

Determinants of Islamic Financial Literacy in OIC Countries: A Comprehensive Systematic Review and Analysis

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ABSTRACT

The rapid growth and demand for Islamic banking and finance have brought about the imperative necessity to explore Islamic financial literacy (IFL). This paper reports a review of existing studies to understand the determinants of Islamic financial literacy and their connections in OIC countries. The database was methodically examined and selected using the PRISMA Protocol. The initial keywords-based search found a total of 132 articles and it was reduced to 45 articles following several screening phases. The results found that students' knowledge and understanding of Islamic finance are influenced by various factors: 1) socio-demographic background, 2) educational level, 3) religious beliefs, and 4) economic support. It was further revealed that knowledge, attitudes, and education were the imperative determinants of IFL, while the role of religion was the least studied. Our findings provide valuable insights on ways to improve the current state of Islamic financial literacy in OIC countries by targeting specific groups or areas for intervention. It also calls for further investigation on the topic of IFL to establish a sufficient degree of Islamic financial education, attitudes, and knowledge.

Keywords: Islamic finance, literacy level, determinant, PRISMA, systematic literature review

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