Bank Syariah Indonesia Tbk., can increase Islamic financial literacy and inclusion in Indonesia? a, 2) What is the perspective of maqasid sharia on the digitalization products of Bank Syariah Indonesia in Islamic finance in Indonesia, 3) What is the impact of BSI Mobile Banking products on Islamic finance in Indonesia.

THEORETICAL FRAMEWORK

Financial Inclusion

Inclusive finance is a form of financial service deepening aimed at all groups of people, especially the lower class so that they can access formal financial products and services more easily and affordably such as saving, keeping safe money (keeping), transfers, loans and insurance. . The index used to measure financial inclusion consists of three main factors, namely access, use and quality. (www.bi.go.id) The Consultative Group to Assist the Poor (CGAP-GPFI) defines financial inclusion as a condition in which all people of working age are able to gain effective access to credit, savings, payment systems and insurance from all providers. Financial services. Effective access also includes convenient and responsible services, at a price that is affordable for the community and sustainable for the provider. It is hoped that in the end, the community can take advantage of formal financial services rather than informal financial services. (www.cgap.org)

The Financial Authority, in this case Bank

Indonesia (BI) and the Financial Services Authority (OJK) have launched a national financial inclusion strategy which is described in 6 pillars, namely: 1) financial education, 2) public financial facilities, 3) mapping of financial information, 4) policies or supporting regulations, 5) intermediation and distribution facilities, and 6) consumer protection. The main targets of the formulation of these 6 pillars are to 2 groups of people, namely community groups of migrant workers/laborers and residents of remote areas with 4 classifications, namely very poor, working/productive poor, almost poor and not poor. This targeting is expected to increase the access of these 2 groups to financial products and services as a whole. If the public can easily access financial products and services,

Maqashid Sharia

Rasyuni (1995) in Ismail (2014) defines maqashid sharia as goals set by shari'a (Allah) to ensure the benefit of His servants. Scientifically, maqashid sharia is included in the literature of ushul fiqh science which can be reviewed from several ushul fiqh scholars who discuss the objectives of sharia that have been set by shari'a (God), namely Imam al-Harmayn, Imam Ghazali, Imam Syatibi and Ibn 'Ashur. The formulation of maqashid sharia was first discussed in the book al-Burhan by Imam al-Harmayn in the chapter 'illah and usul. He argues that maqashid sharia can be categorized into three namely dharuriyat, hajiyat and tahsiniyat. In addition, he has also formulated dharuriyat al-kubra in sharia or better known as maqashid al-khomsah (Ismail, 2014).

In the 12th century AD, Imam Ghazali, an expert on law (fiqh), Islamic-doctrine (aqidah), Islamic-spirituality (sufism) and philosophy argued in his book Syifa alghalil that maqashid sharia is divided into 2 parts, namely: 1) deen (religion) and 2) dunyawī (world). As for the division into world categories, he focuses on 4 things including: taking care of oneself, maintaining reason, maintaining offspring and maintaining property. As for the category of religion is everything that refrains from heinous acts. (Ismail, 2014).

Imam Syatibi who is also known as Shaykhul Maqasid in his work al Muwafaqat divides maqashid sharia into two important parts, namely qasdu al-syari' and qasdu al-mukallaf. Then qasdu al-Shari'a' is reclassified into four parts, namely: 1) the purpose of Shari'a to establish the Shari'a, 2) the intention of Shari'a to establish the Shari'a of understanding, 3) the intention of Shari'a to establish the Shari'a for legal orders, and 4) the intention of Shari'a to include the mukallaf in the laws of the Shari'a. . With regard to maqashid al-

syari' refers to the maintenance of three basic human goals, namely dharuriyat, hajiyat and tahsiniyat. Meanwhile, maqashid al-mukallaf can be realized in the form of behavior or implementation that is limited by the Shari'a. (Ismail, 2014)

Ibn 'Ashur was born in Tunisia 1879 and died in 1973, his famous work in the science of maqashid sharia is entitled maqashid al-Syar'iyyah al-Islamiyyah. He explained how the concept of maqashid sharia and divided it into two parts, namely: maqashid al-syariah al-amm and al-khassah. First, maqashid al-shari'a al-amm are the goals set by the shari'ah on every shari'a law. This goal is more emphasized on the general benefit of human beings such as justice and welfare. Second, maqashid al-syariah al-khassah are laws that are devoted to certain discussions of sharia, such as family, marriage, jinayat and financial laws. (Ismail, 2014)

