

# Intentions to Donate via Retail Cash Waqf Linked Sukuk: Factors and Insights

Erina Nuhbatul La'ali<sup>1</sup>, Nenang Hasanah<sup>2</sup>, Mohammad Iqbal Irfany<sup>3</sup>,  
Daffa Aqomal Haq<sup>4</sup>

<sup>1,2,3,4</sup>IPB University, Indonesia

This study examines the factors influencing people's intention to donate through Retail Cash Waqf Linked Sukuk (CWLS), a financial instrument integrating Islamic social finance and investment. Using the Theory of Planned Behavior (TPB) as a framework, the research investigates the roles of attitude, subjective norms, perceived behavioral control, and additional variables such as religiosity and trust in shaping individuals' donation intentions. The study employs a quantitative approach, SEM-PLS with data analyzed from 100 respondents. The findings reveal that attitude and perceived behavioral control significantly impact people's intentions to donate via CWLS, emphasizing the importance of positive perceptions and individuals' confidence in their ability to contribute. Conversely, subjective norms and trust do not show a significant effect, indicating that societal pressure and trust factors alone are insufficient motivators in this context. This research offers practical implications for policymakers and financial institutions aiming to promote CWLS as a sustainable waqf instrument, focusing on enhancing awareness and facilitating ease of participation to strengthen behavioral control. By addressing these factors, the study contributes to the broader discourse on Islamic social finance and its potential to mobilize funds for socio-economic development.

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\*Correspondence:  
Mohammad Iqbal Irfany  
[iqbal.irfany@apps.ipb.ac.id](mailto:iqbal.irfany@apps.ipb.ac.id)

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## INTRODUCTION

Waqf has undergone a long history of development, beginning during the Prophet Muhammad's era and continuing to the present day. The evolution of waqf has been marked by various innovations, such as cash waqf, intellectual property waqf, and others (Ministry of Religious Affairs, 2013). Cash waqf became popular with the establishment of the Social Investment Bank Limited (SIBL) in Bangladesh, which introduced the world's first Cash Waqf Certificate (Djunaidi, 2007).

In Indonesia, cash waqf gained recognition following the issuance of a fatwa on cash waqf by the National Sharia Council of the Indonesian Ulema Council (DSN-MUI) in 2002. This fatwa contains five key points. First, cash waqf is a form of waqf performed by an individual, a group, an institution, or a legal entity in the form of cash. Second, the definition of cash includes securities. Third, cash waqf is permissible (*jawaz*). Fourth, the utilization and allocation of cash waqf must comply with Islamic law. Lastly, the principal value of cash waqf must be preserved, ensuring it cannot be sold, donated, or inherited.

The shift from fixed assets such as land and buildings to more liquid forms of waqf, like cash, has brought significant changes. This transition challenges the traditional view that waqf could only be performed with large amounts of wealth, thus making waqf accessible to all socioeconomic groups (Paul & Faudji, 2020).

Cash waqf, as part of the social finance system, has the potential to support the development of social investment, productive waqf, and the achievement of Sustainable Development Goals (SDGs) in Indonesia (Ministry of Finance, 2023). The Indonesian Waqf Board (BWI), as the *nazhir*, has sought to create cash waqf programs utilizing safe, profitable investment instruments that align with sharia principles and regulatory frameworks. In collaboration with Bank Indonesia (BI), the Ministry of Finance (MoF), the

Ministry of Religious Affairs (MoRA), the Productive Waqf Forum, and Sharia Financial Institutions for Cash Waqf (LKS-PWU), BWI introduced a program known as the Cash Waqf Linked Sukuk (CWLS) (Paul & Faudji, 2020).

CWLS refers to the investment of cash waqf funds in sovereign sukuk issued by the government to facilitate waqif (donors) in supporting community empowerment programs and social welfare initiatives (Ministry of Finance, 2020). The integration of sukuk and waqf optimizes the collection of social funds, ultimately improving the well-being of society inclusively (Bank Indonesia, 2021). The development of CWLS instruments has been supported by the government's commitment, alongside relevant authorities, to advancing the Islamic social finance sector in Indonesia. This shared commitment is formalized in a memorandum of understanding among the Ministry of Finance, Ministry of Religious Affairs, Bank Indonesia, and BWI to manage and develop waqf assets in the form of cash through sovereign sukuk (CWLS). Consequently, various efforts have been undertaken, such as establishing supportive regulations, designing CWLS business models, and marketing the CWLS instruments. The management of CWLS is carried out in strict compliance with sharia principles, as evidenced by the issuance of a sharia compliance statement from DSN-MUI regarding the permissibility of CWLS (Bank Indonesia, 2021).

On March 10, 2020, the government issued its first CWLS series through a private placement mechanism, amounting to IDR 50.85 billion with a five-year maturity. The initial CWLS investors (SW001) included hajj fund management institutions, national Islamic banks, Islamic social fund management organizations, LKS-PWU, and individual waqif (Bank Indonesia, 2021). As of 2023, six CWLS Private Placement series have been issued. The characteristics of each issuance are detailed below.

Table 1 Characteristics of Each CWLS Private Placement Issuance

CWLS Series	Nominal (Rp)	<i>Nazhir</i>	Yield (%)	Tenor	Issuance Date
SW001	50,85 Billion	BWI	6,15%	5 Years	March 10 2020
SW002	50 Billion	BWI	5,50%	5 Years	Juni 30, 2022
SW003	100 Billion	BWI	5,90%	2 Years	October 6, 2022
SW004	100 Billion	BWI	6,65%	5 Years	October 6, 2022
SW005	300 Billion	BWI	6,25%	2 Years	January 13, 2023
SW006	50 Billion	BWI	5,50%	5 Years	July 3, 2023

Sources: Bank Indonesia (2021), BWI (2022), Ministry of Finance (2022, 2023)

The first CWLS issuance (SW001) was predominantly supported by institutional waqif, with only minimal contributions from individual waqif. To address this, the Ministry of Finance introduced retail CWLS to enhance public accessibility to safe and productive cash waqf investments. With a minimum investment of just IDR 1 million, individuals can contribute to community empowerment programs and social welfare activities through CWLS (Ministry of Finance, 2020).

