

The Influence of Financial Technology (Fintech) on the Financial Performance of Islamic Banking (Study on Islamic Banking listed on the Indonesia Stock Exchange Period 2016-2020)

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Abstract : *The rapid technology development in Indonesia has an impact on the existence of various technological innovations, one of them is the financial sector. Financial technology is a technological innovation in the financial sector. The existence of financial technology is expected to be able to improve the performance of financial institutions so they can provide services to their customers more efficiently. This study aims to determine the influence of mobile banking, internet banking, and SMS banking on the financial performance of Islamic banking projected with Return on Assets (ROA). This study uses data in the form of annual financial statements of Islamic Banks listed on the Indonesia Stock Exchange in the period 2016-2020. This study sample was selected using purposive sampling techniques so as to obtain samples of Bank Aladin Syariah (Bank Maybank Syariah), Bank BNI Syariah, Bank BTPN Syariah, Bank BRI Syariah, Bank Mandiri Syariah, and Bank Panin Dubai Syariah. The study used regression analysis of panel data with EVIEWS 10 software. The results of this study show that mobile banking has a positive and significant influence on the financial performance of Islamic banking. While internet banking and SMS banking have a negative and insignificant influence on the financial performance of Islamic banking.*

Keywords: *Fintech, Mobile Banking, Internet Banking, SMS Banking, Financial Performance, ROA, Islamic Banking*

Abstrak: *Pesatnya perkembangan teknologi di Indonesia berdampak pada adanya berbagai inovasi teknologi, salah satunya di bidang keuangan. Teknologi keuangan merupakan inovasi teknologi di bidang keuangan. Adanya financial technology diharapkan mampu meningkatkan kinerja lembaga keuangan sehingga dapat memberikan pelayanan kepada nasabahnya secara lebih efisien. Penelitian ini bertujuan untuk mengetahui pengaruh mobile banking, internet banking, dan SMS banking terhadap kinerja keuangan perbankan syariah yang diproyeksikan dengan Return on Assets (ROA). Penelitian ini menggunakan data berupa laporan keuangan tahunan Bank Umum Syariah yang terdaftar di Bursa Efek Indonesia periode 2016-2020. Sampel penelitian ini dipilih dengan menggunakan teknik purposive sampling sehingga diperoleh sampel Bank Aladin Syariah (Bank Maybank Syariah), Bank BNI Syariah, Bank BTPN Syariah, Bank BRI Syariah, Bank Mandiri Syariah, dan Bank Panin Dubai Syariah. Penelitian ini menggunakan analisis regresi data panel dengan software EVIEWS 10. Hasil penelitian ini menunjukkan bahwa mobile banking berpengaruh positif dan signifikan terhadap kinerja keuangan perbankan syariah. Sedangkan internet banking dan SMS banking berpengaruh negatif dan tidak signifikan terhadap kinerja keuangan perbankan syariah.*

Kata Kunci: Fintech, Mobile Banking, Internet Banking, SMS Banking, Kinerja Keuangan, ROA, Perbankan Syariah

INTRODUCTION

The development of technology today had a rapid impact on people in Indonesia. The existence of technological developments in various sectors makes the conventional era change into the digital era. With advances in technology, people can easily access the latest information, fulfill their needs by optimizing the use of available technology, and complete work with features available on various appropriate platforms.

The rapid development of technology in Indonesia makes it a trending topic for the citizen, one of which is financial technology (Fintech). Fintech is a fusion segment between the financial services and technology sectors where start-ups focus on technology in the financial sector and new market entrants innovate on products and services provided by the traditional financial services industry today. (Hadad, 2017).

Fintech is an effort to produce new products, services, technology, and/or business models by utilizing a technology-based financial system that will have an impact on monetary stability, financial system stability, and/or efficiency, smoothness, security, and reliability of the payment system (Bank Indonesia, 2020). Fintech already has legal protection, namely Bank Indonesia Regulation Number 19/12/PBI/2017 concerning the Implementation of Financial Technology (Financial Technology). This regulation was made as an effort to avoid the risk of disruption to the financial system that could potentially arise if it is not properly mitigated, considering that the development of fintech has had a major impact on

consumers, businesses, and the national economy (Bank Indonesia, 2017).