Electronic Banking

The development of banking in Indonesia currently provides a very diverse offering and increasingly provides convenience in transactions, including electronic banking (e-banking) services. E-banking is a banking information service that makes it easier for customers to obtain account information, communicate, and perform banking transactions easily through electronic media such as Automatic Teller Machine (ATM), Electronic Data Capture (EDC)/Point Of Sales (POS), Internet banking, SMS Banking, mobile banking, e-commerce, phone banking, and video banking (Financial Services Authority, 2015). Utilization of e-banking can save customers time without having to come or queue at the bank because by using e-banking they can perform banking transactions anywhere and anytime through electronic networks such as smartphones, internet,

The Financial Services Authority (2015) describes e-banking service products in more detail as follows:

1. Automatic Teller Machine (ATM) Automatic Teller Machine (ATM) or Automated Teller Machine is a terminal or computer machine connected to a bank's communication network, where the machine is provided to carry out financial transactions such as cash withdrawals, cash deposits, balance checks, change PIN , or transfer money independently without help from tellers or other bank officers. Some banks provide three types of ATM machines, namely ATM machines that only serve non-cash transactions, ATM machines

that serve cash deposit transactions called Cash Deposit Machines (CDM), and ATM machines that can perform both transactions. ATM machines have service features that can perform various financial transactions such as cash withdrawals, cash deposits, transfers between banks or other banks, balance information.

2. Electronic Data Capture (EDC)

Electronic Data Capture (EDC) is a terminal or machine connected to a bank's computer network that can be used to transact using a credit/debit/prepaid card at a store or merchant. This machine consists of an information reader on a card's magnetic stripe or chip, a menu button and lift to enter the PIN, type of transaction, and transaction value, the screen on the EDC machine is used to view the type and value of the transaction, there is a printer to print proof of transaction. The features of the EDC machine are as follows: - To transact at a store or merchant, because many shops already use this EDC machine. 24 - Payments for telephone, electricity, airline tickets, credit, and other transactions. - Payment for parking, tolls, other means of transportation,

3. Internet banking

Internet banking is a banking service that is used to perform banking transactions via the internet network. This banking activity utilizes internet technology to conduct transactions and obtain other information through the bank's website. Devices that can be used by customers to access internet banking can use a desktop computer, laptop, tablet, or smartphone that is connected to the internet network as a liaison between the customer's device and the bank system. Internet banking service features include: 25 - General information on savings/current accounts, time deposit accounts, and credit cards. - Account mutation information. - Transfer funds between fellow banks and other banks. - Purchase pulses, tickets. - Placement of deposits. - Information services such as interest rates and exchange rates.

4. SMS Banking

SMS Banking is a banking service that can be accessed directly via cellular phones/mobile phones using Short Message Service (SMS) media. SMS Banking features include: 26 - Information services such as balances, transfers, accounts, credit card bills, and interest rates.

5. Mobile Banking

Mobile Banking is a banking service that performs banking transactions via mobile phones

or smartphones. This service can be used using the available menu on the Subscriber Identity Module (SIM) Card, Unstructured Supplementary Service Data (USSD), or through an application that can be downloaded on the customer's cellphone. Compared to SMS Banking, Mobile Banking offers more convenience to customers who do not need to remember the SMS message format and SMS Banking destination number. Features of mobile banking services include: 27 - Information services such as balances, account mutations, credit card bills, interest rates, and the location of the nearest branch or ATM. - Transaction services such as transfers to other banks or between other banks, bill payments (electricity, taxes, water, credit cards, internet, insurance), purchases (pulse, tickets), and so on

6. Electronic Commerce (e-commerce)

Electronic commerce or E-commerce is a banking service in the distribution, purchase, marketing of goods, sales, and services through electronic systems such as the internet or television so that buyers and sellers can conduct transactions online. Features of e-commerce services include: - The public can buy and sell. - Payments made during online transactions can use a debit card, credit card, or other payment instruments.