The yields (returns) from each CWLS issuance are allocated to predetermined social programs. SW001 focused on developing a Retina and Glaucoma Center at Achmad Wardi Eye Hospital, Banten, which included building renovations, purchasing medical equipment, procuring an ambulance, and providing free cataract surgeries for underprivileged groups (Bank Indonesia, 2021). Meanwhile, the returns from SW002 to SW006 were allocated to support the implementation of the Tri Dharma (Three Pillars) of Higher Education—education, research, and community service—at institutions such as Sepuluh Nopember Institute of Technology, Bogor Agricultural University, Bandung Institute of Technology, Padjadjaran University, Diponegoro University, Gadjah Mada University, and other universities (BWI, 2023).

The distribution of retail CWLS returns is more diverse than private placements due to collaborations between LKS-PWU (distribution partners) and nazhir, who manage social programs in areas such as education, health, and economic empowerment. These programs include scholarships and teacher welfare, mobile health clinics, micro and small business empowerment, agricultural and livestock development, and other initiatives. Based on these findings, CWLS has demonstrated significant benefits for societal welfare

(Berakon et al., 2022). Additionally, CWLS contributes to sustainable economic development by financing both commercial and social sectors. This financing supports productive sectors that drive the real economy, with returns allocated to critical social sectors, such as higher education institutions, disaster recovery funding, and other social programs (Rahayu & Agustianto, 2020).

Given the high impact of CWLS, the Islamic Development Bank (IsDB) awarded CWLS first place in the 2023 IsDB Prize for Impactful Achievement in Islamic Economics (Ministry of Finance, 2023).

Indonesia, as the world's most populous Muslim-majority country, has 231 million Muslims, representing 86.7% of its population (World Population Review, 2021). Additionally, Indonesia has maintained its position as the most generous country globally for six consecutive years (CAF World Giving Index, 2023). These factors represent a substantial opportunity to optimize productive waqf instruments like CWLS. The potential for cash waqf in Indonesia is estimated at IDR 180 trillion annually. However, as of 2023, the total cash waqf collected reached only IDR 2.07 trillion (including IDR 728 billion from CWLS) (Ministry of Finance, 2023). This indicates that the realization of cash waqf collection (including CWLS) remains far below its potential.

The suboptimal collection of cash waqf (including CWLS) is primarily attributed to low public literacy about waqf. Many people associate waqf solely with religious activities, resulting in a dominance of immovable waqf assets, such as land and buildings (Bank Indonesia, 2021). Limited public literacy also contributes to the underutilization of waqf funds for productive purposes, such as addressing public needs and fostering economic development (Komite Nasional Ekonomi dan Keuangan Syariah, 2019).

Table 2 Issuance of SWR001, SWR002, SWR003, and SWR004

	SWR001	SWR002	SWR003	SWR004
<b>Number of Waqif</b>	1,041	591	688	709
<b>Nazhir</b>	7	9	10	7
<b>LKS-PWU</b>	4	6	6	6
<b>Subscription Volume (IDR)</b>	14.91 Billion	24.14 Billion	38.25 Billion	112.56 Billion
<b>Offering Period</b>	Oct 9 – Nov 20 2020	Apr 9 – Jun 3, 2021	Apr 11- July 7, 2022	July 7 – Aug 31, 2023
<b>Issuance Date</b>	Nov 26 2020	Jun 9, 2021	Jul 13, 2022	Sep 6, 2023

Sources: Ministry of Finance (2020), BWI (2021), Ministry of Finance (2022)

CWLS was introduced as a government initiative to develop cash waqf using sovereign sukuk instruments. Its issuance is divided into two methods: private placement and book-building. The book-building method is referred to as retail CWLS. Retail CWLS aims to provide easier access for individuals to contribute to safe and productive cash waqf (Ministry of Finance, 2020). As of 2023, the government has issued four series of retail CWLS: SWR001, SWR002, SWR003, and SWR004. The number of waqif, nazhir, LKS-PWU, subscription volume, offering period, and issuance dates for these retail sukuk waqf are summarized in the table 2:

As shown in Table 2, the subscription volume for retail CWLS has steadily increased annually. However, the total subscription volume remains far below the estimated annual cash waqf potential of IDR 180 trillion (Ministry of Finance, 2023). This indicates limited public contribution to the newly developed cash waqf instruments (retail CWLS). Thus, optimizing the collection of retail CWLS funds is essential, as CWLS has proven to have a high impact on economic sustainability (Rahayu & Agustianto, 2020) and improving societal welfare inclusively (Bank Indonesia, 2021).

To optimize the fundraising of retail CWLS, it is essential to examine the factors that influence public intention to contribute through this instrument. Understanding the characteristics of the public based on their socioeconomic conditions and identifying the determinants of their intention to participate in retail CWLS will provide valuable insights. These insights can help formulate strategies to increase public awareness and engagement, thereby enhancing the collection of cash waqf through CWLS. By addressing these aspects, the potential of retail CWLS as a powerful tool for economic sustainability and societal welfare can be fully realized.

