

## **REVITALIZATION OF FINTECH ERA 4.0 IN THE DEVELOPMENT OF ISLAMIC MICROFINANCE INSTITUTION**

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**Abstract.** *In the current 4.0 era, the number of Islamic microfinance institutions (IMFs), especially sharia Cooperatives and Baitul Maal Wat Tamwil (BMT) has increased significantly, with a variety of product and service innovations. This development needs to be supported by a better system so that these financial institutions can provide satisfactory services to the users. One of the users' satisfaction is influenced by the adoption of financial technology (fintech) by the IMFs. Therefore, there is a need to study fintech revitalization and its implementation at IMF, such as Aulia Software Indonesia. This research finds that PT. Mitra Aulia Indonesia has developed Aulia Software to be used by Islamic cooperatives and BMTs. Among the innovations made are BMT software, cooperative savings and loan software, sharia cooperative software, savings and loan mobile applications, CoopLink Android application, mobile phone credit reload & PPOB CoopLink, CoopLink EDC machines, ATM cards, and ATMs. From 2003 to 2019, Aulia Software Indonesia users reached 1,221 users.*

**Keywords:** *Fintech, Era 4.0, Microfinance Institutions, Aulia Software*

**Abstrak.** *Pada era 4.0 saat ini, jumlah lembaga keuangan mikro syariah, khususnya Koperasi Syariah dan Baitul Maal Wat Tamwil (BMT) meningkat, dengan berbagai inovasi produk dan pelayanan. Perkembangan ini perlu didukung dengan sistem yang memadai, sehingga perkembangannya bisa memberikan kepuasan pada para pengguna. Kepuasan para pengguna salah satunya dipengaruhi oleh pemanfaatan teknologi finansial (fintech) oleh lembaga keuangan makro syariah tersebut. Dari itu, penelitian terhadap revitalisasi fintech dan pemanfaatannya oleh lembaga keuangan syariah mikro menjadi penting. Salah satunya adalah Produk Aulia Software Indonesia yang dikembangkan oleh PT Mitra Aulia Indonesia. Penelitian ini menemukan bahwa produk yang tersebut telah berkesuaian dengan syariah dan kebutuhan era 4.0. Beberapa produk yang dikembangkan yaitu perangkat lunak BMT, perangkat lunak koperasi syariah simpan pinjam, perangkat lunak koperasi syariah, aplikasi simpan pinjam ponsel, aplikasi Android CoopLink, Jual pulsa CoopLink dan PPOB, Mesin EDC CoopLink, kartu*

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*Atm, dan mesin ATM. Dari tahun 2003 hingga 2019, pengguna Aulia Software Indonesia sudah mencapai 1.221 pengguna.*

**Kata Kunci:** *Fintech, Era 4.0, Lembaga Keuangan Mikro, Aulia Software*

## Introduction

The Islamic financial system is vital in the development of the national economy, which has the function to provide payment products, financing facilities, a place for money exchange, and all forms of savings instrument as well as microfinance institutions that are closely related to society (Yusuf et al., 2015). The existence of Islamic Microfinance Institutions (IMFs), particularly cooperatives and *Baitul Maal Wat Tamwil* (BMTs), is very much required by the community, especially the people who categorized as undeserving banks. As a consequence, the existence of this institution is demanded on its ability to compete with financial institutions in the form of banks, including in human resources and the fintech used. Human resources (HR) in IMFs–Islamic cooperatives and BMT–are the main income assets in every organization, including financial institutions (Yusuf et al., 2015). They are actors who understand and can apply sharia concepts and Islamic values in the development of the Islamic financial sector. Moreover, the development must also be supported by financial technology (fintech), including its human resources that must be up-to-date in fintech development. Consequently, they are capable and truly become the main asset in achieving the success of the institution, also can achieve the vision and mission of the running financial institution.