7. Phone Banking

Phone banking is a banking service that is used to transact or obtain information by telephone by calling the service number at the bank. This service is a development of call center technology. Phone banking service features include: - Banking information such as information on interest rates, exchange rates, ATM locations, product info, and branch offices. - Banking transactions such as balance information, postpaid calls, electricity bill payments, credit cards, book-entry, inter-bank transfers, purchase of pulse reloads, account mutations, customer data.

BSI Mobile features and services

Feature development on BSI

Mobile is quite modern and complete, and the addition of the latest features makes customers more interested in using BSI Mobile. In more detail, the BSI Mobile features are as follows:

1. Account info, this feature has a function to view all account transaction information on BSI Mobile such as balance information, mutation list, mutation date, portfolio information, scheduled transaction list, and notification registration.

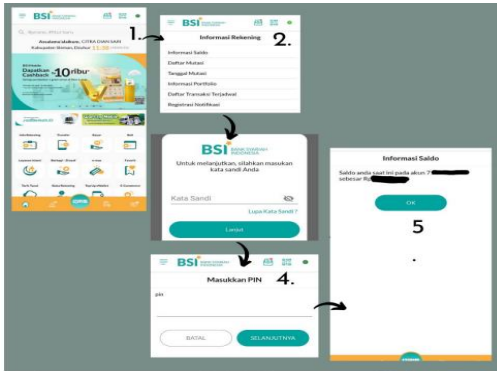
2. Transfer, this feature serves to send money between Bank Syariah Indonesia (BSI) accounts and other bank accounts by means of online transfers or SKN transfers (clearing). In addition, this feature also includes a QR Code Indonesian Standard (QRIS) menu and cash withdrawals.
3. Payment, this feature has a function to make payment transactions that customers need such as postpaid PLN payments, telephone/mobile/Telkom pay, academics, institutions, tickets, insurance, internet/cable TV, e-Commerce, sharing ziswaf, BPJS, hajj and umrah, State Revenue (MPN), PDAM, and multi payments.
4. Purchase, this feature provides purchase transaction services for various customer needs such as HP vouchers, PLN Prepaid, E-money, data packages, TOP UP (e-money, linkaja, linkaja sharia services, Go-Pay, Paytren, OVO, and ShopeePay), streaming video and music (Genflik), aqiqah, OTP debit cards, and google pay vouchers.
5. QR Code Indonesian Standard (QRIS), is a digital payment service using the QR Code method from Bank Indonesia (BI). With this feature, customers are given the convenience to make various transactions through the available QR scans.
6. E-mas, this feature provides convenience in purchasing gold and gold pawning. This feature has two menus, namely: - E-mas, is a service from BSI Mobile whose function is to make purchases, sales, transfers, and physical withdrawals of gold in the BSI Mobile application Gadai Emas, this facility is used to fulfill short-term funds and not for investment.
7. Withdraw cash, this feature is the latest service owned by BSI Mobile which has the function of withdrawing cash from the customer's account without using an ATM card.
8. Favorite, this feature has a function to store various transactions that customers often make such as transfers, purchases, payments, ziswaf, and so on.
9. Islamic services or the Qur'an and wisdom, this latest feature makes it easy for customers to carry out Islamic activities with the menu in it, namely Juz Amma, Juz Amma per verse, Asmaul Husna, and wisdom. In addition to this feature, there is a qurban calculator menu that makes it easier for customers to calculate the price of qurban animals.
10. Sharing-Ziswaf, this feature makes it easy for customers to share with those in need such as infaq, endowments, mobile warteg (mobile warteg packages, blessing rice packages), Jadiberkah.id, zakat calculators, Kitabisa, wallets for the poor, zakat fitrah, fidyah, iftar packages. and sahur, THR for orphans, food packages, and Braille Quran packages.
11. Atm branch, this feature provides information regarding the location of the nearest ATM and branch office from the customer's current location.
12. Information or help menu, this feature is used for customers who have questions or problems, they can directly access the call center of Bank Syariah Indonesia 14040 or chat Aisyah.
13. Prayer schedule, this feature serves to feature this function to provide information on prayer times, the location of the nearest mosque, the Qibla direction according to the customer's location.
14. Open an Indonesian Islamic Bank account online, this feature functions to open a new account online, you don't have to go to a branch office.
15. BSI Mobile keyboard, this feature is the latest service in BSI Mobile which functions for banking transactions without leaving the application.

