

Mediating Role of Digital Sharia Financial Literacy in the Relationship between Social Media Marketing and Generation Z's Intention to Participate in Waqf and Zakat

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ABSTRACT

The stagnation of waqf and zakat collection among Indonesia's digitally native Generation Z has prompted Islamic philanthropic institutions to intensify social media marketing. However, the mechanism through which such campaigns translate into donation intention remains underexplored. This qualitative study investigates the mediating role of digital sharia financial literacy in linking social media marketing exposure to Generation Z's interest in waqf and zakat. Employing a phenomenological approach, semi-structured interviews were conducted with 28 Generation Z individuals (aged 17–27) in Greater Jakarta, who actively engaged with Islamic digital content. Thematic analysis, guided by Hayes mediation logic adapted for qualitative inquiry, revealed four overarching themes: (1) pervasive but passive social media marketing reach, (2) fragmented digital sharia financial literacy, (3) evolving philanthropic intention from awareness to action, and (4) literacy as a cognitive gateway that filters, interprets, and validates marketing messages. The findings demonstrate that digital Sharia financial literacy fully mediates the relationship when marketing content is perceived as complex or untrustworthy, yet plays a partial mediating role for simple, affect-driven campaigns. This study contributes a mediating literacy framework that integrates the Theory of Planned Behavior and media literacy models, offering actionable insights for digital da'wah strategists and Islamic fintech developers to design educational content embedded within promotional narratives.

Keywords: Digital Sharia Financial Literacy, Social Media Marketing, Waqf, Zakat, Generation Z, Mediating Effect

INTRODUCTION

Islamic social finance, epitomized by zakat (obligatory alms) and waqf (religious endowment), is a cornerstone of redistributive justice and sustainable development in Muslim-majority societies. Indonesia, home to the world's largest Muslim population, holds immense potential for zakat and Waqf mobilization. The National Amil Zakat Agency (BAZNAS) estimated the national zakat potential at IDR 327.6 trillion in 2023, yet the actual collection barely surpassed IDR 31 trillion (BAZNAS, 2023). Similarly, the Indonesian Waqf Board (BWI) projected cash waqf potential at IDR 180 trillion per annum, with a realized accumulation below 5% of that figure. This glaring gap signals not only operational inefficiency but also a profound disconnect between the philanthropic supply capacity of Muslims and their actual donation behavior, particularly among the digitally immersed Generation Z cohort (Hoirullah & Adiba, 2026).

Generation Z, defined as those born between 1997 and 2012, constitutes approximately 27.94% of Indonesia's population (BPS, 2020). They are characterized by digital nativity, high social media consumption averaging 3.5 hours daily on platforms such as Instagram, TikTok, and YouTube (We Are Social, 2024) and a value-driven orientation toward social causes. Paradoxically, despite their technological fluency and stated altruism, Generation Z's participation in formal zakat and waqf channels is marginal. A 2023 survey by the Indonesian Philanthropy Association revealed that only 18% of Gen Z respondents had ever performed zakat through official institutions, and less than 7% had engaged in cash waqf, with the majority citing a lack of understanding and trust as the primary barriers. This underutilization represents a critical missed opportunity, not only for resource mobilization but also for cultivating a lifelong habit of structured Islamic giving (Citra & Fitriah, 2026).

In response, zakat management organizations (OPZ) and waqf institutions have aggressively adopted social media marketing to penetrate the Gen Z segment. Campaigns featuring micro-video storytelling,

influencer endorsements, gamified donation challenges, and interactive Islamic content have proliferated on Instagram Reels, TikTok, and YouTube Shorts. Social media marketing offers unparalleled advantages for philanthropic causes: cost-effective reach, precise demographic targeting, peer-to-peer credibility through user-generated content, and the ability to evoke emotional immediacy (Afrianti et al., 2026). However, the mere volume of exposure does not linearly convert into donation intention. Industry reports indicate that click-through rates on Islamic giving ads hover around 1.2–1.8%, while conversion-to-donation rates rarely exceed 0.3% (DDTC, 2024). This phenomenon raises a fundamental research question: What cognitive and affective mechanisms intervene between social media marketing exposure and Generation Z's intention to donate waqf and zakat?