Fintech also has a legal cover sourced from the Financial Services Authority (OJK), namely the Financial Services Authority Regulation of the Republic of Indonesia Number 13/POJK.02/2018 concerning Digital Financial Innovation in the Financial Services Sector. This regulation was formed to produce digital financial innovations that are full of responsibility, safe, prioritize consumer protection, and are well managed (Otoritas Jasa Keuangan, 2018).

The development of fintech in Indonesia has grown rapidly in recent times. This is marked by the increase in fintech companies in Indonesia. Fintech players in Indonesia in the 2015-2016 period grew 78%. The rapid development of digital technology has had a huge impact on the growth of the financial sector in the country during that period. Based on data from the Indonesian Financial Technology Association in the 2016 DailySocial Fintech Report, local fintech players registered as of November 2016 were around 135-140 players. Meanwhile, those who registered and became full members were 55 players, consisting of 41 fintech 3.0 players and 14 fintech 2.0 players. Based on the profile, the majority of local fintech is in the payment sector, which is 43%. Then the loan sector is 17%, followed by aggregators 13%, crowdfunding 8%, personal finance planning 8%. The remaining 11 percent are engaged in other sectors (databoks.katadata.co.id, 2017).

The development of fintech is not only found in conventional banking, but now the development of fintech has also penetrated

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Islamic banking. Fintech innovation in Islamic banking is a technological innovation with provisions under sharia principles that can prevent customers from usury transactions. Financial technology in Islamic banking in Indonesia can certainly increase the presence of Islamic banking so that it can be more competitive in the financial market. The benefits obtained from fintech in Islamic banking include efforts to make it easier for customers to carry out banking transactions and investments based on sharia principles and efforts to make it easier for customers to carry out banking-related activities without having to meet face-to-face directly so that it is more flexible while remaining flexible. based on sharia principles (Santoso, Anzelina, Safari, Iskandar, & Erwanda, 2021).

Financial technology in Islamic banking also has other advantages, namely being able to provide services to people who have not been served by the traditional Islamic finance industry due to strict banking regulations and the limited reach of the traditional Islamic finance industry in serving the community in certain areas. Another advantage is that it is alternative funding other than the traditional Islamic finance industry which is more transparent and has sharia principles for the community (Ansori, 2019).

The various advantages of the development of financial technology in Islamic banking are currently able to open up opportunities for Islamic banking in Indonesia. The government provides convenience in terms of regulation for financial institutions to improve services in the field of technology, for example, the ease of licensing. This convenience can be utilized by Islamic banking in increasing its existence and competing with conventional

banks, wherewith these opportunities Islamic banks will attract interest and become the customer's choice. (Rosyadah, Arifin, Muhtadi, & Safik, 2020). Many Islamic banks have collaborated with startups that focus on fintech. The Islamic bank cooperates with fintech startups intending to improve the financial performance of the bank.

Financial performance is a description of the economic results that can be obtained by an entity by generating profits by carrying out activities that refer to the entity's finances in a certain period (Darmawan, 2020). Financial performance assesment is one way to fulfill the entity's obligations to funders and also to achieve the company's goals and potential in operating its business financially which can be proven by financial statements (Rhamadana & Triyonowati, 2016). Assessing financial performance, especially Islamic banking performance, can be evidence for the general public that Islamic banking has good credibility. The measuring instrument used in assessing financial performance is the financial ratio method. The financial ratios used to measure financial performance are the ratios of liquidity, activity, solvency, and profitability.

LITERATURE REVIEW AND RESEARCH HYPOTHESIS

Financial Technology

Financial technology is a crucial innovation in the financial sector that is easy to develop, driven by an equitable economy, supportive and profitable regulations, and comprehensive and practical information (Rumondang, Sudirman, Effendy, Simarmata, & Agustin, 2019). According to

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the World Bank, fintech is an industry consisting of various companies that use technology in the financial sector to improve financial systems and services to make them more efficient (Nizar, 2017).