Advantages of BSI Mobile Banking

Judging from the available features, BSI Mobile Banking has the following advantages:

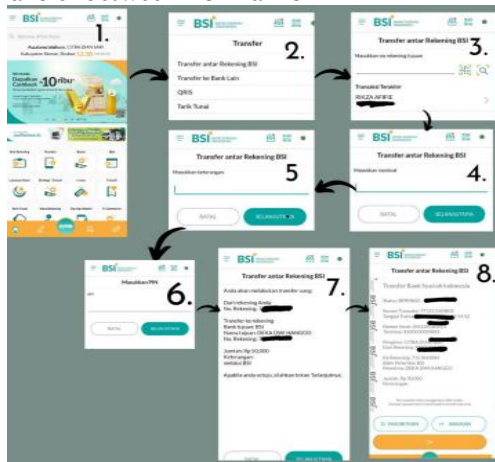
1. Financial friends, with various financial features available on BSI Mobile, it is easier to manage finances and make transactions.
2. Spiritual friends, BSI Mobile makes it easy to worship with Islamic services available on BSI Mobile such as mosque locations, prayer times, and Qibla direction as well as Juz amma.
3. A social friend, BSI Mobile makes it easy to share with the closest people or people who need it more with the ziswaf sharing feature.

Process transactions using BSI Mobile Balance information



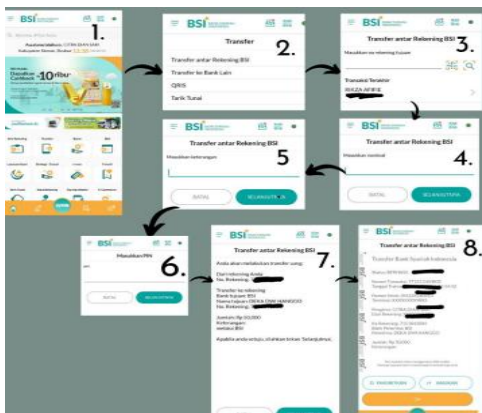
Based on the picture above regarding the process of knowing the amount of the account balance using BSI Mobile.

1. Transfer between BSI Banks



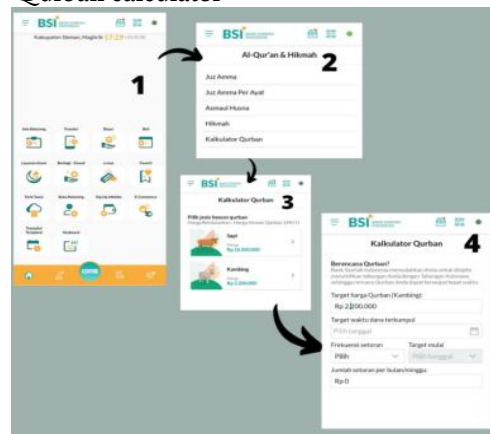
Based on the picture above regarding the transfer process to other BSI Bank accounts with the following steps: Transfer to another bank; Academic payment; Withdraw Cash Without an ATM Card; and infaq.

2. Infaq payment using BSI



Based on the picture above regarding infaq payments using BSI Mobile with the following steps: The first step is to make an infaq payment by opening the BSI Mobile application, then selecting the ziswaf-sharing menu; On the ziswaf-sharing menu there are several options such as zakat, infaq, waqf, warteg mobile, Jadiberkah.id, zakat calculator, Kitabisa. Wallets for the poor, and fidyah. Because you want to make an infaq payment, select the infaq menu; Amil options will appear, choose what you want; The customer enters the nominal amount of the infaq; Then enter the mobile banking PIN; Verify data correctly; and Infaq payment is successful

3. Qurban calculator



Based on the picture above regarding the qurban calculator in BSI Mobile with the following steps: The first step is to use the qurban calculator by opening the BSI Mobile application, then selecting the Islamic service menu; In the Islamic service menu, several options will appear, such as juz amma, juz amma per verse, asmaul husna, wisdom, and a qurban calculator. Choose the menu of the qurban calculator; Then a choice of the type of sacrificial animal will appear, choose according to the customer's wishes; Then a plan will appear; and Customer sacrifice.

METHOD

This research is a type of descriptive research with a qualitative approach, namely a writing procedure that produces descriptive data (a description of an event or problem) in the form of written words from people and behaviors that are not directly observed, or a single case study and in one location only. . The qualitative paradigm emphasizes the understanding of problems in social life based on conditions of reality or natural settings that are holistic, complex and detailed (Indiarito and Bambang, 1999).