The fintech used by the institute was deemed necessary to equalize the banking industry. Consequently, cooperatives and BMT existed like bankable among the public. The nature of bankable here will be perceived by the public when its products, services, and management have applied Fintech era 4.0. Therefore, Islamic cooperatives and BMTs need to have fintech provider partners who can compete in the banking system. This notion supports Abdillah Ubaidi's research (2018), which resulted in finding that fintech for banks and other financial institutions must become support for achieving sustainable financial sector success because Islamic fintech is part of economic prosperity. Thus, fintech sharia is not a threat to the world of banking or other institutions but becomes the main principle in welcoming the success of the banking financial sector and other institutions.

Supporting Nofie Iman's research (2019), which mentioned that fintech companies in Indonesia today, in the banking sector and other businesses, are urgently required in every operational practice. Initiating from online payments to other transactions to make its existence can provide synergy. Other research also revealed that Islamic cooperatives are currently required to apply fintech in its operations. One of Islamic Cooperative in East Java, namely BMT MUDA, has increased on waqf products up to 400% using fintech. This

becomes evidence that fintech is qualified to answer the challenges of the era, which makes each transaction easier, especially in the contemporary waqf sector; consequently, the transactions can be experienced anywhere and anytime. However, the use of fintech in waqf products still needs innovation, due to the absence of a neat database, therefore, when members submit funding for this waqf fund it does not automatically exit its business analysis (Hamdan, n.d.). From the mentioned studies, it is noticeable that the use of fintech is a vital element in the Islamic cooperatives and BMTs practice.

The development of fintech is not something to be feared; it is an opportunity to facilitate all public transactions including in the financial industry (Syafii, 2018). The development of fintech is expected to produce success in an organization according to Rahmat Nuryanto's research (2014), which mentioned that the success in sharia cooperatives is a form of management achievement built primarily by its members. Hence, an excellent form of management becomes a significant milestone to build success. Recently, management must be confronted with fintech era 4.0 to be accepted by all groups, especially for all members of Islamic cooperatives and BMT.

The combination of fintech and IMFs–Islamic cooperatives and BMT–is highly expected by the actors and users. This hope is aimed to meet the needs of users in the current 4.0 era. Nowadays, everything in life has to be easily and practically, as well as Islamic cooperatives and BMTs which are required to use a system or fintech that suitable to the 4.0 era to make its existence feels bankable. Fintech products are currently widely produced by fintech providers such as PT. Mitra Aulia Indonesia which provides Aulia Software Indonesia products. Aulia Software is one of the specialty products of fintech shops and Islamic microfinance institutions. From the introduction explained, this research will describe the revitalization of fintech era 4.0 in Aulia Software Indonesia in developing Islamic microfinance institutions, particularly in Islamic cooperatives and *baitul maal wat tamwil* (BMT).

Legal regulations must follow the existence of fintech in its use, it purposes to make the Islamic financial industry-owned a legal certainty over the using of fintech. This statement supports the results of Syafii's research, that the regulation of Otoritas Jasa Keuangan (POJK) and Fatwa DSN-MUI have collaborated to create a law on the synergy between fintech and sharia banking to guide the utilization of fintech within the scope of sharia banking because it is an industry that upholds the value of prudence to gain the trust of the community, as well as becoming a sharia financial institution that must prioritize Islamic values in its application. That is why the regulator must take part in providing a legal basis in every use (Syafii, 2018).

The above notion is similar to fintech, which applied by microfinance institutions such as Islamic cooperatives and BMT. Therefore, the operational of Islamic cooperatives and BMT will be demanded to apply fintech era 4.0 by taking into account the comfort of the members and keep maintaining shari'a principles in each transaction. For this reason, researchers feel the need to research the revitalization of fintech era 4.0 in Islamic financial institutions, specifically in the use of fintech towards the Aulia Software Indonesia system. This study is expected can give the illustration, specifically to the performer of Islamic cooperatives and BMT and generally to the broader community, of fintech that must exist in every operation of the two institutions. However, the existence of the use of fintech should be designed according to the Islamic concept.