Fintech consists of a variety of methods, including payment methods, transfers, lending funds, raising funds, to asset management. Islamic banking also participates in providing a variety of fintech services. It is done to increase the existence of Islamic banking to be more competitive in the financial market. The following are some of the fintech services provided by Islamic banking.

Mobile Banking

Mobile banking or m-Banking is a service provided by banks to assist customers in conducting transactions using applications found on customers' smartphones that are connected to the internet. (Tim Zipmex, 2021). Mobile banking is used by customers because it has more diverse features and the security system is more secure.

Internet Banking

Internet banking or i-Banking is a service offered by banks to customers to make transactions using the internet network (Tim Zipmex, 2021). Internet banking has features including account information, the latest exchange rate information, bill payments, and transfers. This service does not require customers to have certain devices because it can be done by using various devices connected to the internet.

SMS Banking

SMS Banking is one of the fintech services from banking that can be used by customers to make transactions using SMS (Short Message Service) media.(Tim

Zipmex, 2021). The use of this fintech service does not require customers to connect their cellphones to the internet network, because SMS Banking can be done only by using the customer's operator credit.

Financial Performance

Financial performance is a measuring tool used to determine the company's realization process of its financial resources.(Surya & Asiyah, 2020). Financial performance is needed by companies to achieve their goals, namely by showing the efficiency and effectiveness of their operational activities in the financial sector within a company (Pohan, 2017).

The existence of financial performance in a company can help in calculating the level of expenditure from activities carried out during the company's operations. Financial performance can also be a company parameter in determining decisions and policies that will be implemented by the company in achieving its goals.

Islamic Banking

Islamic banking is banking that was developed from modern banks based on the principles of Islamic rules that developed in the Islamic Middle Ages using the concept of risk-sharing and abolishing the profit determination system at the beginning (Andrianto & Firmansyah, 2019). The existence of Islamic banking has a role, among others, in increasing the awareness of Muslims to comply with Islamic sharia by avoiding transactions that contain usury, increasing public confidence that Islamic banking has high credibility in the financial sector by using sharia principles.

Financial Ratio

Financial ratios are analytical tools used to identify and explain the relationships

between elements in financial statements with one another. (Sofyan, 2021). There are four types of financial ratios, including liquidity ratios, activity ratios, solvency ratios, and profitability ratios. To measure financial performance can use one of the ratios, namely the profitability ratio. Profitability ratios are used to determine the company's ability to generate profits or to measure the company's effectiveness in managing its management (Dewi, 2017). In this study, the financial ratio used is Return on Assets (ROA).

Return on Assets can be used to measure the company's capability to earn profits by utilizing the company's assets (Purwitasari, Mendra, & Bhegawati, 2021). The calculation of Return on Assets can be done using the following formula:

$$\begin{aligned} & \text{Return on Assets} \\ &= \frac{\text{Earning After Tax}}{\text{Total Assets}} \\ & \times 100\% \end{aligned}$$

Source: Brigham & Houston, 2010

The Influence of Mobile Banking on Financial Performance

Mobile banking can attract customers' interest with the availability of various features that make transactions easier using smartphones. If the interest of customers increases in transactions using mobile banking, then this can improve the financial performance of Islamic banking. The number of transactions made with mobile banking will certainly affect increasing the profits of Islamic banking. So mobile banking has a positive and significant influence on the financial performance of Islamic banking (Damayanti, 2022), (Imamah & Ayu Safira, 2021), (Dharmatanna, 2020). Another finding regarding the impact of mobile banking apps

on the financial performance of banks in Vietnam also shows that mobile banking apps have a positive impact on the financial performance of banks in Vietnam (Le, Mai, & Phan, 2021). Thus, it can be concluded that the first hypothesis statement is:

H₁ = Mobile banking has a significant positive effect on financial performance

The Influence of Internet Banking on Financial Performance

Another fintech service provided by banks is internet banking. Internet banking services assist customers in carrying out various transactions provided by Islamic banking using any device that is connected to the internet network. The increased use of internet banking services will assist banks in improving their financial performance of these banks. If this happens, then internet banking has a positive and significant effect on the financial performance of Islamic banking. This is in line with the findings which state that internet banking has a significant influence on financial performance (Damayanti, 2022), (Setiawan, Darmala, & Amri, 2020).