The type of data used in this writing is

secondary data, secondary data is the source of writing data obtained indirectly through intermediary media or obtained and recorded by other parties. Secondary data is generally in the form of evidence, notes, or historical reports that have been compiled in archives (documentary data), both published and unpublished (Indiarto and Bambang, 1999). The techniques used to collect data in this study are:

1. Literature study, which is a series of activities related to the methods of collecting library data, reading and taking notes and processing research materials.
2. Documentary, Documentation studies are carried out by reading previous written reports and articles accessed from the internet, books and journals that are relevant to the problem. In this method, the author only moves the relevant data from a source or required document.
3. Discussion, which is a way of collecting data by conducting talks and exchanging ideas with people who are competent with the object being studied in order to solve certain problems.
4. Intuitive-Subjective, is perlibthe author's opinion on the issue being discussed. (Ghofar, 1999).

Data analysis is an effort to solve research problems to obtain answers to the problems studied. (Moeloeng, 2004). This study uses maqashid sharia analysis to see the compatibility between technological innovations in sharia financial products and services with the level of guidelines for current needs that are in accordance with sharia. The division of maqashid sharia Maslahah dharuriyyat is also called maqashid al-khamsah namely religion (al-Din), Soul (al-Nafs), Descendants (al-Nasl), Intellect (al-'Aql) and wealth (al-Mal). Maslahah hajiyat to eliminate narrowness and difficulties in meeting basic human needs. Maslahah tahsiniyat is everything that aims to maintain the honor of the maqashid al-khamsah. (Ismail, 2014)

RESULTS AND DISCUSSION

Sharia Finance Digitization

The development of Islamic finance in Indonesia began with the establishment of one of the Islamic banking institutions in 1992, namely Bank Muamalat. Then two years after that, precisely in 1994, the first sharia insurance company was established, namely PT Asuransi Takaful Keluarga and in 1997 the first sharia mutual fund in Indonesia was published. Islamic finance is

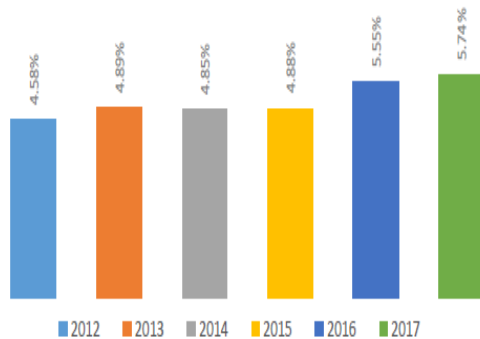
more identical to Islamic banking because Islamic banking assets control about 83% of the total assets of the entire Islamic finance industry. (Statistics of the Indonesian Financial System, Feb 2017).

Since then, the development of Islamic finance has begun to grow quite rapidly, especially for the Islamic banking sector where several conventional banks have sharia subsidiaries or sharia business units. Sharia banking statistics in 2009 showed that the number of Islamic commercial banks (BUS) in Indonesia was 6 (BUS) and in 2010 increased to 10 BUS. The latest data in 2018 shows that currently there are 14 BUS operating in Indonesia.

In addition, the total assets of Islamic banking each year has increased quite well, OJK data shows that in 2015 the total assets of Islamic banking in Indonesia reached Rp. 296,262 billion or an increase of 9% from 2014 amounting to Rp. 272,343 billion. In 2016, the total assets of Islamic banking in Indonesia increased significantly to Rp. 356,504 billion or an increase of 20%, but in 2017 the growth of total Islamic banking assets decreased from the previous year, recorded a percentage growth of 19% or around Rp. 424,181 billion. The downward trend in the growth of total assets continued in 2018 which was only 13% of total assets in 2017, but in nominal terms the total assets of Islamic banking increased to Rp. 477,327 billion. However, when compared to the total assets of conventional banking in 2018 which reached Rp. 8,068,346 billion, the ratio of Islamic banking assets in 2018 was only 5.9%. This data proves that Islamic banking assets are still small when compared to total banking assets nationally. On the other hand, the market share level of Islamic banking in Indonesia is still at the level of 5%. Annual data announced by OJK that every year the market share of Islamic banking has increased but not significantly. In 2017, the market share level of Islamic banking was only 5.74%. The following is a breakdown of the market share of Islamic banking each year:

Picture of the National Strategy for Financial Inclusion

MARKET SHARE PERBANKAN SYARIAH DI INDONESIA
2012-2017



Source: Sharia Banking Statistics, OJK 2012-2017, data processed.