## **Method**

In this study, researchers applied several methods to obtain valid data. Researchers collect the data through interview and observation methods as well as documentation related to the Aulia Software Indonesia, which used in Islamic cooperatives and BMT. The interviews used in unstructured technically to facilitate researchers in collecting some information related to this research. Furthermore, observations were carried out in several cooperative and BMT members. They used Aulia Software Indonesia, in addition to documentation taken from PT Mitra Aulia Software and online documentation such as the Aulia Software website and Aulia Software youtube's video. This study made in a qualitative approach or field research, research that uses data and sources of field information, aimed to obtain the data needed from the actual research object. Consequently, researchers can easily observe and understand the real phenomenon. This study is located at PT Mitra Aulia Indonesia Jl Sekumpul Raya, Rukan Angrek Merah No.2 70619 Martapura Banjar Regency, South Kalimantan Province on Aulia Software Indonesia products, which focus on software products provided for fintech in Islamic cooperatives and BMTs from 2003 to 2019.

## **Result and Discussion**

### **Revitalization of Fintech 4.0 in Islamic Microfinance Institutions (IMFs)**

Islamic microfinance institutions (IMFs) are financial institutions which categorized in microeconomics scopes such as Islamic cooperatives and *Baitul Maal Wat Tamwil* (BMT). Islamic cooperatives and BMT are microfinance institutions operated on the principle of profit-sharing, developing micro-business which are collecting the capital from surrounding communities (Al Arif, 2012). Islamic cooperatives and BMT must adhere to principles such as Islamic philosophy in activities, principles of justice, freedom, togetherness, and cooperation as well as ethics and morals (Selesa, 2008). Since the regulations issued by the ministry of cooperatives and Small Micro Medium Enterprises (SMEs), the adoption of the Islamic concept is more widely applied in the financial sector (Susanto, 2012). Therefore, the manager of Sharia cooperatives and BMTs have to understand about cooperatives and capital



in Islamic perspective, so they can easily explain to members and the general public about the advantages of using Islamic cooperative services and BMTs (Ghulam, 2016). Finally, operational practices are free from the concept of *Maghrib* (*maisir*, *gharar*, and *riba*).

The earlier research depicted that fintech is essential to be developed in IMFs–Cooperatives and BMTs–purposed to provide services for members like a bank (bankable), with the use of a fintech that has obtained a license on its operations to make it more desirable among the community. This is following R. Marginingsih's statement (2019), which stated that the Financial Services Authority (OJK) as the regulator issued OJK Regulation No. 13/POJK.02 /2018 regarding Digital Financial Innovation in the Financial Services Sector as a form of support to provide convenient financial services for the community. This form of support is to guide the supervision and regulation of the Financial Technology (FinTech) industry.

This regulation is in line with the results of Mariske Myeke Tampi's research (2019), which argued that the existence of PBI Number 19/12/PBI/2017 used in the form of Financial Technology (Fintech), and appeared to answer the needs of the community, government and national economic growth. Fintech is existed to encourage the allocation of financial resources and more significant benefits to the community by providing convenience in transactions. Also, from the government side, namely Bank Indonesia (BI) which has an interest in risk mitigation to make the development of fintech do not break the financial system, but it will help the national economic growth. This notion is also in tone with the results of Meline Gerarita's research (2018) of 803 fintech that have been blocked due to the absence of licenses or categorized as an illegal product since its regulation is under OJK Regulation (POJK) No. 77 of 2016. According to the POJK, OJK is defined as an institution functioned as a regulator. Meanwhile, the illegal fintech or those that have not been registered in the OJK, a higher level of regulation is required from POJK. According to Eviyanti (2019), online loans are required legal protection to avoid possible loss.