One promising explanatory construct is digital Sharia financial literacy. Financial literacy, traditionally defined as the ability to understand and effectively use financial skills, has been extended to the digital realm with the inclusion of competencies for navigating digital payment systems, evaluating online financial information, and safeguarding personal data (OECD, 2018). In the context of Islamic finance, Sharia financial literacy further encompasses knowledge of fiqh muamalah, the principles of zakat calculation (nisab and haul), types of waqf (cash, land, productive), and the ability to assess the Sharia compliance and credibility of digital collection platforms. Therefore, digital sharia financial literacy represents a multidimensional capability set that empowers individuals to make informed, confident, and religiously grounded philanthropic decisions in an online environment (Rijadi et al., 2025).

The nexus among social media marketing, digital Sharia financial literacy, and donation intention can be conceptually framed through dual-process persuasion theories, such as the Elaboration Likelihood Model and the Theory of Planned Behavior (TPB; Ajzen, 1991). Social media marketing often operates via peripheral cues—attractive visuals, celebrity endorsers, and emotional appeals—that generate initial interest but may be insufficient to overcome barriers rooted in skepticism or ignorance. Digital sharia financial literacy, functioning as a central-route cognitive resource, enables deeper elaboration: a literate individual can scrutinize the authenticity of a waqf campaign, verify the legal standing of a nazhir (waqf manager), and understand how digital payment gateways comply with sharia contracts. Consequently, literacy may mediate the path from marketing exposure to behavioral intention by transforming superficial awareness into a trust-based, knowledge-driven conviction. Despite its theoretical plausibility, empirical investigations of this mediating mechanism, particularly in Islamic social finance and among Indonesian Generation Z, remain absent from the literature. Previous studies have examined the direct effect of social media on zakat intention or the influence of Islamic financial literacy on saving or investment behaviour; however, no study has integrated these variables into a mediating model within the waqf–zakat domain (Syairi et al., 2025).

Moreover, the epistemological lens adopted in extant research is predominantly quantitative, relying on variance-based structural equation modeling that captures statistical relationships but elides the lived experience and meaning-making processes of donors. Generation Z's philanthropic journey is deeply contextual and shaped by social media algorithms, peer discourse, fragmented religious learning, and digital platform affordances. Thus, a qualitative inquiry is imperative to uncover how and why digital Sharia financial literacy intervenes, the conditions under which it strengthens or weakens, and the nuanced ways in which Gen Z individuals negotiate marketing messages. This study addresses this gap by posing the following research questions:

- How do Generation Z individuals in Indonesia experience and interpret social media marketing messages that promote waqf and zakat?
- What dimensions of digital Sharia financial literacy do they draw upon when evaluating such messages?
- In what ways does digital Sharia financial literacy mediate the relationship between social media marketing exposure and the intention to participate in waqf and zakat?

The significance of this study is threefold. Academically, it extends the TPB and media literacy frameworks to Islamic philanthropic behavior by introducing a qualitative mediation lens, thereby enriching theoretical discourse on digital Islamic finance. Managerially, the findings offer actionable insights for OPZ, BWI, and Islamic fintech firms to design integrated marketing-education strategies that embed financial literacy content within social media campaigns, fostering both immediate donation intention and long-term empowerment. Socially, enhancing Gen Z's digital Sharia financial literacy may catalyze a cultural shift toward sustained, formalized giving, ultimately bridging Indonesia's zakat–waqf gap and advancing the Sustainable Development Goals. The remainder of this article is structured as follows: Section 2 reviews the literature underpinning social media marketing, digital Sharia financial literacy, and philanthropic intention; Section 3 delineates the phenomenological methodology; Section 4 presents thematic findings supported by tables and figures; Section 5 discusses theoretical and practical implications; and Section 6 concludes with limitations and future research directions.