## LITERATURE REVIEW

### Cash Waqf Linked Sukuk

Cash Waqf Linked Sukuk (CWLS) refers to the investment of cash waqf funds in sovereign sukuk issued by the government to facilitate waqif (donors) in programs aimed at empowering the community economically and supporting social welfare initiatives (Ministry of Finance, 2020). CWLS is designed as an instrument to promote the development of productive waqf, with investment returns utilized for creating new waqf assets and financing social activities. One of the key

advantages of CWLS is its multiplier effect, achieved through the provision of public facilities under effective governance and with minimal risk, as it is backed by the government (Bank Indonesia, 2021).

Every Islamic philanthropic instrument, including productive waqf, serves specific objectives during its development. According to Paul and Faudji (2020), the development objectives of CWLS are to support innovation in Islamic financial and social investment sectors in Indonesia, provide a secure investment platform for cash waqf through sovereign sukuk, consolidate Islamic social funds for financing social projects and programs outside the government budget (APBN/APBD), diversify both investors and instruments for state securities (SBN), promote the growth of the Islamic financial market, particularly the cash waqf sector, and encourage the diversification of Islamic banking services by optimizing the role of Sharia Financial Institutions for Cash Waqf (LKS-PWU).

CWLS involves five key stakeholders: Bank Indonesia acts as an accelerator and custodian bank for CWLS; the Indonesian Waqf Board (BWI) serves as a regulator, leader, and nazhir managing CWLS; the Ministry of Finance issues sovereign sukuk and manages funds in the real sector; LKS-PWU as partner nazhir collects cash waqf funds and distributes returns to the beneficiaries (mauquf 'alaih); and the Ministry of Religious Affairs formulates supportive policies related to waqf empowerment and management (Nisa, 2021).

The issuance of CWLS is categorized into two methods: private placement and bookbuilding. In the private placement method, BWI, acting as nazhir, submits a proposal for waqf fund placement, and the government issues CWLS based on the requested amount and maturity period determined by BWI as the investor. Meanwhile, the bookbuilding method is applied to retail CWLS, where distribution partners (sales agents) such as LKS-PWU facilitate the process. The mechanisms of CWLS Private Placement and Retail CWLS are depicted in accompanying diagrams.

To support the social investment instrument (CWLS), the Ministry of Finance issued Regulation PMK No. 139/PMK.08/2018, amending PMK No. 239/PMK.08/2012 on the Issuance and Sale of SBSN through Private Placement. This regulation relaxed the minimum issuance limit for social investment schemes to IDR 50 billion (Bank Indonesia, 2021). The updated regulation facilitated the issuance of the inaugural CWLS and subsequent private placements. Retail CWLS is regulated under PMK No. 69/PMK.08/2020, which

amended PMK No. 199/PMK.08/2012 concerning the Issuance and Sale of SBSN through Bookbuilding in the Domestic Primary Market. These amendments aimed to enhance social investment, particularly retail CWLS.

To build and maintain public trust in CWLS, management adheres strictly to sharia principles. This is evidenced by the issuance of Sharia Compliance Statements (Pernyataan Kesesuaian Syariah) from the National Sharia Council (DSN-MUI) for each CWLS issuance, such as Statement No. B-109/DSN-MUI/II/2019 for SW001 and Statement No. S-578/DSN-MUI/IX/2020 for SWR001. This ensures that CWLS complies with Islamic principles and promotes confidence among donors.

### Determinants of Behavioral Intention: A Theory of Planned Behavior Perspective

The **Theory of Planned Behavior (TPB)** provides a comprehensive framework for understanding the factors influencing individuals' intentions to participate in CWLS. TPB posits that intention is determined by three key constructs: attitude, subjective norms, and perceived behavioral control (Ajzen, 1991). In the context of CWLS, these constructs have been explored extensively:

1. **Attitude:** Attitude reflects an individual's evaluation of CWLS as a socially impactful and economically sustainable instrument. Studies have consistently found a positive correlation between favorable attitudes and the intention to participate in cash waqf (Sahal et al., 2020; Pratama, 2022).

2. **Subjective Norms:** Subjective norms pertain to the influence of social pressures or expectations from significant others, such as family, peers, and religious leaders. Research indicates that supportive social norms enhance participation in waqf schemes (Osman & Muhammed, 2017; Faisal, 2019).

3. **Perceived Behavioral Control:** This construct captures an individual's perception of ease or difficulty in engaging with CWLS. Accessibility, transparency, and the simplicity of investment mechanisms significantly influence this perception (Musyirah et al., 2023).

### Intention in the Context of CWLS

Behavioral intention, as defined in TPB, refers to an individual's readiness to perform a specific behavior. In the context of CWLS, intention encompasses the willingness of individuals to contribute funds toward the instrument. Attitudes, subjective norms, and perceived behavioral control work collectively to shape this intention. For instance,

individuals with a positive outlook on the social and economic benefits of CWLS are more likely to exhibit stronger intentions to participate. Similarly, encouragement from peers and religious leaders, combined with a perception of ease in the waqf process, further enhances this intention (Ajzen, 1991; Osman & Muhammed, 2017).

Empirical evidence underscores the significance of intention in CWLS adoption. Homisah (2021) highlighted that perceived behavioral control and trust were critical in shaping intentions, while Berakon et al. (2022) demonstrated that trust mediates the relationship between perceived benefits and intention. Additionally, Sahal et al. (2020) identified religiosity as a complementary factor that influences intention through its impact on attitudes and subjective norms.

### The Role of Trust in Waqf Institutions

Trust in waqf institutions, particularly nazhir, plays a pivotal role in fostering donor confidence. Nazhir institutions are responsible for managing and allocating waqf funds effectively and transparently. Key attributes of trust include transparency, accountability, competence, and integrity. A lack of trust has been identified as a major barrier to public participation in waqf schemes. Conversely, enhanced trust significantly boosts donor confidence and intention (Wulandari, 2017; Berakon et al., 2022).