Fintech is an essential part of every economic transaction. This is in line with the research of Irma Muzdalifa et al. (2018), which stated that sales transactions that used fintech could increase the orders more than a buyer who comes directly to the outlets. In addition to these conveniences, the SMEs seller may also efficiently serve the buyer, particularly in accounting which previously written in a paper. However, with the presence of fintech, the receipt will be obtained through its features. Similar results were also revealed by Muhammad Nur Firdaus Patria Rizky (2019), which mentioned that syarQ is an online platform application using murabahah contracts according to Islamic rules, using the method of peer-to-peer lending (P2P). Online lending is supported by fintech era 4.0, which makes it easy for borrowers to get funds to fulfill their needs. It is the fintech that benefits SyarQ, therefore, from several fintech used in every economic transaction, Islamic cooperatives and BMTs are necessary to apply fintech in the 4.0 era to compete with all other financial sectors.

In addition to the financial sector, which applied fintech, the banking sector also acts as an institution that utilizes fintech in its operations. As a result, the risk or opportunity can be overcome by advancing fintech used by banks. This idea is consistent with the results of Marginingsih's research, which stated that the presence of fintech is encouraging to digitize and automate in providing convenient services to customers. This raises public awareness to conduct transactions through banks such as savings, financing, and investment as well as money exchange. The trend in conducting transactions through fintech will also lead to the desire of the public in using banking services, with various fintech development features. The trend of globalization and economic openness between countries facilitated by fintech has also become one of the people's motivations in using banking services in their transactions (Marginingsih, 2019).

The main attraction of Islamic cooperatives and BMT on using fintech era 4.0 is that all economic sectors—institutional and non-institutional—have used fintech in all transactions. Consequently, this triggers Islamic cooperatives and BMT on utilizing fintech. This is consistent with the results of Junaedi Abdillah's research, which states that web-based applications in cooperatives handle compulsory savings transactions, *wadi'ah* deposits, *qardul hasan* loans easily and quickly. The web application also briefly processes all transaction data into complete, detailed, and relevant financial reports. The web application will also display membership sequences, both in savings and loan accounts in real-time (Abdillah, 2013). Following Ahmad Ahyani's view states that Aulia Software provides applications needed by Islamic cooperatives and BMTs as well as patterns of support and maintenance carried out wherever and whenever. By looking at the needs and demands of Islamic cooperative and BMT operators, Aulia Software must innovate the system to provide answers to the needs of Islamic cooperative and BMT operators (Yani, 2019).

From the explanations above, it is noticeable that Islamic cooperatives and BMTs are essentially to use fintech era 4.0 in maintaining their existence. This is suitable to Rahmadi's explanation, that in this millennial era or known as the 4.0 era, all activities must be changed by following the development of the digital era that facilitates every transaction of the community. Similarly, the speech of Nofie Faith (2018) fintech is more than just a phenomenon that has the potential to change the business and economic landscape fundamentally. The convenience perception has a positive and significant effect on the interest in using fintech (Wildan, 2019). Hence, the existence of fintech is necessary to be applied by Islamic cooperatives and BMT, aimed to make members feel proud and satisfied with transactions with current 4.0 era features.

### **Aulia Software in Islamic Microfinance Institutions (IMFs)**

The existence of Islamic Microfinance Institutions (IMFs) is required fintech support, it is not limited as a necessity, but a vital thing that must exist in IMFs, so that micro institutions can be competitive in the financial institutions. The innovation also demands fintech's vitality in the institution of fintech products, so its existence can always follow the steps of the national economy. One of the fintech companies that provides fintech for Islamic cooperatives and BMT is Aulia Software Indonesia. Aulia Software is a fintech with a national network, work professionalism, and a strong commitment of each service, with the confidence in its ability to provide quality, consistent, and value-adding services for the achievement of common goals. PT Mitra Aulia Indonesia is a company engaged in the field of IT (information & technology) consulting services and software engineering supported by a team with a high competence by having aulia software products that provide various IT development services; a custom made software with the principle of partnership, where partner satisfaction is everything regardless of the primary purpose of the business (value of money) (SOP, 2019).