Seeing the tendency of the low ratio of Islamic banking assets to conventional banking and the low market share of Islamic banking and the low level of Islamic financial literacy and inclusion, a solution is needed to increase the value and ratio of these things. Nejatullah Siddiqi (2006) in his evaluation emphasized that there is a fundamental need that feels urgent to evaluate what has happened over the last three decades in the field of Islamic banking and finance.

This evaluation is more important than growth rate, commercial performance and market share i.e. evaluation of the contribution of Islamic banking and finance to introduce and promote understanding of the economic and financial aspects of the Islamic way of life as a whole. A survey of the state of the art in Islamic banking and finance in theory and practice is expected to meet that need. Because in practice the problems that are still faced by the Islamic finance sector include the limited supply of sharia products; limited access to Islamic financial products; the level of Islamic financial literacy and the level of utility of Islamic financial products are still not optimal; limited human resources; the need for optimizing coordination with stakeholders;

The digital transformation of Islamic banking services is a necessity. In this digital era, the current form of media has shifted to an online format because it is easily accessible by anyone who needs information. The public also easily shares information on their respective social accounts so that information and knowledge about the economy and Islamic banking will be easily accepted by the public.

One solution to this evaluation is the digitization of Islamic financial products and services. With this digitalization, the public can easily access all information related to Islamic financial products and services. This application can make it easier for people to create sharia bank accounts without the need to come to a branch office, then in addition to sharia banking products, this application offers other sharia financial products such as sharia insurance, sharia pawning, sharia mutual funds and sharia shares. In addition, for social purposes, the community can pay Zakat, Infaq, Sadaqah and Waqf in this application.

Overview of Indonesian Islamic Bank Mobile Banking Products

The Bank Syariah Indonesia Mobile Banking product is an innovation in Islamic financial technology that is devoted to facilitating customers in accessing Islamic financial services and products. Bank Syariah Indonesia Mobile Banking products are only developed in the form of a mobile application or smartphone based which is intended for easy access to Islamic financial services and products as well as increasing the market share of Islamic finance because of the current digital era, public consumption of the internet is growing, even the internet has become a basic need. Which cannot be abandoned. Therefore, the use of the internet for business continuity in the Islamic finance industry is very urgent to be developed. There are about 15 connected features that can be accessed by the public so that it is enough with just one application, all needs can be realized. Its features include:

Analysis of Maqasid Syariah on Mobile Banking Product Applications for Indonesian Islamic Banks

Ismail (2014) in his book maqashid sharia in Islamic economics concludes that there are three levels of masalah in maqashid sharia, namely dharuriyyah, hajjiyat and tahsiniyyah. Dharuriyyah is a top priority for determining direction and policy because this masalah consists of five main categories: religion, soul, mind, lineage and property. The making of technology-based Islamic finance applications must also be adjusted to the goals of sharia so as not to violate the basic law of muamalat.

The purpose of this application is to make it easier for people to use all Islamic financial products and services, both from savings, insurance, pawning and others. In addition, it invites people to slowly abandon transactions that are prohibited by Islamic law, namely usury. With this ease of access, the

community's contribution to Islamic finance is expected to increase every day. If you look at the market share of Islamic banking, which is still low at around 8% compared to conventional banking which controls 92% of the financial market (OJK press release, 2017), then Islamic financial technology innovations are things that must be realized and are dharuriyyah both religiously, soul, mind, lineage and property.

The technology-based Islamic financial innovation developed by the author under the name "mobile banking" application is expected to increase the community's contribution to Islamic financial services and products in Indonesia. This is because the Islamic banking and finance industry in Indonesia is still relatively weak in terms of product innovation and service (Rusydia, 2016). On the other hand, this application can be used not only for Muslim communities but also non-Muslim communities can register to install Connected so that it will increase the number of accounts (noa) of Islamic finance users.

The existing features are also adapted to the objectives and foundations of maqashid sharia so that in practice it does not deviate from the teachings of the Islamic religion. The distribution of features based on maslahah dharuriyyah is as follows: (Ismail, 2014).

