

# **Factors Influencing the Acceptance of Islamic Crowdfunding in Malaysia: A Study of Youth Entrepreneurs**

Munirah Salim (Corresponding author)

IIUM Institute of Islamic Banking and Finance, International Islamic University Malaysia  
Email: munirah.salim@mara.gov.my

Salina Kassim

IIUM Institute of Islamic Banking and Finance, International Islamic University Malaysia  
Email: ksalina@iium.edu.my

Mohamed Asmy Mohd Thas Thaker

Department of Economics, Kulliyah of Economics and Management Sciences,  
International Islamic University Malaysia  
Email: asmy@iium.edu.my

## **Article History**

Received: 03 June 2021    Revised: 07 Sept 2021    Accepted: 23 Sept 2021    Published: 30 Sept 2021

## **Abstract**

Youth entrepreneurs in Malaysia are getting very little financial assistance despite the various funding options available for small and medium enterprises (SMEs). While financial institutions are the main source of external finance to SMEs, this financing option is often not readily accessible to youth entrepreneurs due to the latter's high-risk profile. Islamic crowdfunding, which offers access to financing that conforms to Shari'ah principles, has the potential to significantly change the financing landscape for youth entrepreneurs. To enable this, it is crucial to examine factors influencing an entrepreneur's intention to accept the Islamic crowdfunding as an alternative financing mechanism. This research aims to identify factors influencing the intention to accept Islamic crowdfunding among youth entrepreneurs in Malaysia. The data were collected based on a sample of 260 youth entrepreneurs in Malaysia through adopted questionnaires. The data were analysed using the Partial Least Squares-based Structural Equation Modelling (PLS-SEM). The results revealed that perceived usefulness, perceived ease of use, self-efficacy, Islamic platform, and financial accessibility have positive influences on youth entrepreneurs' intention to accept the Islamic crowdfunding, but it was not the case for social influence. The findings for perceived risk, however, show a positive influence on intention instead of negative influence. Perceived usefulness significantly mediates the relationship between perceived ease of use and intention as suggested by the Technology of Acceptance Model (TAM). The findings of this study will help crowdfunding platform providers and

policymakers have a better understanding of Islamic crowdfunding acceptance by youth entrepreneurs thus enhancing the growth of the crowdfunding sector in Malaysia.

**Keywords:** alternative financing, technology acceptance model, perceived ease of use, perceived usefulness, intention to accept.

## 1. Introduction

Obtaining finance is one of the foremost challenges among youth entrepreneurs due to lack of collateral, lack of credit history, inability to provide financial statements and other strict terms and conditions which financial institutions consider essential for evaluating creditworthiness. In their early stages of operations, youth entrepreneurs do not have audited financial statements, limited tangible assets that can be pledged as collateral, and inability to cope with high financing rates (Berger & Udell, 1998). The inability to fulfil these financing requirements make it difficult for financial institutions to assess youth entrepreneurs' creditworthiness, leading to difficulties in obtaining the required financing (Rahman et al., 2016; Chik et al., 2015; Khan & Anuar, 2016; Duasa & Thaker, 2016; BNM Annual Report, 2016). Youth entrepreneurs lack sufficient value due to their high-risk profile, leading to expanding access to finance costly and risky. Without sufficient financing, youth entrepreneurs are not able to grow further and bring about advanced development changes in the economy. Thus, increasing access to financing is necessary for youth entrepreneurs to unleash their potential to contribute to economic growth.

A new alternative financing mechanism known as crowdfunding has emerged and has the potential to minimise the complications in accessing financing from financial institutions (Rahim et al., 2018). Past studies suggested crowdfunding may solve small and medium enterprises (SMEs) issues of accessing financing (Belleflame et al., 2014; Mollick, 2014). This new financial innovation has the potential to bring tremendous change to widen financing options for SMEs and start-ups (Ghazali & Yasuoka, 2018). In Malaysia, Bank Negara Malaysia (BNM) in its Report on Financial Stability and Payment Systems (2016) estimated that there are RM21.8 billion SME-related financing issues that could potentially be mitigated by alternative financing including crowdfunding. For this potential to be realised, youth entrepreneurs must first accept and start using this new innovative financing. However, some barriers make this industry unable to be utilised fully by youth entrepreneurs in SMEs (Ghazali & Yasuoka, 2018). These barriers could exist due to a lack of Islamic practices that prevent entrepreneurs from using existing online channels to raise funds (Saiti et al., 2019; Dahlan et al., 2016). A study by Salim and Kassim (2018) revealed that youth entrepreneurs in Institut Pendidikan MARA (IPMA) may consider using crowdfunding if *Shari'ah*-compliant crowdfunding platforms are available in the market. Seventy-eight percent of business owners in Malaysia indicated having no knowledge of crowdfunding operations (Asian Institute of Finance, 2017). They also lack the specific skills needed to venture into crowdfunding, such as English proficiency, marketing, pitching, and presentation skills. Further, Yang and Lee (2018) stated that the associated risks, such as financial risk, plagiarism risk (idea-stealing), and potential reputation loss, may undermine crowdfunding sustainability. Considering the current situation, it is thus essential to better understand the key factors that may influence youth entrepreneur's

intention towards crowdfunding. Ley and Weaven (2011) suggest future research should focus on determining the factors that influence entrepreneurs to use crowdfunding.

Past literature have included the acceptance of crowdfunding mostly from the perspective of investors, with very few studying entrepreneurial behaviour (M´eric et al., 2016). Furthermore, according to Ali et al. (2018), there is a lack of research related to the acceptance of crowdfunding from the aspect of Shari’ah. In Malaysia, there are limited studies that discuss youth entrepreneurs and their acceptance factors towards Islamic crowdfunding. Hence, to fill the gap, the current study will examine factors influencing youth entrepreneurs in Malaysia to use the Islamic crowdfunding model as an alternative financing mechanism. For this purpose, Extended TAM suggested by Davis et al. (1989), is adopted as a theoretical framework. Along with TAM core constructs (intention, perceived ease of use, and perceived usefulness), the researchers decided to include perceived risk, financial accessibility, Islamic platform, self-efficacy, and social influence to expand the phenomenon under investigation.

It is expected that the study findings will assist in comprehending the key factors that may influence youth entrepreneur’s intention towards crowdfunding. Better understanding of these factors may inspire youth entrepreneurs to look to these new financing sources and further explore crowdfunding operations, enabling them to tap on the crowdfunding potentials, leading to crowdfunding sustainability.

The paper is organised as follows. First, a review of the literature on technological acceptance models and crowdfunding. Next, the research model, variables, and proposed research hypotheses are explained. Following this, the methodology used in the study, and the results attained are presented and discussed. Finally, the study’s conclusions, implications as well as limitations and future directions are presented.

## **2. Literature Review**

### *2.1 Technology Acceptance Model*

Technology acceptance is defined as the choice to acquire and adopt a new invention or innovation. The most popular models and theories examining an individual’s technology acceptance include Theory of Reasoned Action (TRA), Theory of Planned Behaviour (TPB), Technology Acceptance Model (TAM), Innovation Diffusion Theory (IDT), and Unified Theory of Acceptance and Use of Technology (UTAUT).

After reviewing the existing models and theories, the TAM model is the most favourable model to be used for determining an innovative technology such as crowdfunding. Davis (1989) developed TAM, and it is an adaption of TPB and TRA which has been tailored to the technology acceptance context. According to Davis et al. (1989), behaviour intention for technology acceptance can be measured through two key constructs, namely perceived ease of use (PEOU) and perceived usefulness (PU). PEOU is defined as “the degree to which an individual expects that by using a particular system would be free of effort, e.g., not be overly complex, confusing or difficult to use”. PU refers to an “individual’s perception that using the new technology will increase his or her performance”. TAM can

be characterised as easy, simple, and focuses on voluntary individual acceptance (Yousafzai et al., 2010).

Despite its strengths, TAM has been considered to have some weaknesses especially on predictive power (Ajibade, 2018). Davis (1989) believed that researchers can enhance the predictive power of TAM by combining it with other variables to make it fit for explaining specific technology acceptance context. TAM has been criticised for not considering some important theoretical constructs such as social influence (Malhotra & Galleta, 1999; Olushola & Abiola, 2017; Ristola, 2010) and lack of individual difference factors such as self-efficacy (Gbongli et al., 2019). TAM has also been commented for its emphasis on positive constructs while neglecting the importance of negative constructs such as perceived risk (Yang & Lee, 2018). Thus, many researchers have extended and integrated TAM with other theories or models and have achieved better results.

### *2.2 Crowdfunding: Definitions and Business Models*

The definition of crowdfunding is still in the revolutionary modification state, causing the complete crowdfunding definition to be expeditiously defined (Mollick, 2014). Mollick (2014) provides most comprehensive crowdfunding definition from the entrepreneurial viewpoint by describing it as “the efforts by entrepreneurial individuals and groups either cultural, social, or for-profit to fund their ventures by drawing on relatively small contributions from a relatively large number of individuals using the internet, without standard financial intermediaries”. In other words, crowdfunding is a new financing source which uses the help of the internet to connect businesses or individuals with funders or investors. Depending on the purpose of a project, there are two categories of crowdfunding models – non-financial crowdfunding model (in the form of donation- or reward-based) or the financial crowdfunding model (in the form of debt-based and equity).

Donation-based crowdfunding is a model designed to raise funds through donations, microfinancing, and social causes (Rijanto, 2018). A fundraiser is essentially requesting the support of others towards a specific project. This model operates on the power of crowd-giving, whereby funders do not expect to receive anything in return for their donations (Mollick, 2014). However, entrepreneurs seeking money through crowdfunding without private claims must generate non-monetary motivations such as invitations to visit the project being backed, mentions, or simple acknowledgments as incentives to ensure financing. (Rijanto, 2018; Boudreau, Jeppesen, Reichstein & Rullani, 2021).

Reward-based crowdfunding is considered a pre-order in which fundraisers search for funding on the (crowdfunding) platform to fund their product. Subsequently, a particular product edition will be delivered to funders as a reward (Cox & Nguyen, 2018). A reward-based crowdfunding project receives the funded amount beforehand in a pre-order product; hence, the funder's money supports the product manufacturing (Lam & Law, 2016).

Debt-based model is known as peer-to-peer (P2P) lending. The funders will provide funds for a specified period, and expect their funds to be returned either with or without interest. According to Belleflamme et al. (2014), funders offer a specific interest rate on successful projects if the project pays out. At the same time, funders bear the risk of losing their capital if the fundraiser is unable to repay them. Equity crowdfunding prioritises monetary returns

for funders (Ahlers, Cumming, Gunther, & Schweizer, 2015). Belleflamme et al. (2014) pointed out that funders will receive a return in the shares or profit-sharing form in this model type. Thus, equity crowdfunding is the most complex crowdfunding form requiring much information and regulations (Wilson & Testoni, 2014).

In summary, the appropriate crowdfunding business model according to business needs is essential because each model offers different rewards.