The vision of this company is to become a company in the IT field by always providing solutions and innovation so that each partner can compete on a national scale. At the same time, its mission is to provide better IT services to partners with added value to each partner who collaborates to become large and grow and succeed together. The company's strategic partners, including Coop link, Anilo Karyanilo.com, Indonesian Auliasoft Association, and KPRI (SOP, 2019). In the case of Aulia Software Indonesia, which already has an Islamic cooperative system and BMT with the fintech 4.0 model. One of application offered by Aulia Software is BMT software, according to Rahmadi's explanation (2019), this application provides a unique BMT system which contains BMT financial statements, BMT balance sheets, BMT SHU, and BMT accountability report forms at the end of the year. However, this application has two levels, namely; *firstly*, manually (without internet network) level; *secondly*, the application is equipped with an internet network. Both have similarities in reporting and use, yet it has only diverged in auditing. For manual applications, system auditing must be seen from a computer with an application system. In contrast, the application with an internet network, the auditing can be obtained through smartphones and other internet media tools.

This internet application can also be added to the product offer from Aulia Software, which is 100 Automatic Teller Machine (ATM) cards for members with additional system sales charges as well. Therefore, when BMT purchases an application with this internet system, it will be significantly facilitated for cash withdrawal by visiting the ATM provided by BMT itself. The drawbacks of ATM cards provided by BMT cannot be picked up at ATMs, other than those provided by BMT. However, since this application is equipped with the Android system, members can transfer their money to other institutions, including banks.

The completeness of this application is vital to be created by PT Aulia in advancing IMFs. Therefore, this institution can compete with the banking sector. This condition is in line with what was conveyed by Irma Musdalifah (2018), that globally, fintech has been highly developed in various sectors, for instance in the payment startup sector, lending, financial planning (retail finance, retail investment, financing (crowdfunding), remittances, financial research, etc.

Another application released by Aulia Software is a savings and loan cooperative system application ([www.auliasoft.com](http://www.auliasoft.com)). This is consistent with Rahmadi's explanation (2019) that there are applications for IMFs specifically for savings and loan cooperatives. This application is specifically designed for savings and loan cooperatives using the design of *sharia* contracts, as well as calculation techniques in each contract according to *sharia*. This application is also equipped with Android, and some are without Android. The difference between these two applications, in addition to the more expensive applications that use Android, is also an easier system. For instance, an android application can use a smartphone for auditing, employees can pick up bills or savings to members outside the office, but the report is directly connected to the office system. Withdrawing money can use an ATM and transfer can also use an Android smartphone, both to internal or external institutions. The savings and loan cooperative application of Aulia Software is designed explicitly for cooperatives that only run the financial sector only for savings and loans.

All the fintech from Aulia Software already has permission to be published, as a consequence, the sharia concept applied in the system is adjusted to the DSN-MUI Fatwa guidelines, and responds to the public's needs for *sharia* transactions. This is following Matnin's opinion (2019) that the savings and loan application is designed to use the concept of *sharia*. Therefore, this Aulia software aims to advance Islamic finance, especially microfinance, so that its will must be prioritized and its permission for publication is also considered, to provide satisfaction in the legal regulation, both in state and religion. The same thing with Rahmadi's opinion (2019) mentioned that Aulia Software is an application that has a business license, namely Number of IUMK/674/MTP/2017, deed of establishment based on the notary request Rosnilawati Number: AHU-0131985.AH.01.11. In the year of 2017 dated October 20<sup>th</sup>, 2017.

To complement the needs of the community particularly for cooperatives and BMTs, Aulia Software also has fintech, designed with millennial or era 4.0 applications with special applications known as mobile applications for savings and loans. According to Rahmadi (2019), Aulia Soft always innovates in the products system according to the demands of the times. Recently, many institutions or individuals have savings and loan businesses online. Thus, Aulia Software feels the need to make special fintech for savings and loan products online. Because of the online system, the product can also be used by Islamic cooperative partners and BMT with additional costs in purchasing the application,

but free of training and monthly fees. This application is equipped with management features for financial statements, profit calculations, or profit adjusted by Islamic perspectives. Hence, the Islamic cooperatives and BMT also continue to be updated in the system used, as well as members will feel comfortable with some of the features offered by Aulia Soft.