H₂ = Internet banking has a significant positive effect on financial performance

The Influence of SMS Banking on Financial Performance

SMS banking helps customers in conducting various transactions such as transfers between accounts and between banks, bill payments, checking account balances, checking account mutations, and so on without the need for an internet network, but using SMS (Short Message Service) media. The number of customers who use the various features available in the SMS banking service is able to improve the financial performance of banks. In line with

the results of previous studies which stated that SMS banking has a positive and significant influence on banking financial performance (Amali & Selvi, 2021).

H₃ = SMS banking has a significant positive effect on financial performance

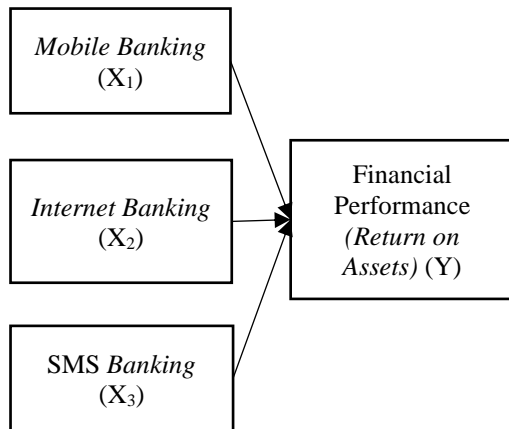


Figure 1. Research Framework

RESEARCH METHODOLOGY

This research is a descriptive study with a quantitative approach where this research is directed to be able to provide facts that emphasize the measurement and analysis of cause and effect relationships of the variables of a study. The population of this study consisted of 14 Islamic banking. By using the non-probability technique purposive sampling method, there are six samples that meet the criteria. The samples include Aladin Bank/Maybank Syariah/Bank Net Indonesia Syariah, Bank BNI Syariah, Bank BTPN Syariah, Bank BRI Syariah, Bank Mandiri Syariah, and Bank Panin Dubai Syariah.

The data used is secondary data in the form of annual financial reports published by Islamic banking during the 2016-2020 period in the form of financial ratios obtained from the results of calculations

between the elements in the financial statements. The financial statements can be obtained through the website of the Indonesia Stock Exchange, namely www.idx.co.id and the official website of each bank that is the sample in this study. This data collection uses documentation techniques where data can be collected by recording published data.

The data analysis method used in this research is panel data regression analysis. This method is used to determine and analyze the effect of the independent variable in a study on the dependent variable using panel data. There are three-panel data regression models, including the Common Effect Model, Fixed Effect Model, and Random Effect Model. Determination of the right panel data regression model can be done by performing tests as needed. Tests that can be performed include the Chow Test, Hausman Test, and the Lagrange Multiplier Test. The classical assumption test in this study was carried out using two tests, namely the normality test and the multicollinearity test. Hypothesis testing is done by the F test, t test, and coefficient of determination test.

RESEARCH RESULT AND DISCUSSION

This study has 6 research samples from 14 populations based on purposive sampling technique. The samples of this research include Aladin Syariah Bank (Maybank Syariah Bank), BNI Syariah Bank, BTPN Syariah Bank, BRI Syariah Bank, Mandiri Syariah Bank, and Panin Dubai Syariah Bank.