Empirical studies highlight the importance of trust in promoting CWLS adoption. For instance, Berakon et al. (2022) demonstrated that trust mediates the relationship between perceived usefulness and intention to participate in retail CWLS. Similarly, Sadri (2019) emphasized that institutional transparency and accountability are critical determinants of trust.

### Empirical Evidence from Prior Studies

A review of prior studies underscores the multifaceted nature of factors influencing participation in CWLS and similar waqf instruments. For example, Osman and Muhammed (2017) found that attitudes, subjective norms, and perceived behavioral control significantly influenced the intention to contribute to cash waqf in Malaysia. In the Indonesian context, Homisah (2021) identified trust and perceived behavioral control as critical factors driving CWLS participation. Additionally, Berakon et al. (2022) highlighted the mediating role of trust and the moderating effect of religiosity on intention.

The potential of CWLS as a transformative instrument for Islamic social finance is immense. However, several challenges must be addressed to

unlock its full potential. Low public literacy regarding waqf, traditional perceptions of waqf as immovable assets, and limited marketing efforts hinder wider adoption (KNEKS, 2019). On the other hand, Indonesia's position as the world's most generous nation (CAF World Giving Index, 2023) and its large Muslim population present significant opportunities for growth. By addressing these challenges through targeted educational campaigns and enhanced institutional transparency, CWLS can serve as a model for integrating Islamic philanthropy with sustainable development.

## RESEARCH METHODS

This study utilized both primary and secondary data to ensure a robust and comprehensive analysis. Primary data were collected using structured questionnaires distributed to eligible respondents. The questionnaire was designed based on theoretical constructs from the Theory of Planned Behavior (TPB) framework (Ajzen, 1991), incorporating items that measured attitudes, subjective norms, perceived behavioral control, trust, and intention to participate in CWLS. Responses were captured on a Likert scale ranging from 1 ("Strongly Disagree") to 5 ("Strongly Agree"). Secondary data were sourced from institutional

reports issued by the Ministry of Religious Affairs, the Ministry of Finance, Bank Indonesia, and the Indonesian Waqf Board. Peer-reviewed journals, books, and other academic references also provided theoretical and contextual support for the study.

To identify respondents meeting specific inclusion criteria, a purposive sampling method was employed. Participants were required to be Muslims, aged 17 years or older, and residents of West Java, ensuring the sample reflected individuals likely to engage in CWLS. The sample size was set at 100 respondents, consistent with Chin's (2000) recommendation that SEM-PLS models require between 30 and 100 samples for exploratory studies.

Data analysis combined descriptive analysis and Structural Equation Modelling–Partial Least Squares (SEM-PLS). Descriptive analysis summarized respondents' socioeconomic characteristics, such as gender, age, educational attainment, occupation, and income, with results presented in tabular and graphical formats for clarity. SEM-PLS was selected for its ability to simultaneously test measurement and structural models, particularly useful for research with theoretical extensions or smaller sample sizes. The analysis was conducted using SmartPLS 4 software.

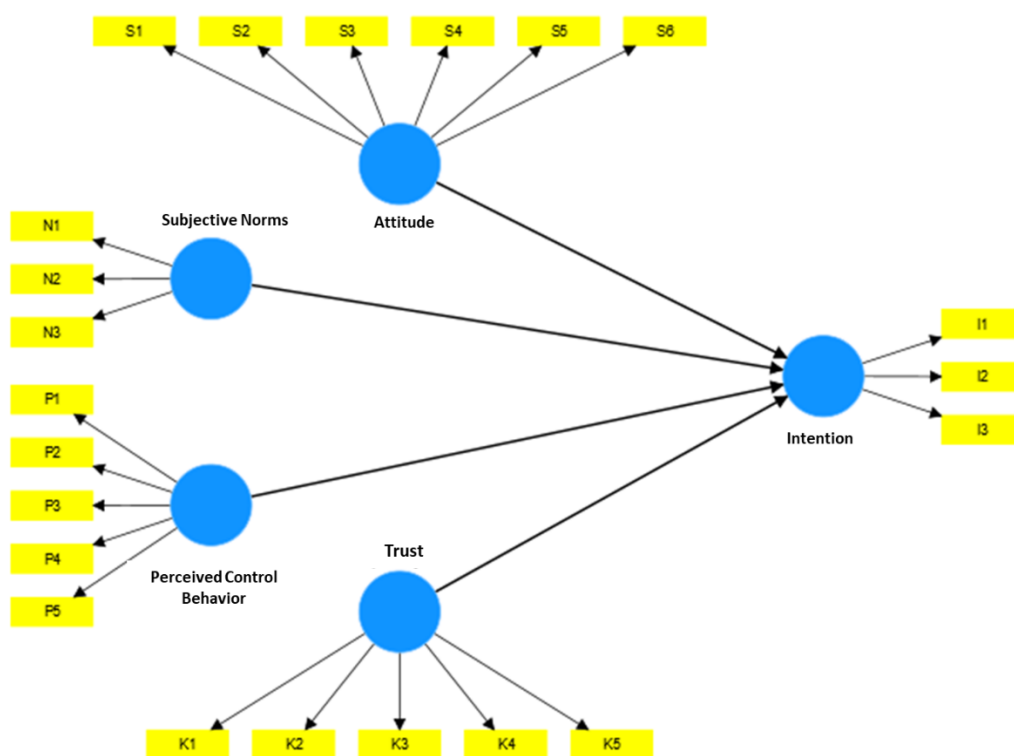


Figure 1. Conceptual Framework

The evaluation process for the SEM-PLS analysis began with the measurement model (outer

model). Convergent validity was assessed through factor loadings, where values exceeding 0.7 indicated strong

item contributions to their constructs (Hair et al., 2019). The Average Variance Extracted (AVE) was calculated, with values  $\geq 0.5$  signifying that constructs explained more variance than measurement error (Fornell & Larcker, 1981). Discriminant validity was verified using cross-loading analysis and the Fornell-Larcker criterion, ensuring that each construct's square root of AVE exceeded its correlations with other constructs. Internal consistency reliability was confirmed with composite reliability and Cronbach's alpha, with thresholds of 0.7 and 0.6, respectively.