### *2.3 Benefits and Barriers to Crowdfunding*

There are multiple benefits provided to entrepreneurs through crowdfunding as an alternative financing mechanism. Crowdfunding improves access to financing among underserved groups, including youth entrepreneurs (InfoDev, 2013; Jenik et al., 2017; Onyango, 2018). Crowdfunding provides an indication of how ideas or projects will perform in the real market (Sarkar, 2016). Thus, fundraisers will have the opportunity to refine and validate their business propositions (Adhikary et al., 2018). Entrepreneurs use crowdfunding to validate market potential as well as to gain better customer acceptance (Schwienbacher & Larrade, 2010; Lambert & Schwienbacher, 2010). Crowdfunding is also considered a marketing tool to increase brand and product awareness and to get honest customer feedback (Manchanda & Muralidharan, 2014). Crowdfunding eliminates geographical barriers opening up the opportunity for entrepreneurs to raise financing from both local and international investors (Agrawal et al., 2011).

Despite the strategic benefits of crowdfunding for entrepreneurs, crowdfunding technologies present complexities, especially for start-ups (Gleasure, 2015). According to Gerber and Hui (2013), the inability to attract supporters, fear of public disclosure and failure are among the reasons that hinder entrepreneurs from using crowdfunding. On a similar note, Gleasure (2015) studied the resistance among entrepreneurs in Ireland towards crowdfunding and found that entrepreneurs avoided crowdfunding due to factors such as little strategic value, unable to commit time and effort, fear of visible failure and fear of disclosure.

### *2.4 Crowdfunding Success Factors*

Startups Team (2018) reported that the average success rate of a crowdfunding campaign is 50%, with 78% of campaigns exceeding their goal. In the Malaysian context, a study by Lew et al. (2019) revealed that the success rate for Mystertr is 15.28% in 2018. Another study conducted by Rahman et al. (2016) reported that from 103 projects funded in PitchIn and Mystertr, only 20 projects were successful, making the success rate is 19.42%. It is thus important for entrepreneurs to know the factors that they need to consider before participating in a crowdfunding to ensure funding for their projects or idea.

Koch and Siering (2015) found that project founders can increase their funding success on crowdfunding platforms through appropriate project descriptions, including providing information in image, text, and video formats. Thus, it is important for entrepreneurs to have skills on information and communication technology (ICT) and knowledge on how crowdfunding works as these will help in the process of funding (Koch & Seiring, 2015).

In the case of Malaysia, language is one of the factors contributing to a successful fundraising (Rahman et al., 2016). Entrepreneurs need to possess good English communication competency as most social media platforms and information related to fundraising are in English (Rahman et al., 2016).

Mollick (2014) believed that social network size leads to the success of a project. Entrepreneurs need to broaden their network which comprise of family members, friends and neighbours before participating in crowdfunding as this helps in increasing their funding chances (Rey-Marti et al., 2019). Agrawal et al. (2011) stated that early investment by friends and family is an important sign of entrepreneurial commitment. The flexibility and adaptability of platforms are signs of opportunities for success. According to Amuna (2019), the services in each crowdfunding platform must be attractive such as unique link for each project, administrative financial services, sponsorships, and others as these can promote participation in crowdfunding. The willingness and motivation to participate in crowdfunding can be affected by the crowdfunding platforms (Willems, 2013).

### *2.5 Islamic Crowdfunding*

Islamic crowdfunding can be defined as the minimal money utilisation obtained from the masses or organisations to fund a business or project through an online platform based on Shari'ah principles (Achsien & Purnamasari, 2016). The operations of crowdfunding and Islamic crowdfunding are basically the same except that Islamic crowdfunding raises financing through online Shari'ah-compliant platforms. This is to ensure that there are no prohibited projects, no Riba and the risks of the investment are fairly and equitably shared (Wahjono et al., 2017; Alonso, 2015). There are four parties involved in an Islamic crowdfunding, namely (i) project initiator/fundraiser, (ii) funders/investors, (iii) crowdfunding operator, and (iv) Shari'ah board.

Since more than 1.6 billion of the world's population is Muslim, there is good reason to anticipate the future of Islamic crowdfunding as a new financing tool. However, according to the Islamic Financial Services Industry Stability Report (2017) published by the Islamic Financial Services Board (IFSB), there are only 80 Islamic-oriented crowdfunding platforms all over the world. This number, reflected also by the limited amount of research that has been conducted in this area, shows that Islamic crowdfunding is still in its infancy.

### *2.6 Crowdfunding Acceptance among Entrepreneurs*

There is a dearth of scholarly research that attempted to identify the factors influencing the acceptance of the Islamic crowdfunding model by youth entrepreneurs in Malaysia. A study by Thaker (2016) on the acceptance of Islamic crowdfunding as a source of financing among SMEs in Malaysia revealed that both PU and PEOU significantly influence the intention of SMEs to use Islamic crowdfunding. However, this study only focused on PU and PEOU and ignored other factors that might give impact to the intention to use. On the same note, Husin et al. (2019) conducted a study, using TAM, to investigate factors that could impact SMEs intention to use the Islamic crowdfunding model. It was found that PEOU is the only significant factor impacting the intention to use the Islamic crowdfunding model while PU was found insignificant. Nevertheless, this study also considered limited factors namely PU and PEOU without considering other factors.

In China, Yang and Lee (2018) investigated entrepreneurs' positive and negative perceptions about crowdfunding by using the Innovation Diffusion Theory (IDT), the Two Factor Theory and the Status Quo Bias Theory. The study found that relative advantage and result demonstrability acted as strong predictors on crowdfunding while operational cost, complexity and reputational risk have negative intention on the acceptance of crowdfunding. This study also found that information disclosure was not significant, which can be a basis for future studies since information disclosure was documented in the literature as important factor that hinders entrepreneurs from using crowdfunding. Kim (2017) examined the acceptance of crowdfunding among users in Korea. TAM was applied with an additional construct which is perceived risks to examine the factors. Through the structural equation modelling (SEM) approach, the results showed strong support for the validity of TAM in predicting user's intention to accept crowdfunding.

Pangaribuan and Wulandari (2018) measured user acceptance on crowdfunding platforms using the Unified Theory of Acceptance and the Use Technology (UTAUT) in Indonesia and revealed that performance expectancy, effort expectancy and facilitating conditions have positive relationships with user acceptance of crowdfunding, with effort expectancy being the most dominant variable. However, this study did not specifically measure an entrepreneur's intention as the study focused on anyone who has the potential to be a user of a crowdfunding platform, either as a creator or funder.

Jaziri and Miralam (2019) investigated factors influencing the acceptance of crowdfunding among novice entrepreneurs in Tunisia. TAM was employed and incorporated with two additional constructs, which are perceived risk and perceived trust. The results revealed that perceived risk plays a major role in affecting entrepreneur's intention to use crowdfunding. However, their study also highlighted factors related to personality traits which were not included in the study, and suggested that they be tested in future research, as these traits may influence entrepreneur's intention.

Islam and Khan (2021) examined the factors affecting start-up entrepreneurs in Bangladesh in accept crowdfunding by employing UTAUT model. The model was extended by three additional constructs, which were perceived risk, perceived trust and trialability. Empirically, it was found that performance expectancy, effort expectancy, social influence, facilitating conditions and perceived trust have significant effect on start-up entrepreneur's intention to use crowdfunding. Trialability and perceived trust were not significant. In voluntary settings, trialability was generally found as an insignificant factor, while perceived trust is more relevant from the perspective of investors as the provider of funds rather than entrepreneurs as the receivers of fund.

A study by Hasan et al. (2018) on the determinants of an entrepreneur's behavioural intention to participate in crowdfunding process in Dhaka revealed that technology awareness, financial openness and perceived cost significantly affected entrepreneur's intention. However, this study also ignored some factors deemed important to be measured in the context of technological innovation such as PU and PEOU.

Based on the review above, it is revealed that very little research had been conducted to examine youth entrepreneurs' intention to accept and/or use crowdfunding. Thus, there is a demand for more studies to examine the factors affecting youth entrepreneurs' intentions with regard to their acceptance crowdfunding. Davis (1989) believed that researchers could enhance the TAM predictive power by discovering other variables to make it fit for explaining specific technology acceptance contexts. This study, therefore, adds additional constructs to the proposed model. Perceived risk is considered a useful construct in exploring a user's perception in accepting new technology like crowdfunding (Kim, 2017). Therefore, this current study uses perceived risk as one of the independent variables for the proposed conceptual framework. Financial accessibility and Islamic platform were added into the proposed conceptual framework based on their significance in the crowdfunding research context. The importance of financial accessibility is confirmed in the literature regarding crowdfunding (Schwienbacher & Larralde, 2010; Ley & Weaven, 2011; Pereira, 2012; Gerber & Hui, 2013; Mollick, 2014; Virani & Kaur, 2016; Mokhtarrudin et al., 2017). According to Ali et al. (2018), the existing studies in the area of crowdfunding acceptance have not tackled SMEs' acceptance of crowdfunding from a Shari'ah perspective. Thus, Islamic platform was also used for the proposed conceptual framework as one of the independent variables. The current study also integrates self-efficacy and social influence with TAM constructs. Considering earlier criticisms, incorporating these factors is deemed appropriate.

### **3. Research Model and Hypothesis Development**

#### *3.1 Research Model*

This current study focuses on new and innovative technology; in this case, crowdfunding with the intent to assess the factors influencing youth entrepreneurs' intention to accept the Islamic crowdfunding model. TAM serves as the most appropriate model to be employed in this study. TAM is adopted for many reasons. Firstly, TAM maintains its consistency and validity in the IS/IT acceptance determinant studies under different technologies or different situations (Ramayah et al., 2003). Secondly, TAM has been cited more than 43,000 times, and the work of Davis et al. (1989) has been used over 22,300 times (Binyamin, 2019). Thirdly, no single model or theory can cover all acceptance factors due to the behavioural research complexity. TAM is still being used as the core model due to its flexibility in allowing the addition of more variables or integration with other models and theories (Lou & Li, 2017). The flexibility feature enables the researchers to easily integrate the desired variables into the proposed model to investigate the youth entrepreneurs' acceptance factor in crowdfunding.

The researchers advocate that the TAM alone is insufficient to model youth entrepreneurs' behaviour. The research thus extends the TAM with PU, PEOU, social influence (SI), self-efficacy (SE), perceived risk (PR), Islamic platform (IP), and financial accessibility (FA), as depicted in Figure 1, to understand the factors influencing youth entrepreneurs' intention to accept the Islamic crowdfunding model in Malaysia. The proposed framework manifests how these factors influence youth entrepreneurs' intention to accept the Islamic crowdfunding model as an alternative financing mechanism. The proposed framework not



only enriches the conceptual understanding of how these factors influence youth entrepreneurs' intention to accept the Islamic crowdfunding model but also serves as a foundation for further theoretical and empirical investigations. It can also help the platform owner design an effective crowdfunding model to suit the needs of youth entrepreneurs.