1. Maintaining Religion (Al-Din): This maslahah is related to one's faith in the creator of Allah SWT which is reflected in the forms of worship that are ordered such as praying five times a day, paying zakat, performing Hajj and Umrah, paying off debts, waqf and other needs that are needed. Needed to increase faith and maintain the Islamic religion. The mobile banking application accommodates this problem by making related features, namely paying zakat, waqf and savings for Hajj and Umrah.
2. Keeping the Soul (Al-Nafs): This maslahah is related to maintaining one's mental health and keeping away from various diseases that have an impact on welfare. The need for nutritious and healthy food intake to keep the soul healthy. In the financial context, takaful is the main access to health facilities. Mobile banking applications facilitate this problem with health insurance features. People can easily enjoy health insurance facilities on this application.
3. Keeping Descendants (Al-Nasl): This maslahah is related to marriage which is the way of sharia (Sunnah) in obtaining pious and pious offspring. Marriage is human nature and becomes obligatory if someone is able to get married because this marriage can guard against heinous acts. The Messenger of Allah (SAW) said: "O youths! Whoever among you is able to marry, then marry, because marriage lowers the gaze and fortifies the genitals And whoever is not able, then let him fast because fasting can fortify himself." (HR. Muslim No 1400) Islamic mobile banking facilitates this maslahah with a future tube feature where people can save for their future needs including plans to get married.
4. Keeping Intellect (Al-'Aql): This maslahah is related to knowledge as the basic foundation of religion. Someone who is not knowledgeable will not be able to think about the virtues of Islam which are rahmatan lil 'alamin. Allah SWT really glorifies people who are knowledgeable, in Surah Al-Mujaadilah verse 11, Allah SWT says: "Surely Allah will exalt those who believe among you and those who are given knowledge by several degrees." Connected features that match this problem are education insurance and future savings. This feature facilitates every community who wants to continue their education to the highest level.
5. Safeguarding Assets (Al-Mal): property is a medium of exchange to obtain basic human needs such as staple food, with one's property being able to meet these needs. Wealth can be obtained from trade, profession or inheritance, in Islam property must be obtained from halal ways that are free from all elements of gharar, maysir, tadbis, ikhtikar and usury. If it is related to finance, assets can also be obtained from investment channels in financial markets and capital markets. In addition, to keep assets safe, a takaful scheme is needed that protects assets from loss or accidents. The Connected application facilitates this with the features of mutual investment, stocks and gold savings as well as for takaful Connected provides features for accident insurance, vehicle insurance and property insurance. Maslahah hajiyat has a function to eliminate narrowness and difficulties in fulfilling basic human needs (dharuriyyat) (Ismail, 2014). The context of this maslahah with finance or property management can be realized by the allocation of needs that facilitate economic activities such as buying vehicles, buying houses, buying gold and others. The features that facilitate the maslahah hajiyat in the Connected application are the dollar tube feature, the installment feature, the payment feature, the pawn feature, the restaurant feature, the travel feature, QR

scan and NFC. These various features can be a way to make it easier for people to meet their basic or basic needs.

Finally, masalahah tahsiniyat or kamaliyat are complementary masalahah whose purpose is not to realize maqashid dharuriyyah and masalahah tahsiniyat but to maintain the honor of maqashid dharuriyyah itself. At this level, the community is focused on procedures or ethics in managing assets and praying.

The combination of the three main masalahahs (dharuriyyah, hajiyat and tahsiniyat) which have been formulated by the scholars and the division of masalahah dharuriyyah into 5 categories is the main basis in making the concept of sharia mobile banking product applications, where the formulation of the features in the application is adjusted to maqashid sharia. So that in practice later, there are no services and products that come out of the norms and teachings of Islam. Basically, making this application is expected to make it easier for the public to access Islamic financial services and products, which at the inclusion level and literacy level are still far behind from the inclusion level and conventional financial literacy level. This is the cause of the market share of Islamic finance in Indonesia growing stagnant at only about 8%. (OJK press release, 2017).

In addition, all the features in the sharia mobile banking product application have reflected a sample of the needs of the community with very easy access, just by having a smartphone and an internet connection, all people can use this application. Another advantage is that the system applied in every transaction uses a system based on sharia, namely a system that is protected from all kinds of elements of gharar, maysir, tadbis, ikhtikar and usury. So with the digitalization of sharia finance such as sharia mobile banking products, the public will find it easier to access sharia financial services and products in general.