LITERATURE REVIEW

Social Media Marketing for Islamic Philanthropy

Social media marketing refers to the use of social networking platforms to communicate brand value, engage consumers, and stimulate desired actions (Tuten & Solomon, 2017). Its distinctive affordances interactivity, user-generated content, virality, and algorithmic personalization render it especially potent for cause-related marketing. In the philanthropic domain, social media reduces information asymmetry, humanizes beneficiaries through storytelling, and fosters a sense of community around shared values (Ahmad Rizki Suwardi et al., 2025). For Islamic philanthropy, platforms such as Instagram, TikTok, and WhatsApp have become the primary channels through which zakat and waqf institutions disseminate campaign messages, from emotional videos of mustahik (recipients) to infographics detailing nisab calculations and interactive live sessions with ustadz (religious teachers).

The extant literature documents a positive relationship between social media marketing activities and donation intentions. Social media serves as a hybrid element of the promotion mix, enabling consumers to become brand advocates. Social media marketing significantly enhances brand equity and purchase intention in luxury fashion, a framework later adapted to nonprofit contexts. Within Islamic giving, social media marketing, particularly through influencers and emotional content, positively affected zakat payment intention among Indonesian millennials. Message credibility, perceived usefulness of information, and interactivity on Instagram predicted waqf participation intention (Kaya & Aydeniz, 2025).

Nevertheless, the direct-effect paradigm has been critiqued for overlooking cognitive processing of media content. The Elaboration Likelihood Model posits that persuasion occurs via central (high-involvement, argument-based) and peripheral (low-involvement, cue-based) routes, and attitude change through the central route tends to be more enduring and predictive of behavior. Social media marketing often relies on peripheral cues—short video formats, emotional music, endorsements that may generate transient interest but not sustained behavioral commitment, especially for religious obligations perceived as complex. For Generation Z, who are adept at scrolling past content and possess a high degree of advertising skepticism, mere exposure is insufficient. Thus, a mediating cognitive construct is required to explain the translation of marketing touchpoints into donation intention, which digital sharia financial literacy may fulfil (Hidayat, 2025).

Digital Sharia Financial Literacy

Financial literacy has evolved from basic numeracy and money management to a multidimensional construct encompassing knowledge, attitudes, and behavior (OECD, 2020). Digital financial literacy adds competencies in the safe use of digital financial products and services, understanding digital risks, and evaluating online financial information (Prasad et al., 2018). In Islamic finance, Shariah financial literacy integrates an understanding of maqasid al-shariah, riba-free transactions, zakat obligations, waqf contracts, and the ethical framework governing wealth distribution (Cahyati et al., 2025). Digital sharia financial literacy, therefore, merges these domains: it equips a Muslim with the ability to, for example, verify the halal status of a digital payment gateway, calculate zakat on cryptocurrency holdings using an app, or assess the legitimacy of a cash waqf platform's nazhir using its digital footprint.

Empirical studies in conventional finance have consistently demonstrated that financial literacy predicts positive financial behaviors such as saving, investment diversification, and retirement planning. In the Islamic context, Islamic financial literacy significantly influenced the adoption of Islamic banking products among Malaysian youth. For social finance, zakat literacy, defined as knowledge of zakat principles and calculations, was a strong determinant of compliance behavior in Malaysia. However, these studies treated literacy as an antecedent or moderator, not as a mediator between marketing stimuli and behavioral intentions. Moreover, they employed quantitative scales that may not capture the dynamic, situated, and digitally mediated nature of literacy among Gen Z, who often acquire fragmented religious-financial knowledge from short TikTok videos, Instagram carousels, and peer-shared links rather than through formal education. This gap necessitates a qualitative exploration of the form, source, and application of digital Sharia financial literacy in the philanthropic decision-making process (Afifah Nur Rohmah et al., 2026)s.

Mediating Role of Literacy in Persuasion

The concept of mediation, wherein a third variable transmits the effect of an independent variable on a dependent variable, has been extensively theorized in psychology and consumer behaviour research. In media persuasion, the Cognitive Mediation Model posits that the effect of media exposure on knowledge and behavior is mediated by cognitive processes such as attention, elaboration, and reflection (Eveland, 2001). Similarly, the Media Literacy Model proposes that individuals with higher media literacy are better able to access,

analyze, evaluate, and create media content, thereby moderating or mediating its effects on attitudes and behaviors. Applied to the present context, digital Sharia financial literacy may function as a cognitive mediator: exposure to a social media waqf campaign triggers a process of evaluation rooted in one's knowledge of fiqh, digital payment security, and institutional credibility. If literacy is high, the evaluation is positive, and trust is established, leading to donation intentions. If literacy is low, the individual may either disengage or require additional peripheral cues, thereby weakening the marketing–intention link (Irawan & Cahya, 2025).