*Descriptive Statistics***Table 1. Descriptive Statistics of Research Variables**

	Financial Performance	m-Bank	i-Bank	SMS Bank
Mean	0,00977	0,63333	0,70000	0,60000
Median	0,00615	1,00000	1,00000	1,00000
Max	0,10800	1,00000	1,00000	1,00000
Min	-0,12180	0,00000	0,00000	0,00000
Std. Dev.	0,05141	0,49013	0,46609	0,49827

Source: Secondary data processed, 2022

Based on table 1, it can be seen that the dependent variable, namely financial performance, has an average value of 0.00977, a mean value of (0.00615, a maximum value of 0.18000, a minimum value of -0.12180 and a standard deviation of 0.05141). Meanwhile, the three individual variables, namely m-Banking, i-Banking, and SMS Banking, have the same average value, maximum value, and minimum value, namely 1.0000; 1.0000; and 0.00000. by m-Banking is 0.63333, i-Banking is 0.70000, and SMS Banking is 0.60000. The standard deviation of the variable m-Banking is 0.49013, i-Banking is 0.46609, and SMS Banking is 0.49827.

Panel Data Regression Model Estimation Test***Common Effect Model***

Common Effect Model is needed to test the hypothesis of a research model without differentiating time and data groups. The following is the Common Effect Model of panel data regression.

Table 2. Common Effect Model Result

	Coef.	Std. Error	t-Stat.	Prob
C	-0,0088	0,0159	-0,5499	0,5870
m-Bank	0,0707	0,0196	3,6112	0,0013
i-Bank	-0,0198	0,0234	-0,8463	0,4051
SMS Bank	-0,0206	0,0232	-0,8865	0,3835

Source: Secondary data processed, 2022

Fixed Effect Model

Fixed Effect Model is a regression model that is used to assume that there are differences in object behavior within a certain time. The Fixed Effect Model in this study is presented in table 3.

Table 3. Fixed Effect Model Result

	Coef.	Std. Error	t-Stat.	Prob
C	-0,0132	0,0159	-0,8291	0,4164
m-Bank	0,0485	0,0240	2,0262	0,0556
i-Bank	-0,0099	0,0255	-0,3882	0,7018
SMS Bank	-0,0014	0,0281	-0,0281	0,9612

Source: Secondary data processed, 2022

Random Effect Model

Random Effect Model is a regression model which assumes that there is a time effect included in the Random Effect Model that has no relationship with the dependent variable. The following table contains the results of the Random Effect Model.

Table 4. Random Effect Model Result

	Coef.	Std. Error	t-Stat.	Prob
C	-0,0088	0,0157	-0,5589	0,5810
m-Bank	0,0707	0,0193	3,6702	0,0011
i-Bank	-0,0198	0,0230	-0,8601	0,3976
SMS Bank	-0,0206	0,0228	-0,9010	0,3759

Source: Secondary data processed, 2022

Panel Data Regression Model Selection

With the three regression models above, we need the best regression model to be used in conducting the analysis process. To find out the best model, several tests were carried out as follows:

Chow Test

The Chow test was conducted to determine the best model between the Common Effect Model and the Fixed Effect Model. If the probability value of the Chi-square cross-section is less than the significant level (5%), then the model chosen is the Fixed Effect Model. Meanwhile, if the probability value of the Chi-square Cross-section is more than the significant level (5%), then the Common Effect Model is chosen. The results of the Chow test can be seen in table 5.

Table 5. Chow Test Result

Effect Test	Stat.	d.f.	Prob.
Cross-section F	1.1714	(5.21)	0,3560
Cross-section Chi-square	7.3799	5	0,1939

Source: Secondary data processed, 2022

Based on the table above, it can be seen that the probability value of the Chi-square Cross-section is 0.1939 where the value is greater than 0.05. Therefore, the best model based on the Chow test is the Common Effect Model.

Hausman Test

The Hausman test was carried out using the random effect specification effect which aims to determine the correct model between the Fixed Effect Model and the Random Effect Model. The Fixed Effect Model will be selected if the probability value of the random cross-section is less than the 5% alpha value. Meanwhile, if the probability

value of a random cross-section is greater than the alpha value of 5%, then the Random Effect Model is selected. Hausman test results are:

Table 6. Hausman Test Result

Test Summary	Chi-Sq. Stat.	Chi-Sq. d.f.	Prob.
Cross-section random	3.93633	3	0,2684

Source: Secondary data processed, 2022

Table 6 shows that the probability value of a random cross-section of 0.2684 is greater than the alpha value of 0.05. This shows that the model chosen in the Hausman test is the Random Effect Model.