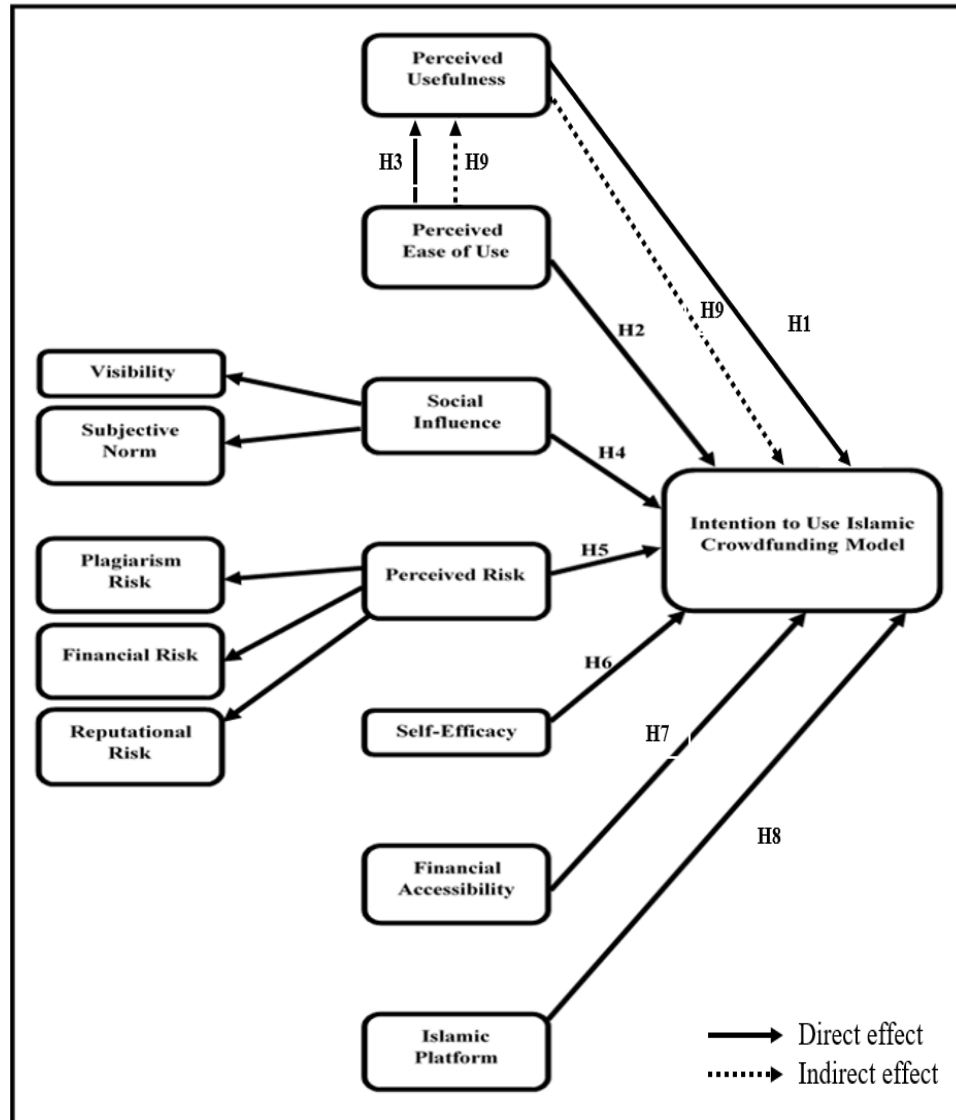


Figure 1: Proposed Factors Influencing Islamic Crowdfunding Acceptance

### 3.2 Hypothesis Development

#### 3.2.1 Perceived Usefulness (PU)

PU refers to “individual’s perception that using the new technology will increase his or her performance” (Davis et al., 1989). PU is the primary significant factor affecting technology acceptance in the information system area and the strongest intention predictor within different fields. The current study defines PU as the benefits that youth entrepreneurs can gain from the Islamic crowdfunding model acceptance. Thus, entrepreneurs perceiving significant financial and value-added benefits from crowdfunding are more likely to accept the crowdfunding model (Yang & Lee, 2018).

A study by Thaker (2016) on the acceptance of Islamic crowdfunding model among SMEs revealed that PU has significant positive relationship with the intention to use Islamic crowdfunding model. It shows that SMEs are attracted to the benefits that Islamic crowdfunding model can offer. On the same note, Jaziri and Miralam (2019) studied factors influencing novice entrepreneurs in Tunisia to use crowdfunding and revealed that PU positively influences entrepreneur’s intention to use crowdfunding. The entrepreneurs are convinced that crowdfunding is useful especially with regard to the speed and efficiency of getting funding. A study by Chuang, Liu, and Kao (2016) in Taiwan revealed that PU has a significant positive effect on the behavioural intention to use fintech services as the entrepreneurs believe that fintech help in performing their transactions. Eventhough some earlier studies have stated that PU as a significant construct associated with using innovative technology, while in contrast, other studies have found it to be non- influential (Tulasombat and Chuchuen, 2016; Husin et al.,2019). Based on this discussion, this study proposes the following hypothesis:

- **H<sub>1</sub>:** There is a significant positive influence of perceived usefulness on the intention to accept the Islamic crowdfunding model.

#### 3.2.2 Perceived Ease of Use (PEOU)

PEOU is defined as “the degree to which an individual expects that using a particular system would be free of effort e.g., not be overly complex, confusing or difficult to use” (Davis et al., 1989). In this study, PEOU refers to the youth entrepreneurs’ perception that participating in an Islamic crowdfunding model will be easy and free of physical and mental effort. If youth entrepreneurs perceive that an Islamic crowdfunding model is easy to use, less complex and more accessible, the likelihood of Islamic crowdfunding being accepted is higher. A study by Thaker (2016) revealed that both PU and PEOU have high performance in predicting intention of accepting an Islamic crowdfunding model, but PEOU appeared as being a more important variable. It shows that the more user-friendly the model, the higher the attracted among SMEs to participate in it. A significant impact on SMEs intention to use Investment Account Platform (IAP) is revealed by Husin et al., (2019) in their study on SMEs intention to use IAP in Malaysia. It shows that the easier the platform is to use, the higher their intention to use it.

However, in some past studies, PEOU were found to have insignificant influence on intention to use (Gefen, Straub, & Boudreau, 2000; Tulasombat & Chuchuen, 2016). Hence,

Davis et al. (1989) suggested that PEOU operates through PU to achieve the overall PEOU importance in IT/IS acceptance. Some previous studies (Husin et al., 2019; Herzallah & Mukhtar, 2016) found a significant relationship between PEOU and PU. It shows that SMEs are more likely to perceive the platform as useful when they believe that the platform is free of effort. In consideration of these discussions, this study sets hypotheses as below:

- **H<sub>2</sub>:** There is a significant positive influence of perceived ease of use on the intention to accept the Islamic crowdfunding model.
- **H<sub>3</sub>:** There is a significant positive influence of perceived ease of use on perceived usefulness of the Islamic crowdfunding model.

### 3.2.3 Social Influence (SI)

In the context of technology acceptance, social influence is defined as a “user’s decision to accept the technology based on observed behaviour of others and also based on the perception of other people’s opinion on how the individual should or should not accept the technology” (Shneor & Munim, 2019). Various scholars have devised different constructs associated with social influence such as subjective norm, visibility, image and voluntariness (Ajzen, 1991; Mathieson, 1991; Moore & Benbasat, 1991). In this study, two constructs were selected as dimensions of social influence as suggested by Yang and Choi (2001), namely visibility (VI) and subjective norm (SN). Moore and Benbasat (1991) defined visibility as “the degree to which an individual can see others using the system in the organisation”. It means that an individual rate of acceptance will be higher if the innovation is visible to them, while subjective norm means that an individual’s willingness to accept the technology depends on the extent to which their social context influences them to do so (Shneor & Munim, 2019).

The current study defines social influence as youth entrepreneurs’ decision to accept Islamic crowdfunding based on their reference group influence and the crowdfunding cases and usage visibility. According to Jaafar et al. (2017), crowdfunding is considered as new and unfamiliar technology in Malaysia. Thus, the degree to which this technology is visible in the community as well as a person’s opinions and experiences in influencing others to accept the new technology are important factors to explore.

Past research have incorporated social influence into the TAM framework and found mixed results on the impact of social influence on behavioural intention. A study by Islam and Khan (2019) revealed that social influence plays a major impact on the willingness to use crowdfunding among entrepreneurs in Bangladesh. The study showed that entrepreneurs’ intention to use crowdfunding was heavily influenced by opinions and recommendations from their reference groups. When compared to other technology conducted in other fields, social influence is found to be insignificant towards intention (Yang & Choi, 2001; Lee et al., 2006; Hui, 2016). Hence, this study proposes that:

- **H<sub>4</sub>:** There is a significant positive influence of social influence on the intention to accept the Islamic crowdfunding model.

### 3.2.4 Perceived Risk (PR)

Perceived risk refers to “the potential loss associated with the acceptance of technological innovation and acts as inhibitor to the acceptance decision” (Featherman & Pavlou, 2003). Perceived risk has been conceptualised either as a one-dimensional or a multi-dimensional construct. According to Featherman and Pavlou (2003), the dimensions of perceived risk vary according to the characteristics of a product or service. Taking into consideration the findings of Gleasure (2015) and Gerber and Hui (2013) in the context of crowdfunding, in this current study, financial risk (FR), reputational risk (RR) and plagiarism risk (PGR) are considered as perceived risk. In the context of crowdfunding research, few studies have analysed the influence of perceived risk towards intention to accept and the findings of these prior studies are controversial (Gerber & Hui, 2013; Gleasure 2015; Kim, 2017; Hasan et al., 2018; Yang & Lee, 2018; Moon & Hwang, 2018; Jaziri & Miralam, 2019).

Jaziri and Miralam (2019) indicated that perceived risk has a negative impact towards intention to accept crowdfunding among novice entrepreneurs in Tunisia. The results show that entrepreneurs who have higher concerns on risk, show less possibility of accepting crowdfunding as an alternative financing. However, Kim (2017) showed that perceived risk is not significant towards intention to accept the crowdfunding among inexperienced users of crowdfunding. A recent study by Islam and Khan (2019) also indicated the same findings as Kim (2017) where perceived risk is found not significant towards an entrepreneur’s intention to use crowdfunding in Bangladesh.

The study defines perceived risk as the degree of risk perceived by youth entrepreneurs and their tolerance to risk-taking. It is expected that perceived risk will reduce the youth entrepreneurs’ intention to use an Islamic crowdfunding model. Hence, we develop the following hypothesis:

- **H<sub>5</sub>:** There is a significant negative influence of perceived risk on the intention to accept the Islamic crowdfunding model.

### 3.2.5 Self-Efficacy (SE)

In the context of the TAM, self-efficacy means the assessment of one’s own ability to use technology (Venkatesh & Davis 2000). The basic principle of self-efficacy is that the motivations of individuals are determined by their self-confidence, where individuals with high self-efficacy are more likely to use the technology, than those with low self-efficacy (Zheng, Li & Zheng, 2017). Self-efficacy plays an important role in influencing individual’s behaviour and motivation (Adli et al., 2014). The current study refers to self-efficacy as a youth entrepreneurs’ belief in using the Islamic crowdfunding model. It means that the stronger the youth entrepreneurs’ self-efficacy, the higher their intention to accept an Islamic crowdfunding model as an alternative financing mechanism.

Earlier studies reveal that self-efficacy was found to have direct influence towards intention (Kuo et al., 2019; Mohammadi & Isanejad, 2018; Adli et al., 2014; Sugiharto et al., 2010). In the context of crowdfunding, a qualitative study conducted by Gleasure (2015) found that none of the entrepreneurs doubted their personal ability to fundraise through crowdfunding. Even though self-efficacy is intention determining factors (Kuo et al.,

2019), there are limited studies incorporating self-efficacy in the TAM framework. Consequently, the following is hypothesised:

- **H<sub>6</sub>:** There is a significant positive influence of self-efficacy on the intention to accept the Islamic crowdfunding model.