Structural model evaluation (inner model) tested the hypothesized relationships between latent variables. Metrics included path coefficients, evaluated for direction and strength through bootstrapping with 5,000 resamples (Chin, 1998). The R-squared ( $R^2$ ) values measured explanatory power, categorized as substantial (0.75), moderate (0.50), or weak (0.25) (Hair et al., 2019). Effect size ( $f^2$ ) was interpreted using Cohen's guidelines, with values of 0.02, 0.15, and 0.35 representing small,

medium, and large effects, respectively. Predictive relevance ( $Q^2$ ) was assessed via the blindfolding procedure, with  $Q^2$  values greater than zero indicating predictive accuracy (Hair et al., 2019).

The study adhered to ethical research practices. Respondents were informed about the study's purpose, assured of their confidentiality, and provided informed consent before participation. Participation was entirely voluntary, and no identifying information was collected to protect respondent privacy.

## ANALYSIS AND DISCUSSION

### Respondent Characteristics

The respondents in this study comprised 100 Muslim residents of West Java. The survey results concerning respondent characteristics include gender, age, domicile, education, occupation, income, and waqf experience.

Table 3 Respondent characteristic

Characteristic	Category	Frequency	Percentages (%)
Gender	Male	47	47
	Female	53	53
Age	17-20 years old	4	4
	21-30 years old	59	59
	31-40 years old	34	34
	41-50 years old	3	3
Domicile	Bandung	11	11
	Banjar	2	2
	Bekasi	24	24
	Bogor	20	20
	Ciamis	2	2
	Cianjur	1	1
	Cimahi	2	2
	Cirebon	3	3
	Depok	9	9
	Garut	3	3
	Indramayu	2	2
	Karawang	5	5
	Kuningan	1	1
	Majalengka	2	2
	Pangandaran	1	1
	Purwakarta	2	2
	Subang	2	2
Sumedang	2	2	
Sukabumi	4	4	
Tasikmalaya	2	2	

Last Education	Junior High School	2	2
	Senior High School	33	33
	Diploma	11	11
	Bachelor	49	49
	Master/Doctoral	5	5
Occupation	Students	8	8
	Teacher/Lecturer	7	7
	Government Employee	15	15
	Private Employee	47	47
	Entrepreneur	20	20
	Homemaker	3	3
Income	≤ IDR 3 Billion	20	20
	> IDR 3 Billion – IDR 5 Billion	43	43
	> IDR 5 Billion – IDR 10 Billion	35	35
	> IDR 10 Billion – IDR 20 Billion	2	2
Waqf Experience	Yes	73	73
	No	27	27

Source: Own estimation (2023)

As shown in Table 3, the respondents consisted of 47 males and 53 females. The majority (59 respondents) were between 21-30 years old. Regarding domicile, most respondents were from Bekasi (24 respondents) and Bogor (20 respondents). Education-wise, 49 respondents had completed a bachelor's degree, followed by 33 respondents who had a senior high school diploma. In terms of occupation, the majority

were private employees (47 respondents), followed by entrepreneurs (20 respondents). Regarding income, respondents earning between IDR 3-5 million and IDR 5-10 million were dominant, with 43 and 35 respondents, respectively. Furthermore, 73 respondents had prior waqf experience, while 27 had not.