Lagrange Multiplier Test

The results of the Chow test show that the Common Effect Model is selected and the Hausman test shows the selected Random Effect Model. Thus, it is necessary to test the Lagrange Multiplier test to find out the right model between the Common Effect Model and the Random Effect Model.

Table 7. Lagrange Multiplier Test Result

Null (no. rand. Effect) Alternatice	Cross-section	Period	Both
	One-sided	One-sided	
Breusch-Pagan	0,0764 (0,7822)	1,9049 (0,1675)	1,9813 (0,1592)

Source: Secondary data processed, 2022

Breusch-Pagan shows a probability value of 0.7822 which is greater than 0.05. It can be concluded that the appropriate model based on the Lagrange Multiplier test is the Random Effect Model.

Classic Assumption Test

Normality Test

The normality test was carried out to test whether the variables used in the study had a normal or abnormal distribution. In the Eviews 10 software, the normality test can be tested using the Histogram-Normality Test. The results of the normality test in this study are presented in the following histogram.

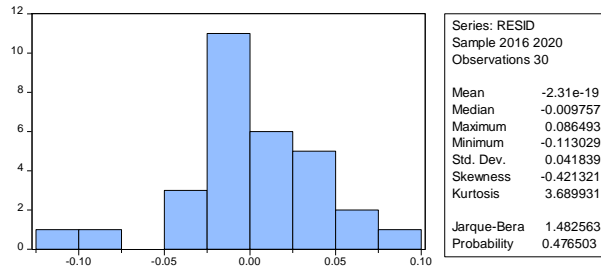


Figure 2. Normality Test Result

Source: Secondary data processed, 2022

The histogram above shows that the probability value of Jarque-Bera is 0.478503. The value is greater than 0.05. So it can be concluded that the data used and processed in this study is normally distributed.

Multicollinearity Test

The multicollinearity test aims to test whether there is a correlation between the independent variables in a study. The regression model is said to be good if there is no multicollinearity in it. The results of the multicollinearity test can be seen in the table below.

Table 8. Multicollinearity Test Result

	m-Banking	i-Banking	SMS Banking
m-Banking	1,000000	0,407550	0,508304
i-Banking	0,407550	1,000000	0,653305
SMS Banking	0,508304	0,653305	1,000000

Source: Secondary data processed, 2022

The results of the multicollinearity test in table 8 show that there is no value greater than 0.8. Thus, this regression model does not experience multicollinearity which means that there is no correlation between the independent variables used in this study.

Hypothesis Test

F Test

One of the hypothesis testings is the F test. The F test is a test carried out to determine whether the independent variables have a simultaneous effect on the dependent variable in a study. Hypothesis testing with the F test in this study is presented in the following table.

Table 9. F Test Result on Random Effect Model

Weighted Statistics	
R-squared	0.337618
Adjusted R-squared	0.261189
S.E. of regression	0.044187
F-statistic	4.417416
Prob (F-statistic)	0.012249

Source: Secondary data processed, 2022

The results of the F test can be seen in the prob (F-statistic) which has a value of 0.012249. This value is smaller than the significance level of 0.05. Thus, the independent variables in this study jointly affect the dependent variable.

T-test

The t-test is used to prove whether there is a partial effect of the independent variable on the dependent variable in a study. The following are the results of the t-test of the independent variables in this study.