### 3.2.6 Islamic Platform (IP)

Dahlan et al. (2016) revealed insufficient Islamic practices in the conventional crowdfunding platform, hindering the participation of Muslim communities in the industry. The elements of gambling, possible Riba (or interest), and speculation, which are strictly forbidden in Islam, create barriers for Muslim communities' involvement in fundraising activities through an online platform. Most Muslim entrepreneurs prefer an Islamic platform (Marzban et al., 2014). A study by Salim and Kassim (2018) on youth entrepreneur's perception on what kind of elements they would consider when choosing crowdfunding as an alternative financing mechanism, revealed that the existence of Shari'ah-compliant crowdfunding platforms in the market is the most considered element. In this current study, Islamic platform has been defined as the characteristics of a crowdfunding platform that enables youth entrepreneurs to raise funds from funders in line with the Shari'ah principles.

According to Ali et al. (2018), there are insufficient existing studies on the acceptance of crowdfunding platform by SMEs which take into consideration Shari'ah principles. Thus, the current study is an excellent opportunity to explore the interaction between crowdfunding activities and faith by introducing Islamic platforms to influence youth entrepreneurs' intention to accept an Islamic crowdfunding. Past studies have shown that religion influences consumer behaviour and worthy of being tested (Salman, Naveed & Nazir, 2017; Jamshidi & Hussin, 2016; Putit & Johan, 2015; Amin et al., 2014). Hence, the following hypothesis is proposed:

- **H<sub>7</sub>:** There is a significant positive influence of Islamic platforms on the intention to accept the Islamic crowdfunding model.

### 3.2.7 Financing Accessibility (FA)

Financial accessibility in this study is defined as the inability of youth entrepreneurs to access financing offered by financial institutions. Entrepreneurs facing funding gap issues may be more influenced to use a crowdfunding model as an alternative financing mechanism (Munyanyi & Mapfumo, 2016). Based on a study conducted by Estrin et al. (2018), one of the significant reasons entrepreneurs opt for crowdfunding, bypassing financial institutions, is the difficulty in getting financing. Thus, this study incorporates "Financing Accessibility" as one of the constructs that may influence youth entrepreneur's intention to accept crowdfunding as an alternative financing mechanism.

Entrepreneurs who typically lack credit history, have insufficient proven track record and are high-risk tend to use crowdfunding to fill this financing gap (Cohen, 2017). Hassan et al. (2018) studied entrepreneurs' intention to participate in crowdfunding determinants

found that financial accessibility significantly affects an entrepreneurs' intention. Consequently, the following hypothesis is proposed:

- **H<sub>8</sub>**: There is a significant positive influence of financing accessibility on the intention to accept the Islamic crowdfunding model.

### 3.2.8 The Mediating Role of Perceived Usefulness

PEOU may have an indirect influence via PU on behavioural intention (Davis et al., 1989). In the context of crowdfunding, when a platform is relatively easy to use, and businesses have a more enjoyable experience in seeking for funding, the perceived usefulness of the platform will improve further facilitating the intention to use (Husin et al., 2019). The PU of a crowdfunding can be proposed as a mediator in the relationship between PEOU and the intention to accept the Islamic crowdfunding model (Baron & Kenny 1986). Hence, the following hypothesis is proposed:

- **H<sub>9</sub>**: There is an indirect effect of perceived usefulness on the relationship between perceived ease of use and intention to accept the Islamic crowdfunding model.

## 4. Methodology

The sample of this study on acceptance of Islamic crowdfunding consists of entrepreneurs. In particular, the targeted population of this study is youth entrepreneurs from among SMEs in Malaysia. The samples for this study are drawn from those registered with three major entrepreneur-funding organisations in Malaysia namely, “Perbadanan Usahawan Nasional Berhad” (PUNB), “Majlis Amanah Rakyat” (MARA) and Malaysian Global Innovation and Creativity Centre (MAGIC). Purposive sampling has been used in selecting respondents to make up the sample. Purposive sampling is chosen to ensure the presence of certain eligibility criteria which is intended to be studied. These eligibility criteria are, namely; youth entrepreneurs in Malaysia, aged 18-40 years old, SME owners at the early-stage business up to three years, know about the term crowdfunding, but do not have previous experience participating in crowdfunding.

To collect the data, the drop-off questionnaire survey was employed. Out of 670 questionnaires distributed to respondents, 260 usable responses were identified after missing data treatment and checking outliers. Using the Gpower software, the recommended sample size for this study is 103 respondents. Similar past studies on crowdfunding intention have shown sample sizes ranging from 125 to 250 respondents (Jaziri & Miralam, 2019; Husin et al., 2019; Thaker, 2016). Considering the Gpower software recommendation and sample sizes from prior studies, the sample size of 260 usable responses in this study is adequate to represent the population.

The questionnaire is adopted and modified based on previous studies using the extended TAM to suit this current study. An expert review and a pilot study were conducted to help refine the questionnaires. The refined questionnaire was then used to collect data in the actual field study. The collected data was analysed using PLS-SEM. The choice to use PLS-SEM was made because of its ability to predict newly-established relationships in a path model.

## **5. Results and Analysis**

### *5.1 Measurement Model*

The first stage in PLS-SEM analysis is to examine construct reliability and validity by evaluating the measurement model (Ringle, Wende & Becker, 2015). Since there are two multi-dimensional latent variables (social influence and perceived risk) in the research model, this study embedded two two-stage approach as demonstrated in Sarstedt, Hair, Cheah, Becker, & Ringle (2019).

The first stage measurement model assessment looked at 13 latent variables – i.e., 8 LOCs (IN, PEOU, PU, SE, FA, IP, FR, RR, PGR, SN and VI) and two HOCs (PR and SI). Meanwhile, the second stage measurement model assessment portrayed only eight latent variables – i.e., IN, PEOU, PU, SE, FA, IP, SI and PR. Table 1 and Table 2 present the value of factor loading as well as the average variance extracted (AVE) values. An AVE of at least 0.5 is required for convergent validity (Fornell & Larcker, 1981; Gefen et al., 2000; Hair et al., 2017), while the satisfactory level for  $\rho_C$  coefficient is more than 0.7 (Gefen et al., 2000). All unidimensional and multidimensional constructs in this study meet the criteria for convergent validity and composite reliability.

**Table 1: Convergent Validity Results  
(Unidimensional Construct)**

Constructs	Items	Loadings	$\rho_c$	AVE
Behavioural Intention (IN)	IN1	.879	.961	.830
	IN2	.911		
	IN3	.930		
	IN4	.933		
	IN5	.900		
Perceived Ease of Use (PEOU)	PEOU1	.839	.931	.692
	PEOU2	.894		
	PEOU3	.864		
	PEOU4	.709		
	PEOU5	.829		
	PEOU6	.845		
Perceived Usefulness (PU)	PU1	.797	.945	.710
	PU2	.803		
	PU3	.853		
	PU4	.858		
	PU5	.882		
	PU6	.872		
	PU7	.831		
Self-Efficacy (SE)	SE1	.892	.954	.777
	SE2	.917		
	SE3	.923		
	SE4	.864		
	SE5	.814		
	SE6	.873		
Financial Accessibility (FA)	FA1	.830	.925	.713
	FA2	.910		
	FA3	.865		
	FA4	.876		
	FA5	.731		
Islamic Platform (IP)	IP1	.945	.974	.904
	IP2	.964		
	IP3	.958		
	IP4	.936		



**Table 2: Internal Consistency Reliability and Convergent Validity Results  
(Multi-Dimensional Constructs)**

Constructs		Items	Loadings	$\rho_c$	AVE	
LOC	HOC					
Visibility (VI)		VI1	.888	.933	.822	
		VI2	.921			
		VI3	.910			
Subjective Norm (SN)		SN1	.901	.931	.819	
		SN2	.919			
		SN3	.895			
		Social Influence (SI)	VI	.539	.713	.568
			SN	.919		
Financial Risk (FR)			FR1	.821	.876	.702
	FR2		.842			
	FR3		.849			
Reputational Risk (RR)	RR1		.901	.937	7.89	
	RR2		.924			
	RR3		.893			
	RR4		.832			
Plagiarism Risk (PGR)	PGR1		.923	.878	.710	
	PGR2		.888			
	PGR3		.698			
	Perceived Risk (PR)		FR	.777	.821	.607
			RR	.687		
			PGR	.864		

The measurement model is further assessed by verifying the discriminant validity using HTMT ratio (Hair et al., 2017; Henseler et al., 2015). A HTMT ratio greater than 0.85 (Kline, 2011) indicates a problem in discriminant validity. The result of this test as per Table 3, exhibiting a HTMT below 0.85 indicates that the discriminant validity has been established.