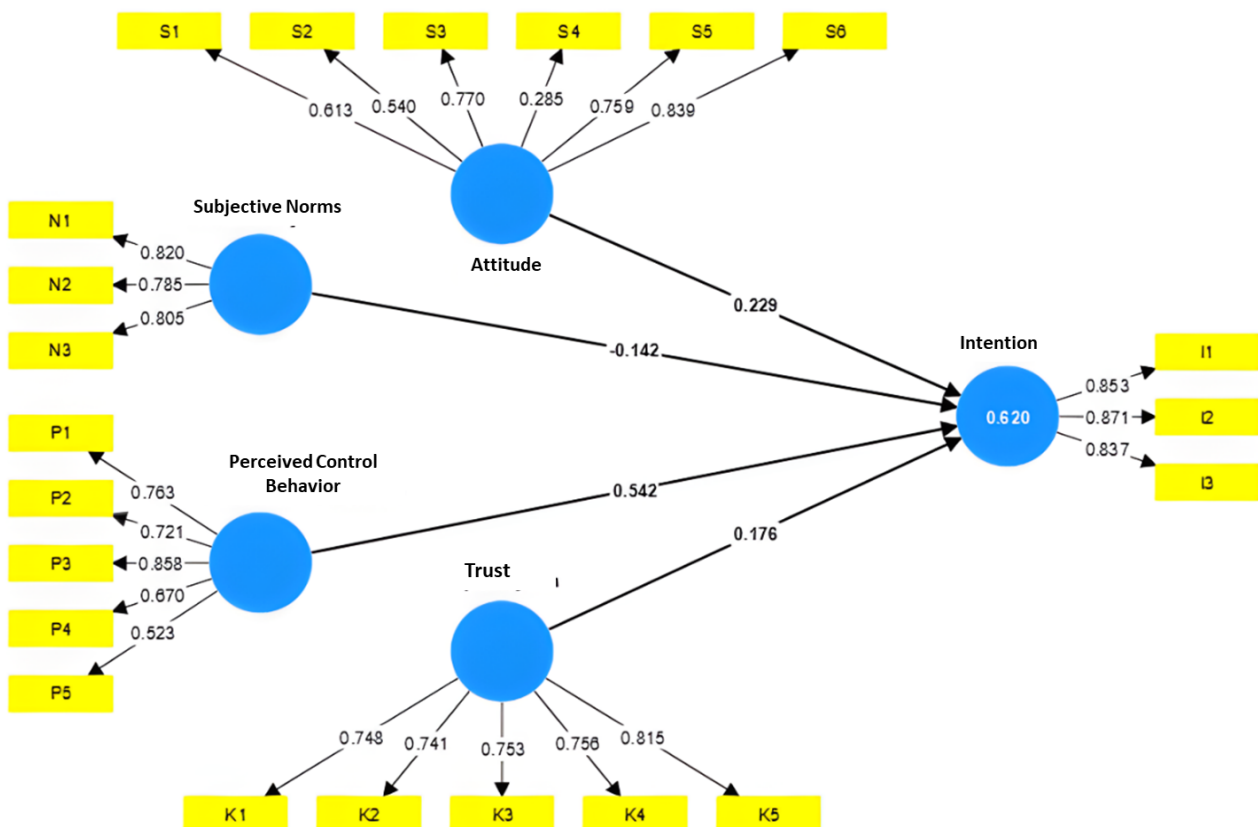


Figure 2. Loading Factor Test Results

### Structural Equation Model – Partial Least Square (SEM-PLS)

Data analysis to explore factors influencing societal intention to participate in cash waqf through CWLS Retail utilized SEM-PLS with the SmartPLS 4 software. Variables measured in this study include Attitude (X1), Subjective Norm (X2), Perceived Behavioral Control (X3), Trust (X4), and Intention (Y). The SEM-PLS analysis involved two stages: Outer Model (Measurement Model) and Inner Model (Structural Model) assessments.

#### 1. Measurement Model Analysis (Outer Model)

##### a. Convergent Validity

Convergent validity is assessed based on the correlation

between the indicator scores and their constructs (loading factor). Indicators are considered valid if their loading factor exceeds 0.7, with no need to remove any indicators. According to Haryono (2016), indicators with loading factors exceeding 0.5 are still acceptable. The loading factor output is illustrated in the following diagram.

Based on Figure 2, one indicator has a loading factor below 0.5 and must be eliminated to achieve a good model. The eliminated indicator is S4 from the latent variable Attitude, with a loading factor of 0.285. The following results show the loading factors after eliminating S4 to meet the requirement of a loading factor > 0.5.

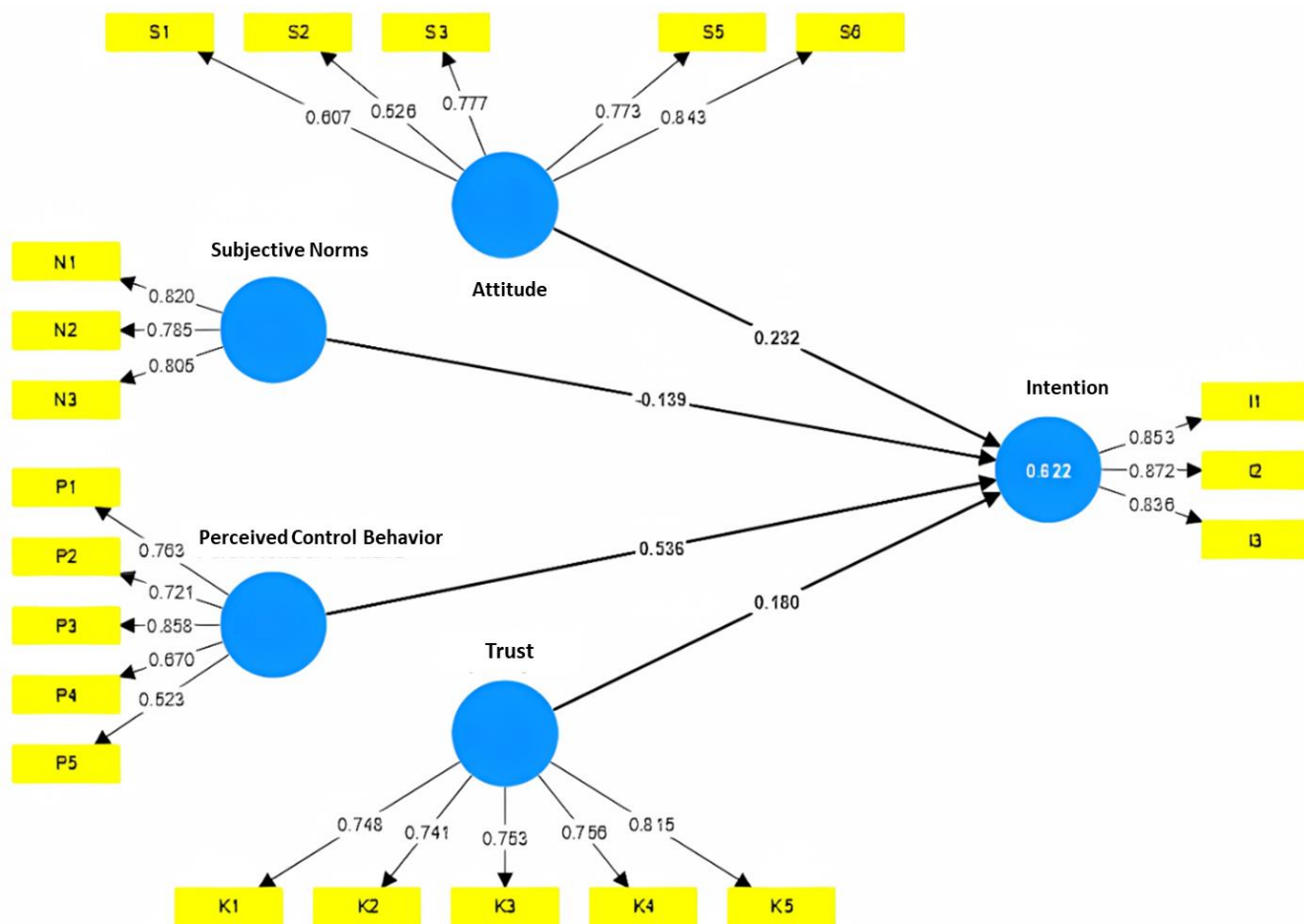


Figure 3. Re-Test Results of Loading Factors

As shown in Figure 3, the re-test results indicate that each indicator has a loading factor > 0.5. Thus, all indicators are valid measures of their variables. The second stage of the convergent validity test examines the