Table 10. t-test Result on Random Effect Model

Variable	Coefficient	t-Statistic	Prob.
C	-0.008771	-0.558937	0.5810
m-Banking	0.070676	3.670188	0.0011
i-Banking	-0.019812	-0.860120	0.3976
SMS Banking	-0.020586	-0.901006	0.3759

Source: Secondary data processed, 2022

The independent variable m-Banking has a probability value of 0.0011 < 0.05 and a positive coefficient of 0.070676, so m-Banking has a positive and significant effect on the financial performance of Islamic banking (ROA). The probability value of i-Banking shows a value of 0.3976 > 0.05 and a negative coefficient of -0.019812. It can be concluded that i-Banking has a negative and insignificant effect on financial performance as proxied by ROA. While the SMS Banking variable has a probability value of 0.3759 > 0.05 with a negative coefficient of -0.020586. This shows that the independent variable SMS Banking has a negative and insignificant effect on the dependent variable in this study, namely the financial performance of Islamic banking (ROA).

1.1.1. Coefficient of Determination Test

Testing the coefficient of determination is done by looking at the Adjusted R-squared value on the test results using the right model. This test was conducted to determine how much the dependent variable can be explained by the independent variable in this study. The following are the results of the coefficient of determination test in this study.

Table 11. Coefficient of Determination Test Result on Random Effect Model

Weighted Statistics	
R-squared	0.337618
Adjusted R-squared	0.261189
S.E. of regression	0.044187

F-statistic 4.417416
 Prob (F-statistic) 0.012249

Source: Secondary data processed, 2022

Based on table 11, the Adjusted R-squared value is 0.261189. So it can be interpreted that the independent variables in this study, namely mobile banking, internet banking, and SMS banking can explain the dependent variable in the form of Islamic banking financial performance (ROA) of 26.12%, while the other 73.88% is explained by other variables outside this research.

DISCUSSION

Mobile Banking on Financial Performance (ROA)

Based on the test results using the Eviews 10 software, it can be seen that the independent variable of mobile banking has a positive and significant influence on the financial performance of Islamic banking as proxied by Return on Assets (ROA). This shows that the better the mobile banking service of Islamic banking, the more it will help Islamic banking in improving financial performance. The results of this study are supported by research from (Damayanti, 2022).

Internet Banking on Financial Performance (ROA)

Based on the results of statistical tests, the results of this study indicate that the internet banking variable has a negative and insignificant effect on the financial performance of Islamic banking. There are various factors, one of which is the decline in internet banking service users from year to year during the study period. The results of this study are in line with previous research, namely research from (Sinambela & Rohani, 2017).

SMS Banking on Financial Performance (ROA)

Based on the results of the research described previously, the SMS banking variable has a negative and insignificant effect on the financial performance of Islamic banking as proxied by Return on Assets (ROA). This is possible due to several factors, including the level of security in the SMS banking service which is quite low, and the completeness of features that do not attract public interest. With these factors, the public or customers are less than optimal in using SMS banking as a medium for transactions.

Future Research

In future research, there are still many factors whose influence needs to be revealed on financial performance, especially other fintech services such as P2P Lending, Microfinancing, Digitas Payment System, and other fintech services issued by fintech start-ups that are integrated with a banking institution. Research that analyzes the effect on financial performance can also use other financial ratios such as liquidity ratios, solvency ratios, and activity ratios.

Future research can conduct analysis using non-banking financial institutions or other companies which are expected to add samples to make it more representative of the population.

CONCLUSION

Based on the results of the analysis above, it can be concluded that the results of this study include, among others, mobile banking has a positive and significant effect on the financial performance of Islamic banking. While internet banking and SMS banking have a negative and insignificant effect on the financial performance of

Islamic banking. However, the variables of mobile banking, internet banking, and SMS banking have a simultaneous effect on the financial performance of Islamic banking.

Researchers provide input to banking financial institutions, especially Islamic banking to provide increased maintenance of mobile banking services because they are able to improve the financial performance of the company. Improved maintenance of mobile banking is expected to increase the use of this service so as to optimize the financial performance of Islamic banking in line with the results of this study as well as previous studies.

AUTHORS' CONTRIBUTIONS

The author contributed to the title of the article entitled "The Influence of Financial Technology (Fintech) on the Financial Performance of Islamic Banking."

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