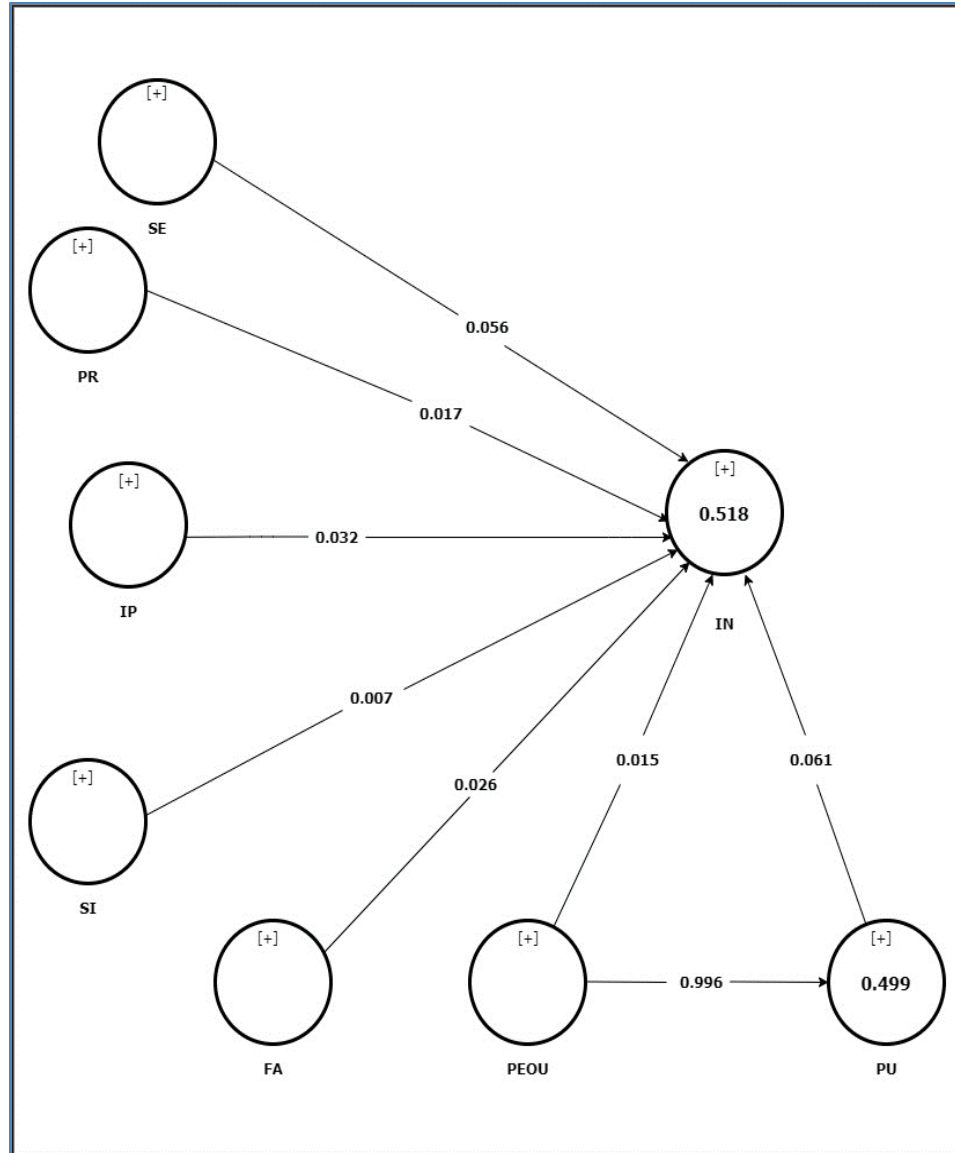
**Table 3: Results of HTMT Ratio**

	IN	PEOU	PU	SE	FA	IP	SI	VI	SN	PR	FR	RR	PGR
IN	-												
PEOU	.620	-											
PU	.638	.755	-										
SE	.624	.624	.574	-									
FA	.505	.477	.395	.451	-								
IP	.596	.585	.559	.633	.495	-							
SI	.475	.654	.545	.789	.440	.372	-						
VI	.128	.179	.167	.324	.114	.622	-	-					
SN	.277	.380	.299	.350	.266	.364	-	.182	-				
PR	.303	.249	.207	.240	.379	.240	.678	.249	.268	-			
FR	.241	.187	.176	.155	.262	.187	.371	.296	.234	-	-		
RR	.103	.102	.080	.105	.198	.093	.236	.159	.178	-	.636	-	
PGR	.345	.278	.218	.303	.389	.263	.308	.176	.264	-	.478	.482	-

*5.2 Structural Model Analysis*

In this study, the structural model analysis is performed using the bootstrapping procedures with 5,000 resamples (Hair et al., 2017). Based on Hair et al. (2014), the structural model analysis in this study assesses: (i) collinearity issues, (ii) exploratory power ( $R^2$ ) and effect sizes ( $f^2$ ), (iii) predictive accuracy ( $Q^2$ ), and (iv) relationships significance.

The author looked at the variance inflation factor (VIF) to assess the severity of collinearity issues in a PLS-SEM path model. A VIF statistic of 3.3 or higher suggests that collinearity issues may mislead the structural model findings (Diamantopoulos & Siguaw, 2006). The collinearity assessment results reveal that all VIFs of the construct in the study are below 3.3. The structural model explanatory power is then measured by  $R^2$  value, where  $R^2$  values of 0.67, 0.33, and 0.19 are classified as substantial, moderate, and weak, respectively (Chin, 1998). Figure 2 shows that PU, PEOU, SI, PR, SE, IP, and FA have explained 51.8% of the variance in IN. Similarly, PEOU has explained 49.9% of variance in PU.



Note: Values on arrows indicate  $f^2$ . The values within the endogenous construct represent  $R^2$ .

**Figure 2: Path Model with  $R^2$  and  $f^2$  Values**

In assessing direct relationship effect sizes, the magnitudes of 0.02, 0.15, and 0.35 represent small, medium, and large effects, respectively (Cohen, 1988). Table 5 shows that PEOU, SI, and PR do not affect IN ( $f^2 < 0.02$ ). The results hint that PEOU, SI, and PR may have

non-significant relationships with IN. However, the final results depend on significance testing. The remaining predictor variables (PU, SE, FA, and IP) have small effect sizes on IN, hinting the possibility of significant relationships between these variables with IN. In addition, PEOU shows a large effect size on PU. On the other hand, for indirect relationship effect size, the magnitudes of 0.01, 0.075 and 0.175 to represent small, medium, and large effects (Ogbeibu et al., 2021) were used. Thus, the mediation effect of PU on the relationship between PEOU and intention can be classified as small.

In addition, the predictive relevance ( $Q^2$ ) of the model is computed using the blindfolding procedure. A specific rule of thumb indicates that  $Q^2$  values of 0.1 to 0.249 as small, 0.25 to 0.499 as a medium, and 0.50 and higher as large (Hair et al., 2019). All endogenous constructs in this structural model demonstrate medium predictive accuracy at  $Q^2 = 0.404$  for IN and  $Q^2 = 0.329$  for PU. Hence, these values suggest that this model has acceptable predictive accuracy.

To evaluate the significance of the hypothesis, we compare the empirical  $t$ -value to the critical  $t$ -value. The critical  $t$ -value benchmarks in the one-tailed test are 2.33, 1.65, and 1.28, and  $p < 0.10$ ,  $p < 0.05$ , and  $p < 0.01$ , consecutively (Hair et al., 2017). Table 4 shows the results of the hypotheses testing.

**Table 4: Results of Significance Testing**

Relationships	$\beta$	$t$ -value	$f^2$	Decision
H <sub>1</sub> : PU → IN	.248	3.476*	0.061	Supported
H <sub>2</sub> : PEOU → IN	.131	1.711*	0.015	Supported
H <sub>3</sub> : PEOU → PU	.708	17.569*	0.996	Supported
H <sub>4</sub> : SI → IN	-.065	1.242	0.007	Not Supported
H <sub>5</sub> : PR → IN	.097	2.005*	0.017	Not Supported
H <sub>6</sub> : SE → IN	.228	3.744*	0.056	Supported
H <sub>7</sub> : IP → IN	.170	2.522**	0.032	Supported
H <sub>8</sub> : FA → IN	.131	2.054*	0.026	Supported
H <sub>9</sub> : PEOU → PU → IN	.175	3.412**	0.030	Supported

Note. One-tailed test

The result from significance testing above found that out of nine hypotheses, seven were found significant, and two were insignificant. These findings interpret that the PU, PEOU, SE, IP and FA have positive influence on youth entrepreneurs' intention to accept the Islamic crowdfunding model. In other words, as the level of PU, PEOU, SE, IP and FA increase, the level of intention also increases. On top of that, the findings also show that

the PEOU influences the PU ( $\beta = 0.708$ ,  $t = 17.569$ ,  $p < 0.001$ , LL = 0.640, UL = 0.773). In addition, the PU significantly mediates the relationship between the PEOU and intention ( $\beta = 0.175$ ,  $t = 3.412$ ,  $p = 0.001$ , LL = 0.081, UL = 0.285) as suggested by TAM. The PU demonstrates a complementary partial mediation effect as the results show that both the direct effect (PEOU  $\rightarrow$  IN) and the indirect effect (PEOU  $\rightarrow$  PU  $\rightarrow$  IN) are positively significant (Zhao, Lynch Jr, & Chen, 2010). On the contrary, SI was found to not have an effect on youth entrepreneurs' intention to accept the Islamic crowdfunding model. Meanwhile, PR, which was hypothesised to have a significant negative influence on the intention to accept an Islamic crowdfunding model, showed the contrary. The author did not find a negative significant influence between PR and IN. Even though the evaluation criteria for confirmation of significance shows  $t = 2.005$ ,  $p = 0.023$  the direction of path coefficient is positive. Thus, it is deemed appropriate to conclude that H<sub>5</sub> is not supported.

## 7. Discussion

The results of the significance testing showed that seven out of the nine hypotheses were significant and two were insignificant. The seven significant factors are as follows:

(i) PU has a positive ( $\beta = 0.248$ ) and significant (p-value < 0.001) effect towards intention. It shows that the higher the usefulness of a crowdfunding model, the higher the intention of youth entrepreneurs to use the model. This finding supports previous studies on crowdfunding acceptance (Jaziri & Miralam, 2019; Thaker, 2016).

In the context of youth entrepreneurs, it is reasonable for Perceived Usefulness to have the strongest impact on the youth entrepreneurs' intention to accept the Islamic crowdfunding. It reflects that they believe that crowdfunding may help them directly access funders and escape the customary bureaucratic procedures imposed by financial institutions.

(ii) PEOU has a positive ( $\beta = 0.131$ ) and significant (p-value = 0.044) effect towards intention to accept. Here the intention of youth entrepreneurs to accept a crowdfunding model will be higher if they find it easier and takes less effort to raise funds via a crowdfunding model. The youth entrepreneurs are ready to use crowdfunding if the technology is understandable and simple to use. Thus, it is suggested for a crowdfunding platform provider to offer training and a system manual for potential users. The findings also show that youth entrepreneurs perceive an Islamic crowdfunding model as useful when they believe that the model is easy to use. In other words, the relationship between PEOU and PU is found to be positive, which clearly indicates that the PU of crowdfunding as an alternative financing mechanism should be viewed through the prism of simplifying the crowdfunding model and the ease of learning it.

(iii) SE has a positive ( $\beta = 0.228$ ) and significant (p-value < 0.001) effect towards intention. This means that the stronger the self-efficacy of the youth entrepreneur, the higher their intention to accept a crowdfunding model as an alternative financing mechanism. As such, the respective bodies, such as government or crowdfunding platform providers, need to boost the elements of youth entrepreneur's self-efficacy. Youth entrepreneurs need self-confidence and skills-confidence to engage in this new phenomena.

(iv) IP has a positive ( $\beta = 0.170$ ) and significant ( $p\text{-value} = 0.006$ ) effect towards intention to accept. Youth entrepreneurs are more likely have the intention to accept the crowdfunding model as an alternative financing mechanism if the crowdfunding platform provides features such as training, due diligence and networking that is in line with Shari'ah principles. The more a crowdfunding platform incorporates faith-based principles into their platform characteristics, the higher the intention of youth entrepreneurs to accept the crowdfunding model. This finding also supports suggestions for the establishment of Shari'ah-compliant crowdfunding platforms in the market proposed by Salim and Kassim (2018) to promote higher participation and utilisation of Muslim communities in this industry.

(vi) FA has a positive ( $\beta = 0.131$ ) and significant ( $p\text{-value} = 0.027$ ) effect towards intention to accept. Youth entrepreneurs who have poor access to bank financing that may hinder their growth potential are more likely to have the intention to accept crowdfunding model as an alternative financing mechanism. Therefore, the higher the challenges facing youth entrepreneurs in accessing financial assistance from financial institutions, the higher their intention for them to accept the crowdfunding model. This finding confirms previous research showing similar findings among youth entrepreneurs faced with financing issues that hinder them to expand and grow. As such, a suggestion is for the Malaysian government to understand the specific financing constraints faced by youth entrepreneurs and implement targeted measures to proactively facilitate youth entrepreneurs financing via crowdfunding. This new financial innovation has the potential to bring tremendous change to widen youth entrepreneurs financing options.