Average Variance Extracted (AVE). For good convergent validity, the AVE value for each latent variable must exceed 0.5. The AVE values are presented in Table 4.

Table 4 AVE Values

Latent Variable	AVE
Attitude	0.512
Subjective Norm	0.646
Perceived Behavioral Control	0.513
Trust	0.582
Intention	0.729

Source: Own estimation (2023)

As shown in Table 4, all AVE values for the latent variables are  $> 0.5$ , fulfilling the criteria for good convergent validity. This indicates that each latent variable explains 50% or more of the variance in its indicators.

Discriminant validity is evaluated through the correlation values in the cross-loading matrix. If the loading of an indicator on its latent variable is higher than its loadings on other latent variables, the latent variable is said to possess good discriminant validity.

#### b. Discriminat Validity

Table 5 Cross loading values

	Attitude	Subjective Norms	Perveived Behavior Control	Trust	Intention
S1	<b>0.607</b>	0.271	0.379	0.344	0.359
S2	<b>0.526</b>	0.507	0.418	0.417	0.298
S3	<b>0.777</b>	0.467	0.507	0.476	0.472
S5	<b>0.773</b>	0.480	0.547	0.509	0.463
S6	<b>0.843</b>	0.557	0.671	0.689	0.656
N1	0.503	<b>0.820</b>	0.509	0.467	0.369
N2	0.552	<b>0.785</b>	0.445	0.479	0.289
N3	0.496	<b>0.805</b>	0.460	0.411	0.359
P1	0.673	0.490	<b>0.763</b>	0.642	0.508
P2	0.482	0.509	<b>0.721</b>	0.500	0.572
P3	0.681	0.549	<b>0.858</b>	0.749	0.656
P4	0.376	0.301	<b>0.670</b>	0.425	0.482
P5	0.321	0.194	<b>0.523</b>	0.362	0.468
K1	0.519	0.353	0.516	<b>0.748</b>	0.488
K2	0.529	0.403	0.598	<b>0.741</b>	0.496
K3	0.611	0.518	0.564	<b>0.753</b>	0.498
K4	0.396	0.440	0.608	<b>0.756</b>	0.520
K5	0.622	0.424	0.628	<b>0.815</b>	0.569
I1	0.592	0.308	0.643	0.575	<b>0.853</b>
I2	0.631	0.449	0.662	0.629	<b>0.872</b>
I3	0.449	0.329	0.640	0.520	<b>0.836</b>

Source: Own Estimation (2023)

As seen in Table 5, the loading of each indicator on its latent variable is higher than its loadings on other latent variables. Thus, the model fulfills the discriminant validity requirement without needing further indicator reduction.

#### c. Composite Reliability

Reliability testing can be measured using composite reliability. A variable is considered reliable if its composite reliability value exceeds 0.7. As shown in Table 6, all variables have composite reliability values above 0.7, indicating good reliability.

Table 6 Composite reliability

Latent Variable	Composite Reliability
Attitude	0.836
Subjective Norm	0.845
Perceived Behavioral Control	0.837
Trust	0.874
Intention	0.890

Source: Own Estimation (2023)

d. **Cronbach's Alpha**

Reliability can also be assessed using Cronbach's Alpha. According to Ghozali and Latan (2015), a good Cronbach's Alpha value exceeds 0.7.

Table 7 demonstrates that all variables have Cronbach's Alpha values > 0.7, confirming that all variables are reliable.

Table 7 Cronbach's Alpha

Latent Variable	Cronbach's Alpha
Attitude	0.754
Subjective Norm	0.728
Perceived Behavioral Control	0.752
Trust	0.820
Intention	0.814

Source: Own Estimation (2023)

2. **Structural Model Analysis (Inner Model Test),**

a. **Coefficient of Determination or Goodness of Fit (R<sup>2</sup>)**

According to Ghozali (2015), the coefficient of determination (R-square) indicates how much exogenous variables affect endogenous variables. Below is the R-square value for the variable of intention to donate through CWLS Retail:

Table 8. R-square Value

	R-square	Adjusted R-square
Intention to Donate via CWLS Retail	0.622	0.606

Source: Own Estimation (2023)

Based on Table 8, the R-square value for the intention to donate through CWLS Retail is 0.622. According to Chin (1998), this R-square value is categorized as moderate. This indicates that the variables of attitude, subjective norm, perceived behavioral control, and trust explain 62.2% of the influence on the intention to donate through CWLS Retail, while 37.8% is influenced by other variables outside this research model.

b. **Path coefficient**

The path coefficient value is used to assess whether exogenous variables have an effect on endogenous variables. Hypothesis testing can be examined through the results of bootstrapping in the path coefficient to identify variables with significant or insignificant effects. A hypothesis is accepted if the t-statistic value > 1.96 (at a 5% significance level) or p-value < 0.05.