This phenomenon is following the results of Siti Nur Annisa Amalia's research (2018) that showed about 64.4% of the benefits variable (PU) had a positive effect on people's ease of using online payment systems. Billy Aji Wicaksono and Iwan Krisnad also conveyed this (Wicaksono et al.,n.d.). They stated that the easier online transactions created by fintech, the higher the use of the community at the fintech. The same thing was explained by the need for very high capital, both from individuals, entrepreneurs, and SMEs. Evy Nur Sugianti (2019) conveyed the same thing that the switching of the community in every transaction with fintech was influenced by the ease of transaction, accounting, transaction processing resulting in increased income. Another matter was also expressed by Nur Suci Romadliyah (2018) that customers of PT. BTPN Syariah Surabaya in the lower-class area tends to be positive by using this fintech bank, because of the ease in each transaction, for instance, the ease in buying balance, purchasing tokens, installment payments, and easy in transactions without having to queue. Thus, the fintech business opportunity is entirely strategic and profitable with a design that facilitates administration and monitoring in fintech, making it easier for investors or borrowers to monitor.

Both Islamic cooperatives and BMTs are very responsive to the needs of the community, especially SMEs, so the fintech used is aimed to facilitate SMEs. This is in tone with Zainulloh's presentation (2019) as Aulia Software's user who states that Aulia Software already has business applications that work with sharia cooperatives and BMTs such as credit selling coop links and online bank payment points (PPOB), so it is very beneficial for sharia cooperative operators and BMTs because it will open service products for members and will add to the profits of Islamic cooperatives and BMTs. This result is in line with the statement of Edi Supriyanto (2019) that online financing in general through business processes occurred. Namely, the customer makes a new loan application through the agency's website will then get approval for the loan. Moreover, with the approval, the admin sends several funds by transfer to the account in question.

Matnin (2019) also explains the same thing in the development of increasingly complex community needs, so fintech is vital to be innovated as applied by Aulia Software. The latest application is credit selling coop link and online bank payment point (PPOB) so that Islamic cooperatives can now serve the broader community by selling balance and all payments for public needs such as bill payments for PLN, Telkom, PDAM, motorcycle installments, and other payments. In this application, Aulia Software collaborates with several online companies such as GoPay, OVO, PLN, and PDAM ([www.auliasoft.com](http://www.auliasoft.com)). Moreover, Aulia Software cooperates with several banks such as Bank Rakyat Indonesia,

Bank Mandiri, and Bank Muamalat Indonesia, so that the application can already be transferred from the application of Islamic cooperatives and BMTs. However, many members and the general public do not yet know PPOB, such as SMEs performer who is fostered by cooperatives or BMT, so Aulia Software besides selling fintech also assists partners. This is following Musdalifah's statement (2018) that fintech is a sophisticated technology used in online transactions and payments by facilitating its users. In reality, fintech also has a role in improving SME's businesses in financial literacy, such as financing and financial regulation. However, this fintech financing is still not widely known by the public, primarily the SMEs performer.

Lack of access to information from all fintech performers must be considered for the progress of the world of the national economy. Therefore, the lack of public knowledge can be overcome and make the community habituated to this fintech 4.0 era. Aulia Software has conducted marketing and training to the community in various ways, following Zahir's words (2019) that Aulia Software conducts marketing online and door-to-door through representative partners, to train the community and Aulia Software's partners conduct training through the closest representative partners in each area. They can also be done via online remote. Furthermore, the partners will convey to the cooperative members to conduct socialization and hold a seminar to introduce fintech so that the wider community can easily understand fintech. Likewise, with Matnin's explanation (2019), that Aulia Software has made efforts to introduce Aulia Software products whose primary purpose is to know fintech to the broader community to facilitate each transaction in the 4.0 era. Efforts are made by guiding administrators of Islamic cooperatives and BMTs who will then provide training to their members—giving seminars for students on campuses, as well as an introduction to the broader community. Moreover, it was also revealed by Riban (2019), that Aulia Software not only did marketing to the community but also conducted training to introduce and familiarize the public on using fintech in each of its transactions.