To date, no study has empirically tested this mediating pathway in Islamic philanthropy. The closest research found that digital financial literacy mediated the relationship between fintech marketing and investment intention among Indonesian millennials. Adapting this logic to waqf and zakat, with the added layer of sharia compliance, represents a novel contribution (Nurfitri et al., 2024)s.

Conceptual Framework

Synthesizing the above, this study proposes a qualitative mediation framework: social media marketing exposure (independent variable) shapes Generation Z's intention to participate in waqf and zakat (dependent variable), with digital sharia financial literacy acting as a mediator that translates, filters, and enriches the marketing message. This framework is not intended for statistical hypothesis testing but as a sensitizing device to guide data collection and thematic analyses.

RESEARCH METHOD

A qualitative research design anchored in the phenomenological tradition was adopted to explore the lived experiences and subjective meaning-making of Generation Z individuals regarding waqf and zakat social media marketing, their digital sharia financial literacy, and their philanthropic intention formation. Phenomenology is ideally suited to uncover the essence of a phenomenon as it is consciously experienced by participants without imposing a priori theoretical structures (Creswell, J. W., & Poth, 2018). Given the nascent state of the theory linking these constructs, an inductive, discovery-oriented approach was prioritized.

Participants were recruited using purposive maximum variation sampling to ensure diversity in age, gender, educational background, occupation, and social media platform preference. The inclusion criteria were as follows: (1) Indonesian citizen aged 17–27 years (Gen Z cohort); (2) active user of at least two social media platforms; (3) had been exposed to social media content related to waqf or zakat within the preceding six months; and (4) had made or considered making a digital donation. Recruitment occurred through Instagram and WhatsApp community groups focused on Islamic economics and youth philanthropy, supplemented by snowball referrals. Thirty-two individuals were screened, and 28 were selected, reaching theoretical saturation after 24 interviews. Four additional interviews confirmed saturation. Table 1 presents the participants' profiles.

Data were gathered through in-depth, semi-structured interviews conducted between January and March 2024, each lasting 45–80 minutes. An interview guide was developed based on the conceptual framework, covering (a) general social media habits and exposure to waqf/zakat content; (b) perceptions of specific campaigns (credibility, emotional appeal, call-to-action); (c) knowledge and sources of sharia financial information (fiqh of zakat, waqf contracts, digital payment sharia compliance); (d) decision-making process when encountering a donation appeal; and (e) experiences of actual or intended donation. Interviews were conducted in Bahasa Indonesia, audio-recorded with consent, and transcribed verbatim. To complement the interviews, participants were asked to share screenshots of memorable waqf/zakat campaigns, which served as stimuli for deeper probing. Field notes were maintained to capture non-verbal cues and contextual observations.

The analysis followed Braun and Clarke's (2006) six-phase thematic analysis: familiarization, generating initial codes, searching for themes, reviewing themes, defining and naming themes, and producing the report. Two coders independently coded the first six transcripts to develop a codebook, achieving an inter-coder reliability of Cohen's kappa = 0.87. Discrepancies were resolved through discussions. The remaining transcripts were coded by the primary researcher using NVivo 14 software. The codes were iteratively grouped into sub-themes and overarching themes, with constant comparison across cases. Mediation was analyzed by tracing participants' narratives of how literacy elements intervened between marketing exposure and intention, identifying patterns of full mediation (literacy essential), partial mediation (literacy amplifies but not necessary), and no mediation (direct affect-driven response). Member checking was conducted with five participants to validate the interpretations.

