

The Impact of Financial Technology and MSMEs in Mataram City: Increasing Financial Literacy Based on Payment Gateways

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ABSTRACT

This study aims to analyze the Impact of Financial Technology and on MSMEs in Mataram City: Increasing Financial Literacy Based on Payment Gateway. This study uses primary data or data collected directly from MSME actors and the sample in this study, a total of 60 respondents were obtained. This study uses the Smart PLS 4.0 data analysis tool. The results of this study are that fintech adoption and transaction volume have a positive effect on financial literacy. This means that the better the adoption of fintech and transaction volume, the better the financial literacy of MSMEs in Mataram City. This study is limited to the use of fintech adoption and transaction volume variables so that for subsequent researchers it is necessary to develop other variables that are rarely or have never been studied before and also increase the number of respondents so that the results obtained are better.

INTRODUCTION

The development of technology throughout the world is very fast, Indonesia is also developing very fast. The use of technology is an obligation. Society interprets technology as an electronic device, while scientists and philosophers, technology is a solution to solve a problem. Technology presents various tools for many people to use and is used to solve various daily problems (Muhtarom, 2022). One of the technologies that can help humans is about finance, which is always experiencing rapid progress and development. The good benefits obtained by financial technology have been able to encourage its use in society (Azis and Effendy, 2024). The many benefits provided by the technology in question are such as cellphones which are now widely owned by almost everyone and are accompanied by financial applications that are used for shopping, completing banking transactions and even participating in the stock exchange (Karim et al., 2021).

The internet is also part of the technology itself, so the internet can make every job faster and change the way we do activities, business, and work. Big data and digitalization have become trends in the current era requiring accuracy, speed, and efficiency. The internet which is developing very rapidly has created innovations such as financial technology (FinTech) in meeting the needs of the community. FinTech is a change in the financial sector that uses technology to facilitate every transaction and avoid fraud, creating more efficient and easy financial services (Kusuma & Asmoro, 2021).

Based on the results of the examination by the Indonesian Internet Service Providers Association (APJII), it is explained that the number of internet users in Indonesia in 2024 will be 221,563,479 people from a population of 278,696,200 people in Indonesia in 2023 APJII, 2024. Based on the results of the examination of internet users in Indonesia in 2024 submitted by APJII, the level of internet users in Indonesia is 79.5%. This total is almost the same as the number of internet users in Indonesia, which is 185.3 million people in early 2024, with internet users reaching 66.5%. The largest number of internet users in Indonesia is in Java with the number of users reaching 83.64% and involvement of 57.82%, followed by Sumatra with 77.34% users and involvement of 20.69%, then Kalimantan with slightly more users than Sumatra, which is 77.42%. However, the involvement of this island is only 6.12%, then there are two other islands, namely Sulawesi with 68.35% users and 6.47% involvement, and Maluku-Papua with 69.91% users and 3.79% involvement, and Bali and Nusa Tenggara with 71.80% users. However, its involvement is only 5.12% (Databoks, 2024).

FinTech is a new type of business that makes it easier for people to have financial transaction services without needing a bank account. BI is fixing the FinTech industry to maintain customers. FinTech businesses include payment systems, P2P Lending, Crowdfunding and others. Payment systems, namely the type of FinTech, are widely used in Indonesia (Aliyah & Nurdin, 2019).

BI said FinTech could replace the role of formal financial institutions, for example banks. FinTech has a role to present a market for every business actor, payment, settlement, risk mitigation, investment, and make it easier for many

people to save, borrow, and include capital. FinTech provides convenience in transactions, minimizes fraud, and has changed in various sectors in Indonesia. One example of a FinTech product is a payment gateway (Pham et al., 2023).

Payment Gateway is a new change in the FinTech application that is made to meet the needs of non-cash payments for every order transaction using the application. By using a payment gateway, the payment process becomes easier and more efficient because it does not require cash. Users can be faster and more practical when transacting with the application, for example paying bills, purchasing goods or services and transferring money. Furthermore, the use of a payment gateway can also provide security from more sophisticated encryption and security features. Therefore, the use of a payment gateway provides very significant benefits to facilitate transactions without using cash and increase convenience and efficiency when digital transactions occur (Anisah & Crisnata, 2021).

Micro, Small & Medium Enterprises (MSMEs) are one of the important factors as the main key to economic development, namely as a pioneer who must participate and adapt to the changing times. MSMEs related to the shift from cash to non-cash payment systems must follow in using technological developments. MSMEs are required to change transaction methods as quickly as possible, from transactions using cash to digital by implementing a payment gateway (Astari, 2022).