The existence of Aulia Software's branch offices in various regions is becoming an effort to facilitate partners in getting to know fintech for Islamic cooperatives and BMTs. This branch office is also equipped with various applications to provide customers of Islamic cooperatives and BMT in product innovation. From these developments, it must also be supported by various machines such as EDC machines, ATMs, and ATM cards. Aulia software provides various features in supporting partners, following Rahmadi's statement that the program design was made according to the needs of Islamic cooperatives and BMTs. Currently, those two institutions are vital to use EDC machines, although other products design them, Aulia Software already has Android phone Coop link. However, EDC machines are still needed by Islamic cooperatives and BMTs to meet the needs of their members. This EDC machine usually becomes a package with an ATM card. Ahmad Ahyani (2019) also said the same thing that Aulia Software developed the product under the complaints of the Islamic cooperatives and BMT. The EDC machine became a complaint about the two



institutions to be able to equalize services like the banking sector. Fintech's vitality in sharia cooperatives and BMT is also influenced by the demands of competitors who are always innovating to develop services and products with fintech era 4.0.

Islamic cooperatives and BMTs who already have ATM cards for their members will need ATMs as well so that members who hold ATM cards can use them optimally. In connection with this machine, Aulia Software also has an ATM, as Matnin (2019) stated that the latest innovation is an ATM for Aulia Software users. This machine can be purchased by cooperatives and BMT in installments to facilitate financial institutions. Rahmadi (2019) explained the same thing that Aulia Software has recently issued an ATM at a competitive price, which is Rp. 60,000,000.00 if paid in cash and Rp. 4,000,000.00 every month if it has a period of 25 months. The support of fintech era 4.0 must also be balanced with competitive prices and excellent service, so that product users will be able to survive and be loyal to product results. In this case, Aulia Software makes it easy for fintech users to buy all its products, for example by giving the lower prices if paid in cash, but can also with installments that greatly facilitate its users.

Product innovation continues to be carried out by Aulia Software Indonesia to provide the best service to the entire community, especially to users of Aulia Software products. At this time, Aulia Software is doing various ways to develop ATMs. According to Rahmadi (2019), Aulia Software is currently still looking for networks to be able to collaborate with various sectors of financial institutions or other fintech institutions, because currently, Aulia Software ATMs can only be used by internal parties. These internal parties are administrators of Islamic cooperatives and BMTs as well as members of these institutions. ATMs owned by Aulia Software users can also only be used in internal ATMs. Thus, Aulia Software is currently still working together with various parties to develop ATMs and ATM cards. The same thing was conveyed by Muhammad Zahir to provide satisfaction for Aulia Software users, so innovation is always needed, for example in Aulia Software's new product namely ATM which currently can only be used by internal parties. Each product has several stages in its life cycle so that every stage of the product is always needed innovation to make all people can accept the product created.

Products received by the public require marketing to introduce their products. Similarly, to the Aulia Software Indonesia's products, Muhammad Zahir's statement (2019) that Aulia Software uses marketing with various strategies such as the strategy of providing quality and unlimited post-sale services. This unlimitation will make it easier for Aulia Software users to buy fintech according to the needs of the institution. For instance, the sale of software for Islamic cooperatives and BMT software with two types, namely; the first type, the manual type is software without internet network sell at Rp 5,000,000.00. and the second type, software with internet devices sell for Rp. 15,000,000.00. If the Islamic cooperative or BMT has purchased manual software, and when the institution wants to

develop its system with software that uses internet devices, the relevant institution is sufficient to add about Rp 10,000,000. Thus, users are not burdened with having to buy software from type prices. Still, users are only charged with the cost of increasing the device, following Matnin's explanation that this is the main point that must be used by every seller for the convenience of the users. Likewise, Alia Software in its marketing, that fintech will consider the finance of Islamic cooperatives and BMT. This is carried out not for the convenience of the users. However, it is a form of support from Aulia Software in developing sharia-based financial institutions, because, with the development of finance with the concept of sharia, national economic growth will also increase (Zahir, 2019). Marketing must also be done at a stage that is following the wishes of the community, especially for users of each product.