(vii) PEOU has an impact on intention, which is realised through PU. This means that the effect of PEOU on the intention to accept is indirect. As suggested by the TAM, PU is not only an IT/IS acceptance driver, it also mediates the link between PEOU and IT/IS acceptance. Thus, youth entrepreneurs who perceive seeking funds through a crowdfunding model as easy would also perceive it as useful, thus increasing their intention to accept the crowdfunding model. In this context, the easier a crowdfunding model, the higher its usefulness, and the greater the intention to accept the crowdfunding model. It can be concluded that there is a significant indirect relationship between PEOU and intention to accept the crowdfunding model, through PU.

Two constructs were found to have no significant effects on the intention to accept Islamic crowdfunding as an alternative financing mechanism among Malaysian youth entrepreneurs. They are:

(i) Social influence: The findings from past studies found that social influence has a significant effect on the intention to accept. However, the findings from current study show that the  $p\text{-value}$  of social influence is higher than 0.05 and  $t\text{-value}$  is less than 1.65. Thus the effect is not significant and supported. According to Jaafar et al. (2017), crowdfunding is considered as new and unfamiliar technology in Malaysia. Thus, the benefit of using crowdfunding is not well communicated through word-of-mouth as well as the visibility of crowdfunding success in the mass media. There is no strong motivation that can influence them to use crowdfunding. Therefore, policymakers and crowdfunding platform owners in

Malaysia must collaborate to develop an initiative to make crowdfunding cases and usage visible to the public. As stated by Tun-Pin et al. (2019), a person's experience and opinion on new and unfamiliar technology is essential to influencing others to accept that technology. In sum, this finding supported previous studies that revealed social influence as an insignificant factor in predicting behavioural intention (Verkijika, 2019; Tulasombat & Chuchuen, 2016; Almainimouni et al., 2014).

(ii) Perceived Risk: The intention of youth entrepreneurs to accept crowdfunding will be influenced if they perceive that there are lower risks associated with a crowdfunding model. These risks include financial risk, reputational risk and plagiarism. This means that the higher the perceived risk, the lower will be the intention of youth entrepreneurs to use a crowdfunding model. However, the empirical findings of this study, which suggest a positive influence of PR on intention, (rather than a negative one), is unexpected and quite puzzling. The reason for this could be that the youth entrepreneur respondents in this study are not crowdfunding participants, implying that they do not have a high level of awareness of the risks involved, and their intent to use a crowdfunding model may be to avoid risks associated with it. In addition, youth entrepreneurs were calculated as risk-takers in achieving their goals and expecting great results (Wharton Online, 2020). These reasons may lead youth entrepreneurs being less afraid to take risks and continually searching for innovative solutions in fundraising for their business venture needs. Furthermore, the study findings show PU a having the strongest impact on the youth entrepreneurs' intention. Thus, the number of advantages in using crowdfunding, such as raising funds easily and quickly, still entice youth entrepreneurs to use the crowdfunding model even though they perceive some risks. This finding is supported by earlier studies conducted by Wu and Wang (2005) and Zuelseptia et al. (2018).

## **8. Conclusion**

The purpose of this paper is to examine the factors influencing youth entrepreneur's intention to accept an Islamic crowdfunding model as an alternative financing mechanism. By using the Extended TAM, nine hypotheses were developed where seven were supported. In brief, it can be interpreted from the seven significant hypotheses that PU, PEOU, SE, IP and FA have positive influence on youth entrepreneurs' intention to accept Islamic crowdfunding. In other words, as the level of PU, PEOU, SE, IP and FA increases, the level of intention to accept also increases. Furthermore, this paper also indicates the applicability of extended TAM to predict technology acceptance as it is able to explain up to 51.8% of the intention to use, which is higher than earlier studies in TAM (TAM has consistently reported 40% variance).

### *8.1 Theoretical and Practical Implication*

The study findings will expand the existing crowdfunding and youth entrepreneurs' literature, particularly in Malaysia. According to the best of our knowledge, this research is the first in Malaysia validating the extended TAM framework in the combined areas of crowdfunding, Islamic finance, and youth entrepreneurs. The findings show that the intention to accept an Islamic crowdfunding model is affected by its two core variables,

namely PEOU and PU. In addition, the external variables which extended the TAM provide new empirical evidence to policymakers and platform providers for bettering crowdfunding platform development, leading to foster more youth entrepreneur's participation in the sector. The study findings could lay the foundations for other researchers to explore to obtain further insights into crowdfunding acceptance.

This study is expected to inspire youth entrepreneurs to look up to these new sources of financing and further explore the operations of crowdfunding platforms that will enable them to utilise the potentials offered by crowdfunding. It is also expected that with more youth entrepreneur's participation in crowdfunding, the Malaysian government's aim to create 80% jobs, and increase SME contribution to Gross Domestic Product (GDP) to 50%, can be achieved. The findings will also enable the government to provide tailor-made support in facilitating funding for youth entrepreneurs in SMEs by promoting customised alternative financing mechanisms such as crowdfunding, which is considered as the least costly intervention suited to the risk characteristics of youth entrepreneurs. The current study can further benefit policymakers and regulators to fundamentally redesign the existing policies as the findings can help them understand some of the factors influencing youth entrepreneur's intention to accept Islamic crowdfunding as an alternative financing mechanism, which can ultimately lead to higher utilisation of crowdfunding and potentially bridge the identified financing gap of RM21.8 billion. At the same time, the findings will provide new insights and better understanding on what platform providers have to offer to satisfy the needs of youth entrepreneurs who can be considered as high-risk borrowers. They will also help platform providers identify the significant factors influencing youth entrepreneur's intention to accept crowdfunding. Platform providers may use these findings in their planning, designing and development, to facilitate crowdfunding in a way that can encourage more youth entrepreneurs to use crowdfunding platforms, and increase the size of the crowdfunding sector in Malaysia.

### *8.2 Limitation and Future Directions*

Despite its significant contributions, this research also has several limitations. First, this study represents youth entrepreneurs who are non-participants of crowdfunding. This may have contributed to a bias in the current study results, as participants and non-participants may have different perceptions when identifying the factors influencing their intention to accept Islamic crowdfunding. Secondly, this study assesses factors impacting the Islamic crowdfunding acceptance among youth entrepreneurs in Malaysia taking data from inputs from three central organisations responsible for youth entrepreneurs' development in Malaysia as its samples. Their feedback alone may not be enough to comprehensively describe the current situation in Malaysia. Thirdly, probability sampling could not be used as a sampling method even though it would have been a suitable method to ensure generalisability. Given this, the respondents in the current study were selected purposively.

The current study limitations open up avenues for future research. Future research may consider expanding the unit of analysis. Future study findings may differ in other units of analysis. Future research could also include a larger youth entrepreneur sample size. A larger sample size will give better results on youth entrepreneurs' intention to accept



crowdfunding as the alternative financing mechanism. Moreover, the insignificant relationship between social influence, perceived risk, and intention to accept Islamic crowdfunding is worth further investigation. Lastly, as this study focuses only on the issues related to access to financing, there are other issues that would be of interest for further investigation that may influence entrepreneurs' acceptance of Islamic crowdfunding as an alternative financing mechanism.

### **Research Funding**

Researchers received no research grant or funds for this research project.

### **REFERENCES**

- Achsien, I. H., & Purnamasari, D. L. (2016). Islamic Crowd-funding as The Next Financial Innovation in Islamic Finance: Potential and Anticipated Regulation in Indonesia. *European Journal of Islamic Finance*, 5, 1-10.
- Adhikary, B. K., Kutsuna, K., & Hoda, T. (2018). *Crowdfunding Potential in Developing Countries: A Case of Bangladesh*. Springer, Singapore.
- Adli, F., Joshua, N.H.S., Pujani, V., & Meuthia. (2014). E-Travel Model: An Empirical Study of Technology Acceptance Model and Self Efficacy. *International Conference on Business, Management & Corporate Social Responsibility (ICBMCSR'14)*, 2014 Batam (Indonesia).
- Agrawal, A., C. Catalini, & A. Goldfarb (2011). The Geography of Crowdfunding. *NBER Working Paper No. 16820*. [ONLINE] Available at: <http://www.nber.org/papers/w16820> (January 31<sup>st</sup>, 2021).
- Ahlers, G. K., Cumming, D., Günther, C., & Schweizer, D. (2015). Signaling in equity crowdfunding. *Entrepreneurship Theory and Practice*, 39(4), 955-980.
- Ajibade, P. (2018). Technology acceptance model limitations and criticisms: Exploring the practical applications and use in technology-related studies, mixed-method, and qualitative researches. *Library Philosophy & Practice*, 8(1), 1-15.
- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211.
- Ali, W., Muthaly, S. and Dada, M. (2018). Adoption of Shari'ah Compliant Peer-To-Business Financing Platforms by SMEs: A Conceptual Strategic Framework for Fintechs in Bahrain. *International Journal of Innovative Technology and Exploring Engineering*, 8(2), 407-412.
- Almaimouni, A., Houghton, L., & Sandhu, K. (2014). Impact of Social Influence on Entrepreneurs to Use e-Commerce in Saudi Arabia. *International Journal of Computer Science and Information Technologies*, 5 (6), 7761-7772.

- Alonso I M (2015). Crowdfunding in Islamic finance and microfinance: A case study of Egypt. in H A El-Karanshawy et al. (Eds.), *Access to finance and human development – Essays on Zakah, Awqaf and Microfinance*. Doha, Qatar: Bloomsbury Qatar Foundation.
- Amin, H., Abdul-Rahman, A. R., Ramayah, T., Supinah, R., & Mohd-Aris, M. (2014). Determinants of online waqf acceptance: An empirical investigation. *The Electronic Journal of Information Systems in Developing Countries*, 60(1), 1-18.
- Amuna, Y. A. (2019). Entrepreneurship, Crowdfunding Platforms and Sponsors Interaction. *International Journal of Academic Management Science Research*, 3(1), 53-60.
- Asian Institute of Finance. (2017). *Crowdfunding Malaysia's Sharing Economy: Alternative Financing for Micro, Small, and Medium Enterprises*. Asian Institute of Finance, Kuala Lumpur.
- Baron, R. M., & Kenny, D. A. (1986). The moderator-mediator variable distinction in social psychological research: Conceptual, strategic and statistical considerations. *Journal of Personality and Social Psychology*, 51, 1173-1182
- Becker, J.-M., Klein, K., & Wetzels, M. (2012). Hierarchical latent variable models in PLS-SEM: Guidelines for using reflective-formative type models. *Long Range Planning*, 45(5-6), 359-394.
- Belleflamme, P., Lambert, T., & Schwienbacher, A. (2014). Crowdfunding: Tapping the right crowd. *Journal of Business Venturing*, 29(5), 585-609.
- Berger, A., & Udell, G. (1998). The Economics of Small Business Finance: The Roles of Private Equity and Debt Markets in the Financial Growth Cycle. *Journal of Banking and Finance*, 22(6-8), 613-673.
- Binyamin, S. S. (2019). *Using the Technology Acceptance Model to Measure the Effects of Usability Attributes and Demographic Characteristics on Student Use of Learning Management Systems in Saudi Higher Education* (Doctoral dissertation, Edinburgh Napier University).
- BNM Annual Report. (2016). *Financial Stability and Payment System Report*. [ONLINE] Available: [https://www.bnm.gov.my/index.php?ch=en\\_publication&pg=en\\_fspr&ac=21&en](https://www.bnm.gov.my/index.php?ch=en_publication&pg=en_fspr&ac=21&en)
- Boudreau, K. J., Jeppesen, L. B., Reichstein, T., & Rullani, F. (2021). Crowdfunding as Donations to Entrepreneurial Firms. *Research Policy*, 50(7), 104264.
- Chik, R., Ab. Wahab, I., Salleh, Z., Abdul Kadir, M.A.B., Ngah, R., Syed Marzuku, S.Z., Buyong, S.Z., Rosly, H.E., & Junid, J., (2015). *New Gen Entrepreneurship in Malaysia: A Vibrant Economic Force*. Centre for Entrepreneur Development and Research (CEDAR) Sdn. Bhd.
- Chin, W. W. (1998). The partial least squares approach to structural equation modeling. *Modern Methods for Business Research*, 295(2), 295-336.
- Chuang, L. M., Liu, C. C., & Kao, H. K. (2016). The adoption of fintech service: TAM perspective. *International Journal of Management and Administrative Sciences*, 3(7), 1-15.