Trustworthiness was ensured through Lincoln and Guba's (1985) criteria: credibility (prolonged

engagement, triangulation of interview data with campaign screenshots, member checking), transferability (thick description of context and participants), dependability (audit trail of coding decisions), and confirmability (reflexive journaling to bracket researcher biases, including the author's background in Islamic finance, which could shape interpretations). This study was approved by the Research Ethics Committee of the University of Indonesia.

RESULTS AND DISCUSSIONS

The thematic analysis yielded four major themes, each with sub-themes, as summarized in Table 2. The mediating role of digital Sharia financial literacy was discerned across these themes. The representative quotations are presented in Table 3. To visualize these relationships, Figure 1 displays the initial conceptual framework, and Figure 2 illustrates the thematic map derived from the data, highlighting the mediating pathways.

Table 1. Profile of Participants (n=28)

Pseudonym	Age	Gender	Education/Occupation	Dominant Social Media Platforms	Prior Waqf / Zakat Experience
Alya	22	Female	Undergraduate student	TikTok, Instagram	Zakat fitrah via app
Bima	25	Male	Startup employee	YouTube, LinkedIn	Cash waqf once
Citra	19	Female	Vocational student	TikTok, WhatsApp	Never
...	...	...	...	...	...
Zidan	27	Male	Freelancer	Instagram, Twitter	Monthly zakat auto-debit

Note: Full table with all 28 participants is available upon request. This abbreviated version illustrates diversity.

Table 2. Thematic Analysis: Main Themes, Sub-Themes, and Frequency of Mentions

Main Theme	Sub-Themes	Participants Mentioning (n)	%
1. Pervasive but Passive Social Media Marketing Reach	1a. Algorithm-driven incidental exposure; 1b. Affective engagement (emotional storytelling, humor, celebrity endorsers); 1c. Skepticism and avoidance (ad fatigue, fear of scams)	28	100
2. Fragmented Digital Sharia Financial Literacy	2a. Foundational <i>fiqh</i> knowledge (nisab, haul, <i>waqf</i> types); 2b. Digital platform evaluation (sharia-compliant payment, data security); 2c. Institutional trust literacy (verifying <i>nazhir</i> , BAZNAS/LAZ legitimacy); 2d. Self-rated literacy gap and learning sources (TikTok scholars, peer groups, online courses)	26	93
3. Evolving Philanthropic Intention	3a. Awareness and curiosity; 3b. Affective desire to help; 3c. Cognitive deliberation (calculating affordability, comparing options); 3d. Behavioral intention and action (clicking link, completing donation)	28	100
4. Literacy as Cognitive Gateway (Mediating Mechanism)	4a. Literacy as trust filter (full mediation when marketing content is complex); 4b. Literacy as value amplifier (partial mediation when campaign aligns with personal values); 4c. Literacy as barrier (absence of literacy leads to paralysis or reliance on peripheral cues); 4d. Social co-construction of literacy (peer discussions, group chats)	24	86

Table 2 presents the four primary themes emerging from the analysis, each decomposed into sub-themes that capture the nuances of the participants' experiences. Theme 1, "Pervasive but Passive Social Media Marketing Reach," was universally mentioned, indicating that all participants encountered waqf and zakat

content mainly through algorithmic feeds rather than through active search. Sub-theme 1b highlights the emotional pull of storytelling, while 1c reveals a significant barrier: deep-seated skepticism about online donation scams, which many participants linked to Indonesia's high rate of fraudulent crowdfunding. Theme 2, "Fragmented Digital Sharia Financial Literacy," was discussed by 26 participants (93%), with most acknowledging their knowledge as "patchwork" sourced from short-form videos, infographics, and peer conversations rather than systematic education. Sub-theme 2c, institutional trust literacy, emerged as a critical competency distinct from general financial literacy, involving the ability to trace a campaign's legal affiliation (e.g., registered with BWI, BAZNAS, or OJK). Theme 3 captured the multi-stage process from passive awareness to active donation intention, moving through the affective and cognitive stages. Theme 4, the core mediating mechanism, was explicitly evidenced in 24 participants' narratives; the remaining four participants exhibited direct affective responses, where literacy played a negligible role.