The marketing of each product will accelerate the recognition of products by the public, therefore, to track the wishes of the community, it can analyze people's responses, and able to adapt the simple needs of the community. Aulia software with marketing techniques can penetrate several regions in Indonesia according to the words of Muhammed Zahir (2019) that currently, users of Aulia software already exist in all regions of Indonesia, such as; Aceh, West Sumatra, South Sumatra, North Sumatra, Jambi, Riau, Riau Islands, Bengkulu, Lampung Jakarta, West Java, Central Java, East Java, Yogyakarta, North Sulawesi, Gorontalo, Central Sulawesi, West Sulawesi, South Sulawesi, Southeast Sulawesi, North Maluku, Papua, West Nusa Tenggara, Bali, West Kalimantan, East Kalimantan, Central Kalimantan, North Kalimantan, and South Kalimantan. According to Rahmadi (2019), Aulia Software users from 2003 to 2019 had reached 1,221 users. All of these users, they are satisfied with Aulia Software's products. This statement was obtained from an online survey conducted by Aulia software in 2019, that there were 99.99% expressed satisfaction with Aulia software services. This is consistent with the results of research to succeed fintech, so fintech companies must be able to expand the network in each city to the small towns. This network expansion is done so that fintech can be felt by the community, as well as reducing the level of crime related to public finances (Rahmadi, 2019).

The success of an organization or business is influenced by innovative marketing and good teamwork. In Aulia Software, there are several teams involved in the success of the products offered to the community following Matnin's statement (2019) that in the Aulia Software business it does not only involve managers but also involves all partners in each region because the central board cannot carry out coaching and mentoring at all levels of Indonesian society. Therefore, the success of Aulia Software easily introduces products by involving partners in all regions.

## Conclusion

From some of the above explanation and discussion, it can be concluded that Islamic microfinance institutions—Islamic cooperatives and Baitul Maal Wat Tamwil (BMT)—are vital to use sharia-compliant fintech with various factors including the millennial revolution or era 4.0, the use of fintech in all financial sectors, both institutions and non-institutions, the principle of prudence in Islamic cooperatives and BMTs, as well as support for the progress of the national economy. The existence of Aulia Software is becoming a suitable fintech application to be applied in Islamic cooperatives and BMT with complete features and still pay attention to the concept of *sharia* in every application. Currently, Aulia Software already has several products including BMT software, savings, and loan cooperative software, *sharia* cooperative software, savings and loan mobile applications, Android application coop link, selling credit & PPOB coop link, coop link EDC machines, ATM cards, and ATMs. Recently, Aulia Software has been used by several regions including; Aceh, West Sumatra, South Sumatra, North Sumatra, Jambi, Riau, Riau Islands, Bengkulu, Lampung Jakarta, West Java, Central Java, East Java, Yogyakarta, North Sulawesi, Gorontalo, Central Sulawesi, West Sulawesi, South Sulawesi, Southeast Sulawesi, North Maluku, Papua, West Nusa Tenggara, Bali, West Kalimantan, East Kalimantan, Central Kalimantan, North Kalimantan and South Kalimantan with a total of 1,221 users. However, fintech Aulia Software still needs innovation to keep up with the development needs of the community.

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**Field's Data****Documentation:**

SOP PT Mitra Aulia Jalan Sekumpul Raya, Rukan Anggrek Merah 2 Nomor 2 Martapura Kalimantan Selatan Indonesia

Dokumentasi Aulia Software Indonesia [www.auliasoft.com](http://www.auliasoft.com)

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