- Cohen, M.L.B. (2017). *Crowdfunding as a Financing Resource for Small Businesses*. (Doctoral Dissertation, Walden University, Minneapolis. [ONLINE] Available at: <https://scholarworks.waldenu.edu/dissertations/3757> (February 27<sup>th</sup>, 2021).
- Cohen, J. (1988). *Statistical power analysis for the behavioral sciences* (2<sup>nd</sup> ed.). New Jersey, USA: Lawrence Earlbaum Associates.
- Cox, J., & Nguyen, T. (2018). Does the crowd mean business? An analysis of rewards-based crowdfunding as a source of finance for start-ups and small businesses. *Journal of Small Business and Enterprise Development*, 25(1), 147-162.
- Dahlan, A.A.R., Razak, A.S.M., Omar, E.R., Jabridin, F.N., & Kumala, R. (2016). A Trusted Online Donation Platform: Crowdfunding by Utilizing Network of Mosque (NoM). *International Journal of Information and Communication Technology Research*, 6(4).
- Davis, F. D., Bagozzi, R. P., & Warshaw, P. R. (1989). User acceptance of computer technology: a comparison of two theoretical models. *Management Science*, 35(8), 982-1003.
- Davis, F. D. (1989), Perceived usefulness, perceived ease of use, and user acceptance of information technology. *MIS Quarterly*, 13(3), 319-340.
- Diamantopoulos, A., & Siguaw, J. A. (2006). Formative versus reflective indicators in organizational measure development: A comparison and empirical illustration. *British Journal of Management*, 17(4), 263-282.
- Duasa, J., and Thaker, M. A. B. M. T. (2016). A Cash Waqf Investment Model: An Alternative Model for Financing Micro-enterprises In Malaysia. *Journal of Islamic Monetary Economics and Finance*, 1(2), 161-188.
- Estrin, S., Gozman, D., & Khavul, S. (2018). The evolution and adoption of equity crowdfunding: entrepreneur and investor entry into a new market. *Small Business Economics*, 51(2), 425-439.
- Featherman, M. S., & Pavlou, P. A. (2003). Predicting e-services adoption: a perceived risk facets perspective. *International Journal of Human-Computer Studies*, 59(4), 451-474.
- Fornell, C., & Larcker, D. F. (1981). Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research*, 18(1), 39-50.
- Gbongli, K., Xu, Y., & Amedjonekou, K. M. (2019). Extended Technology Acceptance Model to Predict Mobile-Based Money Acceptance and Sustainability: A Multi-Analytical Structural Equation Modeling and Neural Network Approach. *Sustainability*, 11(13), 3639.
- Gefen, D., Straub, D. W., & Boudreau, M.-C. (2000). Structural equation modelling and regression: Guidelines for research practice. *Communications of the Association for Information Systems*, 4(7), 1-78
- Gerber, E. M., & Hui, J. (2013). Crowdfunding: Motivations and deterrents for participation. *ACM Transactions on Computer-Human Interaction*, 20(6), 1-32.

- Ghazali, N. H., & Yasuoka, T. (2018). Awareness and Perception Analysis of Small Medium Enterprise and Start-up Towards FinTech Instruments : Crowdfunding and Peer-to-Peer Lending in Malaysia. *International Journal of Finance and Banking Research*, 4(1), 13–24
- Gleasure, R. (2015). Resistance to crowdfunding among entrepreneurs: An impression management perspective. *The Journal of Strategic Information Systems*, 24(4), 219-233.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2014). *A primer on partial least squares structural equation modeling (PLS-SEM)* (1st ed.). Thousand Oaks, CA: SAGE Publications Inc.
- Hair, J. F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2017). *A primer on partial least squares structural equation modeling (PLS-SEM)* (2nd ed.). Thousand Oaks, CA: SAGE Publications Inc.
- Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, 31(1), 2-24.
- Hasan, M. R., Ahmad, M. S., Rahman, M. S., & Islam, M. T. (2018). Exploring the Prerequisites of Institutionalizing Crowdfunding Process in Bangladesh as an Alternative Financing Option for the Startups. *Global Journal of Management and Business Research*, 18 (1), 1-16.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, 43(1), 115-135.
- Herzallah, A. T., & Mukhtar, M. (2016). The Impact of Perceived Usefulness, Ease of Use and Trust on Managers' Acceptance of e-Commerce Services in Small and Medium-Sized Enterprises (SMEs) in Palestine. *International Journal on Advanced Science Engineering Information Technology*, 6 (6), 992-929.
- Hui, K. Y. 2016. "Determinants of Smartphone Adoption Among Older Adults in Malaysia." Universiti Tunku Abdul Rahman. [ONLINE] Available at: <http://eprints.utar.edu.my/2081/1/1205857.pdf> (January 7<sup>th</sup>, 2021)
- Husin, M. M., Haron, R., & Aziz, S. (2019). Adoption of Financial Technology in Islamic Crowd-Funding: Predicting Small and Medium-Sized Enterprises' Intention to Use the Investment Account Platform. In *Impact of Financial Technology (FinTech) on Islamic Finance and Financial Stability* (pp. 12-35). IGI Global.
- InfoDev. (2013). *Crowdfunding's Potential for the Developing World*. Finance and Private Sector Development Department. Washington, DC: World Bank. [ONLINE] Available at: [https://www.infodev.org/infodev-files/wb\\_crowdfundingreport-v12.pdf](https://www.infodev.org/infodev-files/wb_crowdfundingreport-v12.pdf) (July 11<sup>th</sup>, 2021).
- Islam, M. T., & Khan, M. T. A. (2021). Factors influencing the adoption of crowdfunding in Bangladesh: a study of start-up entrepreneurs. *Information Development*, 37(1), 72-89.
- Islamic Financial Services Industry Stability Report. (2017). [ONLINE] Available at: <http://www.islamicfinance.com/wp-content/uploads/2017/06/IFSB-IFSI-Stability-Report-2017.pdf> (August 15<sup>th</sup> 2020).

- Jaafar, N., Abdullah, S., Fadylawaty, S., Daud, M. Z., Nasir, M., & Natasha, M. (2017). Crowdfunding: A new phenomenon of philanthropic method. *In: 2nd International Islamic Heritage Conference (ISHEC 2017)*, 14-15 November 2017, Avillion Hotel Melaka.
- Jamshidi, D., & Hussin, N. (2016). Forecasting patronage factors of Islamic credit card as a new e-commerce banking service. *Journal of Islamic Marketing*, 7(4), 378-404.
- Jaziri, R., & Miralam, M. (2019). Modelling the crowdfunding technology adoption among novice entrepreneurs: an extended TAM model. *Entrepreneurship and Sustainability Issues*, 6(4), 2159-2179.
- Jenik, I., Lyman, T., & Nava, A. (2017). *Crowdfunding and financial inclusion*. CGAP Working Paper, Consultative Group to Assist the Poor, Washington, D.C. [ONLINE] Available at: <http://www.cgap.org/sites/default/files/Working-Paper-Crowdfunding-and-Financial-Inclusion-Mar-2017.pdf>.
- Khan, S. J. M., & Anuar, A. R. (2016). *Access to Finance: Exploring Barriers to Entrepreneurship Development in SMEs*. In *Global Entrepreneurship and New Venture Creation in the Sharing Economy* (pp. 92-111). IGI Global
- Kim, J. (2017). *Analysis of Reward-based Crowdfunding Participation Intention-Perceived Risk Perspective* (Master Dissertation). Seoul National University, Korea.
- Kline, R. B. (2011). *Principles and practice of structural equation modeling* (3rd ed.). New York, USA: The Guilford Press.
- Koch, J. A., & Siering, M. (2015). *Crowdfunding success factors: the characteristics of successfully funded projects on crowdfunding platforms*. Twenty-Third European Conference on Information Systems (ECIS), Münster, Germany.
- Kuo, Y. F., Lin, C. S., Wu, C. H., & Tsai, T. H. (2019, August). Why Do People Back Crowdfunding Projects?. In *International Conference on Multidisciplinary Social Networks Research* (pp. 14-28). Springer, Singapore.
- Lam, P. T., & Law, A. O. (2016). Crowdfunding for renewable and sustainable energy projects: An exploratory case study approach. *Renewable and Sustainable Energy Reviews*, 60, 11-20.
- Lambert, T., & Schvienbacher, A. (2010). An empirical analysis of crowdfunding. *Social Science Research Network (SSRN)*, 1578175 91), 23.
- Lee, Y., Lee, J., & Lee, Z. (2006). Social influence on technology acceptance behaviour: self-identity theory perspective. *ACM SIGMIS Database: the DATABASE for Advances in Information Systems*, 37(2-3), 60-75.
- Lew, J. L., Cheah, S. Q., Cheah, Y. Y., Chew, H. L., & Tang, S. M. (2019). *An insight into Malaysian crowdfunding success* (Bachelor Thesis, UTAR). [ONLINE] <http://eprints.utar.edu.my/3563/> (February 5<sup>th</sup>, 2021).
- Ley, A., & Weaven, S. (2011). Exploring agency dynamics of crowdfunding in start-up capital financing. *Academy of Entrepreneurship Journal*, 17(1), 85-110.