Table 3. Representative Quotations of the Mediating Role of Digital Sharia Financial Literacy

Theme 4 Sub-theme	Illustrative Quote (translated from Bahasa Indonesia)	Pseudonym
4a. Literacy as trust filter (full mediation)	"I saw a very touching video about a <i>waqf</i> well in Africa on Instagram, but I didn't immediately donate. I checked the account, searched for the <i>nazhir</i> on BWI's website, and read the comments to see if people had proof of receipt. Only after confirming all that did I feel safe to transfer."	Dina, 23
4b. Literacy as value amplifier (partial mediation)	"The campaign by [influencer X] was so inspiring. I already wanted to donate because I support his message. But when I checked and found out the <i>waqf</i> was managed productively, like building a school that gives returns, I felt even more motivated because it's not just charity, it's investment for the afterlife."	Fajar, 26
4c. Literacy as barrier (absence of literacy)	"Honestly, I often scroll past <i>zakat</i> ads because I don't know if my <i>zakat</i> calculation from the app is correct. Is the <i>nisab</i> for crypto right? I'm afraid I'll be sinful if I underpay, so I just do <i>zakat fitrah</i> manually at the mosque."	Gilang, 24
4d. Social co-construction of literacy	"My friends and I have a WhatsApp group where we share <i>ustadz</i> reels about <i>zakat</i> for online businesses. We discuss it together, and that gives me confidence to use the [Zakat App] because everyone says it's legit."	Hana, 21

Table 3 provides verbatim evidence (translated into English; original Indonesian available upon request) anchoring the mediating pathways in lived experience. Dina's narrative exemplifies full mediation: the marketing stimulus alone was insufficient; her digital Sharia financial literacy manifested as institutional verification was necessary to convert exposure into intention. Fajar illustrated partial mediation, where an affectively resonant campaign created a predisposition to donate, but literacy regarding productive *waqf* amplified the intention's depth and commitment. Gilang's case shows how the absence of literacy acts as a barrier, leading to intention suppression despite marketing reach. Hana highlights the social dimension of literacy co-construction, suggesting that peer-mediated learning can substitute for individual literacy deficits, as follows:

Discussion

The ELM postulates that persuasion can occur via central or peripheral routes. Our data demonstrate that social media marketing for *waqf* and *zakat* predominantly operates via peripheral cues emotional videos, celebrity endorsements, and catchy soundbites. However, the conversion of peripheral persuasion into durable behavioral intention was heavily contingent upon central-route processing enabled by digital Sharia financial literacy. Participants such as Dina and Fajar explicitly described a two-phase journey: initial attraction (peripheral), followed by "checking," "verifying," and "learning" (central). This suggests that for high-involvement religious financial decisions such as *zakat* and cash *waqf*, peripheral cues alone are insufficient to overcome cognitive and fiduciary barriers. Thus, digital Sharia financial literacy acts as the missing central-route capability that completes the persuasion process. This finding enriches the ELM by specifying literacy as a person-factor that determines whether an individual will engage in central processing when encountering peripheral appeals, a mechanism previously underexplored in the Islamic marketing literature (Alhassan et al., 2024).

The thematic analysis revealed that digital Sharia financial literacy is not a monolithic construct but a composite of foundational fiqh knowledge, digital platform evaluation skills, institutional trust literacy, and social learning. The mediation operates in four distinct modes: (1) full mediation, where marketing exposure without literacy yields no intention, evidenced by Dina's account that verification was the decisive factor; (2) partial mediation, where a strong affective appeal creates a baseline intention that literacy amplifies, as seen in Fajar's appreciation of productive waqf; (3) barrier mediation, where the absence of literacy blocks intention entirely, as Gilang's fear of miscalculating zakat paralyzed his action; and (4) socially distributed mediation, where literacy deficits are compensated by peer networks, as Hana described. These modes resonate with the Cognitive Mediation Model (Eveland, 2001) which posits that attention and elaboration mediate media effects, but add a communal dimension inherent to Islamic learning traditions (ta'lim circles adapted to WhatsApp groups). This four-mode typology constitutes a novel theoretical contribution that can inform quantitative instrument development (Awwaliah et al., 2025).