Tabel 9. Path coefficient Values

	Original Sample (O)	Sample mean (M)	Standard Deviation (STDEV)	T-statistics (O/STDEV)	P-value	Result
S → I	0.232	0.226	0.099	2.332	0.020	H <sub>1</sub> accepted
N → I	-0.139	-0.127	0.085	1.641	0.101	H <sub>2</sub> rejected
P → I	0.536	0.545	0.110	4.888	0.000	H <sub>3</sub> accepted
K → I	0.180	0.172	0.124	1.449	0.147	H <sub>4</sub> rejected

Source: Own estimation (2023)

Based on the path coefficient values in Table 9, the influence of attitude, subjective norm, perceived behavioral control, and trust on the intention to donate through CWLS Retail can be explained as follows:

### The Influence of Attitude on Intention to Donate via CWLS

In Table 9, the variable of attitude has a t-statistic value of 2.332 with respect to the intention variable, meaning the t-statistic value (2.332) > t-table value (1.96). The original sample value also indicates a positive relationship with a value of 0.232. These results show that attitude has a positive and significant effect on the community's intention to donate through CWLS Retail.

The indicators contributing the most to the attitude variable are S6 and S3, with loading factor values of 0.843 and 0.777, respectively.

Thus, it can be concluded that the stronger the community's positive attitude toward CWLS Retail, the greater their intention to donate through it. This aligns with the Theory of Planned Behavior (TPB), which states that attitude influences intention. This finding is also consistent with studies by Nuraini et al. (2018), Faisal (2019), and Pamungkas & Fitianto (2022), which found that attitude significantly influences the intention to donate cash.

### The Influence of Subjective Norms on Intention to Donate via CWLS

In Table 9, the subjective norm variable has a t-statistic value of 1.641 with respect to the intention variable, meaning the t-statistic value (1.641) < t-table value (1.96). Thus, hypothesis 2 (H2) is rejected, indicating that subjective norms do not influence the community's intention to donate through CWLS Retail.

This means that regardless of support from close individuals, it does not affect the community's intention to donate through CWLS Retail. This finding contrasts with TPB, which states that subjective norms influence intention, but aligns with studies by Homisah (2021) and Pratama (2022), which showed that

subjective norms did not influence the intention to donate through cash waqf linked sukuk. According to Osman et al. (2015), this could be due to the voluntary nature of cash waqf, which depends on an individual's decision to donate.

### The Influence of Perceived Behavioral Control on Intention to Donate via CWLS

In Table 9, the perceived behavioral control variable has a t-statistic value of 4.888 with respect to the intention variable, meaning the t-statistic value (4.888) > t-table value (1.96). The original sample value of 0.536 indicates a positive relationship. These results show that perceived behavioral control has a positive and significant effect on the community's intention to donate through CWLS Retail.

The indicators contributing the most to perceived behavioral control are P3 and P1, with loading factor values of 0.858 and 0.763, respectively.

It can be concluded that the intention to donate through CWLS Retail becomes stronger when there are more facilitating factors for donation. This finding aligns with TPB and studies by Witjaksono et al. (2019) and Musyirah et al. (2023), which also showed that perceived behavioral control significantly influences the intention to donate cash.

### The Influence of Trust on Intention to Donate via CWLS

In Table 9, the trust variable has a t-statistic value of 1.449 with respect to the intention variable, meaning the t-statistic value (1.449) < t-table value (1.96). Thus, hypothesis 4 (H4) is rejected, indicating that trust does not influence the community's intention to donate through CWLS Retail.

This finding contrasts with Berakon et al. (2022), who found that trust significantly influences the intention to donate through CWLS Retail. However, it aligns with Sahal et al. (2020), which found that trust does not influence the intention of Muslim communities to contribute to waqf shares.

In the context of West Java, Muslim communities do not consider trust in nazhir (waqf management institutions) a priority factor, as their intention is supported by strong attitudes and perceived behavioral control. This is evident from the large number of CWLS Retail donors originating from West Java. For SWR001, West Java was the province with the highest number of donors (272). Similarly, West Java ranked second for the highest number of new donors for SWR002, with 102 donors (BWI 2021).

## CONCLUSION

This study provides valuable insights into the factors influencing the intention of the Muslim community in West Java to participate in Cash Waqf Linked Sukuk (CWLS) Retail, as well as their socio-economic characteristics. Based on a survey of 100 respondents, the socio-economic profile reveals that the respondents were nearly evenly divided between males and females, with the majority aged between 21–30 years. Most respondents resided in Bekasi and Bogor, held a bachelor's degree, worked as private employees, and earned a monthly income in the range of IDR 3,000,001 to IDR 5,000,000.

The results of the structural equation modeling (SEM-PLS) analysis highlight that attitude and perceived behavioral control significantly influence the intention to participate in CWLS Retail. These findings align with the Theory of Planned Behavior (TPB), which emphasizes the critical role of these factors in shaping behavioral intentions. However, subjective norms and trust were found to have no significant effect on the intention to engage in CWLS Retail. This indicates that, for the Muslim community in West Java, internal factors such as personal attitudes and perceived ease of participating in CWLS play a more crucial role than external influences or trust in waqf institutions.

Based on these findings, several recommendations are proposed. First, the Indonesian Waqf Board (BWI) is encouraged to conduct extensive and targeted socialization and education campaigns to increase public understanding of CWLS and maintain a positive attitude towards the program. These efforts are expected to motivate greater participation in CWLS Retail in the future. Second, future researchers are advised to expand the sample size and incorporate additional variables, such as product knowledge, respondent motivation, and prior waqf experience, to further explore the factors affecting the intention to participate in CWLS. Additionally, examining the performance of CWLS program management would

provide deeper insights into optimizing its implementation. This study contributes to the growing body of literature on Islamic philanthropy and offers practical implications for enhancing the adoption of CWLS as an innovative waqf instrument in Indonesia.

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