- Lou, A. T., & Li, E. Y. (2017). Integrating Innovation Diffusion Theory and the Technology Acceptance Model: The adoption of blockchain technology from business managers' perspective. In *International Conference on Electronic Business*, 12(4), 299-302.
- Malhotra, Y., & Galletta, D. F. (1999, January). Extending the technology acceptance model to account for social influence: Theoretical bases and empirical validation. *Proceedings of the 32nd Annual Hawaii International Conference on Systems Sciences*. 1999, 1-14.
- Manchanda, K., & Muralidharan, P. (2014). Crowdfunding: a new paradigm in start-up financing. In *Global Conference on Business & Finance Proceedings* (Vol. 9, No. 1, p. 369). Institute for Business & Finance Research.
- Marzban, S., Asutay, M. and Boseli, A. (2014) Shari'ah-compliant Crowdfunding: An Efficient Framework for Entrepreneurship Development in Islamic Countries. Conference Paper presented in Harvard Islamic Finance Forum, April 2014, United States America.
- Mathieson, K. (1991). Predicting user intentions: comparing the technology acceptance model with the theory of planned behaviour. *Information systems research*, 2(3), 173-191.
- M'eric, J., Maque, I., & Brabet, J. (2016). *International Perspective on Crowdfunding: Positive, Normative and Critical Theory*. Emerald, 37-64.
- Mohammadi, S., & Isanejad, O. (2018). Presentation of the Extended Technology Acceptance Model in Sports Organizations. *Annals of Applied Sport Science*, 6(1), 75-86.
- Mokhtarrudin, A., Masrurah, I. M. K., & Muhamad, S. C. R. (2017). Crowdfunding as a Funding Opportunity for Youth Start-Ups in Malaysia. *Pertanika Journal of Social Sciences & Humanities*, 25,139-154
- Mollick, E. (2014). The dynamics of crowdfunding: An exploratory study. *Journal of Business Venturing*, 29(1), 1-16.
- Moon, Y., & Hwang, J. (2018). Crowdfunding as an Alternative Means for Funding Sustainable Appropriate Technology—With a Focus on the Factors Determining the Acceptance of Backers. *Sustainability*, 10, 1456.
- Moore, G. C., & Benbasat, I. (1991). Development of an instrument to measure the perceptions of adopting an information technology innovation. *Information Systems Research*, 2(3), 192-222.
- Munyanyi, W., & Mapfumo, A. (2016). Factors Influencing Crowdfunding Plausibility in Post Hyperinflationary Zimbabwe. *Journal of Entrepreneurship and Business Innovation*, 3(1), 18-28
- Ogbeibu, S., Jabbour, C.J., Gaskin, J., Senadjki, A. and Hughes, M. (2021). Leveraging STARA competencies and green creativity to boost green organisational innovative evidence: a praxis for sustainable development. *Business Strategy and the Environment*, (early online)

- Olushola, T., & Abiola, J. O. (2017). The efficacy of technology acceptance model: A review of applicable theoretical models in information technology researches. *Journal of Research in Business and Management*, 4(11), 70-83.
- Onyango, L. (2018). *An analysis of the effect of crowdfunding platforms in enhancing the financing sources for micro, small and medium enterprises (MSMEs) in Kenya* (Doctoral dissertation, Strathmore University).
- Pangaribuan, C. H., & Wulandar, Y. S. (2018). A Crowdfunding Platform User Acceptance: An Empirical Examination Of Performance Expectancy, Effort Expectancy, Social Factors, Facilitating Condition, Attitude, And Behavioral Intention. In *SU-AFBE 2018: Proceedings of the 1st Sampoerna University-AFBE International Conference, SU-AFBE 2018, 6-7 December 2018, Jakarta Indonesia* (p. 346)..
- Pereira, P. (2012). *The role of crowdfunding in promoting entrepreneurship* (Doctoral dissertation). [ONLINE] Available at: [https://run.unl.pt/bitstream/10362/17359/1/Pereira\\_2012.pdf](https://run.unl.pt/bitstream/10362/17359/1/Pereira_2012.pdf) (November 29<sup>th</sup>, 2020).
- Putit, L., & Johan, Z. J. (2015). Consumers' Acceptance of 'Halal' Credit Card Services: An Empirical Analysis. *Journal of Emerging Economies & Islamic Research*, 3(1), 51-59.
- Rahim, N. R., Kasmon, S. A., & Taslim, K. N. (2018). Islamic philanthropy and micro-crowdfunding fintech. In *Application of Islamic Philanthropy* (pp. 37–140). Penerbit Press Universiti Teknologi Mara,
- Rahman, M.P., Duasa, J., Kamil, M. and Kamil, N. (2016). *Factors contributing to the success of crowdfunding: the Malaysian case*. Paper presented at the Asia-Pacific Conference on Economics and Finance (APEF), 27-28 July, Singapore.
- Ramayah, T., Jantan, M., & Aafaqi, B. (2003). Internet usage among students of institutions of higher learning: The role of motivational variables. In *the proceedings of The 1st International Conference on Asian Academy of Applied Business conference* (pp. 10-12).
- Rey-Martí, A., Mohedano-Suanes, A., & Simón-Moya, V. (2019). Crowdfunding and Social Entrepreneurship: Spotlight on Intermediaries. *Sustainability*, 11, 1175.
- Rijanto, A. (2018). Donation-based crowdfunding as corporate social responsibility activities and financing. *Journal of General Management*, 43(2), 79-88.
- Ringle, C. M., Sarstedt, M., & Straub, D. (2012). A critical look at the use of PLS-SEM in MIS Quarterly. *MIS Quarterly*, 36(1), iii-xiv.
- Ringle, C. M., Wende, S., & Becker, J.-M. (2015). SmartPLS 3. [ONLINE] Available at: <http://www.smartpls.com> (September 29<sup>th</sup>, 2020).
- Ristola, A. (2010). *Insights into consumers' emerging interest in mobile services*. (Doctoral Dissertation, University of Oulu, Oulu, Finland).
- Saiti, B., Musito, M. H., & Yucel, E. (2019). Islamic crowdfunding: fundamentals, developments and challenges. *Islamic Quarterly*. 62(3), 469–485.

- Salim, M., & Kassim, S. (2018). Awareness towards Crowdfunding as an Alternative Financing Mechanism among Youth Entrepreneurs. *1st Aceh Global Conference (AGC 2018)*. Atlantis Press.
- Salman, H., Naveed, M., & Nazir, A. (2017). Socio-religious perspective, consumer's product awareness and consumer acceptance level of Islamic Financing. *International Journal of Academic Research in Economics and Management Sciences*, 6(2), 178-192.
- Sarkar, A. N. (2016). Financing Mechanisms to Support MSME and Startups: Role of the Capital Market. *International Journal of Advanced Research and Innovation*, 4(1), 244-255.
- Sarstedt, M., Hair Jr, J. F., Cheah, J. H., Becker, J. M., & Ringle, C. M. (2019). How to specify, estimate, and validate higher-order constructs in PLS-SEM. *Australasian Marketing Journal*, 27(3), 197-211.
- Schwiebacher, A., and Larralde, B. (2010). "Crowdfunding of Small Entrepreneurial Ventures." *Handbook of Entrepreneurial Finance* Oxford: Oxford University Press.
- Shneor, R., & Munim, Z. H. (2019). Reward crowdfunding contribution as planned behaviour: An extended framework. *Journal of Business Research*, 103, 56-70.
- Startups Team (2018). *Key Crowdfunding Statistics*. [ONLINE] Available at: <https://www.startups.com/library/expert-advice/key-crowdfunding-statistics> (Accessed on August 24<sup>th</sup>, 2021).
- Sugiharto, T., Suhendra, E. S., & Hermana, B. (2010). Information Technology and Business Performance a Case Study on Small Food Processing Firms. *Journal of Global Business Administration*, 2(1), 84-95.
- Thaker, M. A. M. T. (2016). Modelling SMEs' behavioral intention to adopt Islamic crowdfunding-small and medium enterprises (ICSMEs) model as a source of financing in Malaysia. *Journal of Islamic Monetary Economics and Finance.*, 4(2), 293-310.
- Tulasombat, S., & Chuchuen, C. (2016). *The Adoption of Information System for Organic Agricultural Small and Medium Enterprises (SMEs) in Chiang Mai*. RCAPS Working Paper Series. [ONLINE] Available at: [https://www.apu.ac.jp/rcaps/uploads/fckeditor/publications/workingPapers/RWP\\_16004.pdf](https://www.apu.ac.jp/rcaps/uploads/fckeditor/publications/workingPapers/RWP_16004.pdf) (March 15<sup>th</sup>, 2021).
- Tun-Pin, C., Keng-Soon, W. C., Yen-San, Y., Pui-Yee, C., Hong-Leong, J. T., & Shwu-Shing, N. An adoption of fintech service in Malaysia. *South East Asia Journal of Contemporary Business, Economics and Law*, 18(5), 2289-1560.
- Venkatesh, V., & Davis, F. D. (2000). A theoretical extension of the technology acceptance model: Four longitudinal field studies. *Management science*, 46(2), 186-204.
- Verkijika, S. F. (2019). Understanding the Acceptance and Use of M-Learning Apps by Entrepreneurs: An Application of the Social-Cognitive and Motivational Theories. *Information Resources Management Journal (IRMJ)*, 32(4), 42-55.
- Virani, S., & Kaur, P. (2016). Evaluating the role of crowdfunding as an alternate finance opportunity: A fund raiser's perspective. *Indian Journal of Management Science*, 6(2), 14-20.



- Wahjono, S.I., Marina, A., Widayat, & Nasir, M. (2017). Islamic Crowdfunding: A Comparative Analytical Study on Halal Financing. In: *Global Conference on Business and Finance Proceedings*. The Institute for Business and Finance Research. ISBN 1941-9589.
- Wharton Online. (2020, February, 4). Is risk-taking behaviour key to entrepreneurial spirit? *Wharton Online, The University of Pennsylvania*. [ONLINE] Available at: <https://online.wharton.upenn.edu/blog/is-risk-taking-behavior-key-to-entrepreneurial-spirit/#:~:text=Risk%2Dtaking%20enables%20and%20encourages,eventually%20lead%20to%20business%20growth> (March 27<sup>th</sup>, 2021).
- Willems, W. (2013). *What characteristics of crowdfunding platforms influence the success rate? An empirical study into relevant determinants in order to explain differences in success rates between crowdfunding platforms worldwide*. (Master Dissertation, Erasmus School of History, Culture and Communication, Rotterdam).
- Wilson, K. E., & Testoni, M. (2014). *Improving the Role of Equity Crowdfunding in Europe's Capital Markets*. (Bruegel Policy Contribution; Vol. 2014/09). Bruegel.
- Wu, J. H., & Wang, S. C. (2005). What drives mobile commerce? An empirical evaluation of the revised technology acceptance model. *Information & Management*, 42(5), 719-729.
- Yang, H-D. & Choi, I-Y. (2001). Revisiting Technology Acceptance Model with Social Influence Factors. In *the Electronic Proceedings of Pacific Asia Conference on Information Systems, Seoul, Korea*, 509-523.
- Yang, Q., & Lee, Y. C. (2018). An investigation of enablers and inhibitors of crowdfunding adoption: Empirical evidence from start-ups in China. *Human Factors and Ergonomics in Manufacturing & Service Industries*, 29(1), 5-21.
- Yousafzai, S. Y., Foxall, G. R., & Pallister, J. G. (2010). Explaining internet banking behaviour: theory of reasoned action, theory of planned behaviour, or technology acceptance model? *Journal of Applied Social Psychology*, 40(5), 1172-1202.
- Zhao, X., Lynch Jr, J. G., & Chen, Q. (2010). Reconsidering Baron and Kenny: Myths and truths about mediation analysis. *Journal of Consumer Research*, 37(2), 197-206.
- Zheng, J., Li, S., & Zheng, Y. (2017). Students' Technology Acceptance, Motivation and Self-Efficacy towards the eSchoolbag: An Exploratory Study. *International Journal of Infonomics*, 10(3), 1350-1358.
- Zuelseptia, S., Rahmiati, R., & Engriani, Y. (2018). The Influence of Perceived Risk and Perceived Ease of Use on Consumer's Attitude and Online Purchase Intention. In *First Padang International Conference on Economics Education, Economics, Business and Management, Accounting and Entrepreneurship (PICEEBA 2018)*. Atlantis Press.