The existing literature often portrays Gen Z as either impulsive givers or digitally savvy but institutionally distrustful. Our findings paint a more intricate picture: Gen Z participants actively seek to be responsible givers, but their information environment fragmented, algorithmically curated, and rife with scams forces them into a "verification economy" in which digital Sharia financial literacy becomes a currency. The stark gap between 100% exposure to waqf/zakat content and the much lower conversion rate (only 12 of 28 participants made a digital waqf donation) underscores that exposure is necessary but far from sufficient. The mediating literacy filter explains this. Without institutional trust literacy knowing how to check BWI/BAZNAS registrations—marketing content is treated as entertainment rather than a call to action. This finding supports and extends the TPB: the effect of subjective norms (influencers, peers) and perceived behavioral control (ease of digital payment) on intention is mediated by actual knowledge structures that define whether the behavior is seen as feasible and safe. It also highlights a new dimension of perceived behavioral control not captured in standard TPB scales: sharia-compliance control, the confidence that one's digital transaction fulfills religious obligations without innovation (*bid'ah*) (Hadiyati et al., 2023)s.

This study yields actionable strategies. First, social media marketing campaigns should embed "micro-learning" moments in their content. Instead of separating educational content from promotional content, OPZ can integrate bite-sized literacy elements directly into emotional videos: a TikTok Reel showing a beneficiary can end with a 5-second overlay explaining how the platform's wakalah contract works or how to verify the nazhir via a QR code linked to BWI's registry. This blends peripheral attraction with central-route triggers, partially automating mediation. Second, building institutional trust literacy should be a branding priority. Several participants mentioned that they trusted campaigns bearing the BAZNAS or "BWI Verified" badge, suggesting that a co-branded digital trust seal, prominently displayed, could shortcut the verification process. Third, leveraging peer co-literacy through micro-influencer programs that train popular Gen Z figures not only to promote but also to educate by demonstrating nisab calculation using the app live can harness the social mediation pathway. Fourth, fintech developers should enhance UX with built-in literacy features such as interactive zakat calculators, explanatory animations on the akad (contract) used, and real-time confirmation of fund allocation, thereby serving as both a transaction platform and a literacy tutor.

This study contributes a qualitative mediation model that integrates the ELM, TPB, and media literacy theory within Islamic social finance. This demonstrates that digital Sharia financial literacy is a dynamic, context-dependent mediator that can be reinforced by social structures. However, several limitations warrant cautious interpretation of these results. The sample was limited to urban, educated Gen Z in Greater Jakarta, potentially limiting its transferability to rural or less digitally connected youth. The cross-sectional interview design captures retrospective sense-making but not real-time decision processes; future research could employ digital ethnography or eye-tracking to observe literacy-in-action. Moreover, the qualitative nature precludes statistical generalization, but the thick description provides a robust foundation for developing a survey instrument to quantitatively test the four mediation modes across a larger, more diverse sample. Cross-cultural comparisons with Malaysian or Middle Eastern Gen Z could reveal how differing regulatory environments (e.g., more centralized Waqf authorities) shape the literacy-mediation relationship. Finally, longitudinal research tracking individuals from initial exposure to repeated donations could uncover how digital Sharia financial literacy evolves from a mediator to a moderator as trust is routinized.

CONCLUSION

This qualitative inquiry illuminates the pivotal mediating role of digital Sharia financial literacy in bridging social media marketing and Generation Z's intention to perform waqf and zakat in Indonesia. The study finds that while social media marketing successfully generates broad but passive exposure through

emotional and influencer-driven content, its conversion into authentic philanthropic intention is primarily filtered, amplified, or blocked by an individual's level of digital Sharia financial literacy. Literacy functions as a cognitive gateway, enabling Gen Z to navigate the dual challenges of religious compliance and digital trust. The identification of four mediation modes full, partial, barrier, and socially distributed provides a granular understanding that moves beyond the direct-effect paradigm. For Islamic philanthropic institutions, the imperative is clear: marketing must be integrated with real-time embedded literacy interventions that transform scrolling into informed, confident giving. By nurturing a generation of digitally literate and Shariah-conscious givers, Indonesia can begin to unlock the vast potential of its youth-driven Islamic social finance ecosystem.

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