Impact of the Development of Indonesian Islamic Bank Mobile Banking Products on Islamic Finance

Existence Sharia Bank Mobile Banking Products as a technological innovation for Islamic finance has a positive influence on the development of Islamic finance in Indonesia, both the bank financial industry and the non-bank financial industry, including:

1. Supporting Increasing Islamic Financial Inclusion

Digitalization of Islamic financial services and products is one form of effort to increase the level of public awareness of the presence of Islamic

finance in Indonesia. In addition, with the convenience of today's technology developed through the Connected application, the community can easily access Islamic financial services and products wherever and whenever they need with additional features that are in accordance with sharia maqashid. So the ease of public access to Islamic finance through mobile banking applications will have a major impact on increasing the level of Islamic financial inclusion in Indonesia. (OJK, 2016).

2. Improving Financial Literacy by Digitizing Islamic Financial Services and Products

The level of smartphone and internet usage, which continues to increase every year, is a moment that must be utilized by all industrial sectors, including the Islamic finance industry. With information technology that is increasingly open and with applications that make it easier for the public to access Islamic finance (mobile banking), the public will know about Islamic financial services and products that can facilitate every need. In addition, with the many features that exist in this sharia product, the public will increasingly understand that Islamic finance has very diverse services and products and is not inferior to the conventional financial industry. (OJK, 2016).

3. Increasing Sharia Financial Market Share

The Mobile banking application has very diverse features so that the choice to use Islamic financial products and services varies. With the ease of registration and use of this application, it is hoped that the public can easily access all information related to Islamic finance. This information helps the public to save their funds and conduct transactions using Islamic financial products and services. It is hoped that this application can help increase the share of the Islamic finance market to be larger and more productive.

4. Support the Government Program "National Non-Cash Movement"

The government has launched a non-cash national program, in which all levels of society are invited to minimize the use of cash for buying and selling transactions. On the other hand, the public is expected to use applications or non-cash payment features such as mobile banking or card payments. mobile banking in its development strongly supports this government program, where every community can use the QR and NFC scan features to make payments.

5. Supporting Halal Needs in accordance with Maqashid Syariah

Unlike other crowdfunding and peer to peer applications that still use a conventional interest-based system, Islamic mobile banking develops a system that is compatible with halal and syar'i transactions. So that people do not need to worry about the elements of gharar, maysir, tadlis, ihtikar and usury.

CONCLUSION

From the previous discussions, the following can be concluded:

1. The author concludes that the BSI Mobile Banking digital innovation product solution has the opportunity to increase the level of Islamic financial literacy and inclusion in Indonesia. This application facilitates the community with 15 features including: saving (ordinary savings, gold tubes and Umrah Hajj tubes), investing (sharia insurance, sharia mutual funds and sharia shares) and fulfilling obligations and donating (Zakat, Infaq, Shadaqah and Waqf).
2. The compatibility of the 15 features of BSI Mobile Banking with the maqashid sharia concept (dharuriyyah, hajiyat and tahsiniyat). Masalah dharuriyyah is divided into 5 categories: 1) Religion, 2) Soul, 3) Descendants, 4) Intellect, and 5) Wealth. Features included in the masalah dharuriyyah: 1) Religion: Zakat, Waqf and Hajj Umrah Savings, 2) Life: Health Insurance, 3) Descendants: Future Savings, 4) Intellect: Education Insurance and Future Savings, and 5) Assets: Mutual, Stock, Gold Savings, Vehicle Insurance, Accident Insurance and Property Insurance. Features that include the hajiyat masalah are Pay, Buy, Cash Withdraw, Borrow, Installment, Pawn, Resto, Travel, Scan QR and NFC as well as features that include masalah tahsiniyat namely Add Friends, Chat and Rahma.
3. The implications of BSI Mobile Banking digital products for Islamic finance: Supporting Increasing Islamic Financial Inclusion; Increasing Financial Literacy by Digitizing Islamic Financial Services and Products; Increasing Islamic Financial Market Share; Supporting the Government Program "National Cashless Movement"; and Supporting Halal Needs in accordance with Maqashid Syariah.

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