MSMEs tend to choose low risk and prioritize security in decision making. MSMEs want to minimize risk and obtain more stable results. However, there are also some MSMEs that choose greater risks for solutions to achieve greater goals, such as developing a business or opening a new branch. However, it should be noted that every quick decision does not necessarily have a high level of accuracy (Cahyani Nurabiah, 2024).

MSMEs play an important role in changing GDP and labor acquisition in Indonesia. The increase in the number of MSMEs means that competition is also increasingly competitive. In addition, implementing the ASEAN Economic Community (AEC), MSME actors are required to make changes to meet market needs and make Indonesia a market leader domestically or in ASEAN (BILLAH, 2021).

MSMEs must always pay attention to financial literacy, because changes that always occur result in technological disruption. So they are required to learn faster and adapt quickly to the transition of how to transact. Thus, it requires MSME actors to have better financial literacy competencies (Aliyah & Nurdin, 2019).

According to experts, FinTech has a positive effect on financial literacy. FinTech helps increase understanding of financial literacy by providing more effective and efficient access to financial products and similar information. FinTech can increase a person's understanding and knowledge regarding financial concepts, such as investment, financial planning, and risk management. Then, FinTech also supports participation in financial activities by providing a platform that makes it easier for everyone to transact, invest, and manage finances (Aliyah & Nurdin, 2019).

Financial literacy is very necessary in facilitating financial management. And financial literacy encourages economic utility and increases the use of financial products and services. The goal for the future of financial literacy is to increase literacy and the number of users of financial products, and improve the movement of the wheels of the economy. In driving economic functions, financial literacy is needed to create a better rotation of the wheels of the economy (Mustikasari & Noviardy, 2020).

Low levels of financial literacy can result in financial constraints due to improper allocation of income. Financial literacy intelligence can facilitate the creation of more accurate decisions and a good scale of priorities for the future. Understanding financial literacy as a major factor for someone to become a good customer, manage credit well, and also finance accurate education. Financial literacy knowledge allows customers to resolve difficult situations, buy insurance, have savings, and diversify investments. And financial literacy is related to positive financial behavior such as paying on time, saving before spending, and using credit cards correctly (Mustikasari & Noviardy, 2020).

This is proven by the increasing number of users of payment gateways such as DANA, OVO, GoPay, and Link Aja by MSMEs. By collaborating with large companies, payment gateway applications offer discounts and easy transactions. Financial literacy is a basic need for MSME businesses so that they can always be sustainable and run and can avoid various problems that could potentially arise when making transactions (Anisah & Crisnata, 2021).

The presence of FinTech can also contribute to the development of MSMEs. The role of FinTech is not limited to financing business capital but to various aspects of digital payment services as well as financial management. This is certainly considered interesting for MSMEs to adopt this financial technology.

Likewise with what has happened in Mataram City, where many MSMEs have started using FinTech services based on digital technology such as payment gateways DANA, OVO, GoPay, and Link Aja through applications on Android and iOS. Most MSMEs in Mataram City are in the beverage and food sector. Some MSMEs serve orders on applications such as GrabFood and GoFood (Anisah & Crisnata, 2021).

All MSMEs in Mataram City are required to implement FinTech, because Fintech contributes significantly to increasing knowledge related to financial literacy. By empowering FinTech, MSMEs are able to access information, products, and financial services more effectively and efficiently. The use of FinTech can also make it easier for MSMEs to manage their finances, such as paying attention to expenses and income, transaction processing, and inventory management. Then, with broad access to financial literacy from FinTech, MSMEs can gain an increasing understanding of financial concepts and determine more appropriate decisions in financial aspects (Muhtarom, 2022).

The purpose of this study is to prove by assessing the influence of FinTech on Financial Literacy of MSME actors in Mataram City.

LITERATURE REVIEW

Financial Technology

Financial Technology is a technological change in the financial services sector that can create applications, types of businesses, processes or products that provide benefits from significant impacts on the provision of financial services (Financial Stability Board, 2017). FinTech can be useful for the community to make it easier to access financial products and financial literacy (finansialku.com, 2018). The FinTech industry is a way in which financial services began to exist in the current digital era. Lately, many people have moved to using FinTech for reasons of wanting all their activities to be effective and efficient. The use of FinTech itself is due to various views of society, namely experience, motivation, attitude, interest, and hope.

Adoption of technology is a form of utilization of empowerment from technological advancement. Adoption of technology can be implemented in various fields based on their respective functions. One of the fields implemented is in transaction activities in MSME businesses in the form of Payment Gateway. One type of Payment Gateway is E-Wallet in the form of DANA, OVO, link aja, and GoPay.

Transaction volume is the amount of money transferred to different accounts. In this case, what is transferred is electronic money that facilitates transaction activities, especially for MSMEs in Mataram City. The advantages of transactions using electronic money based on Payment Gateway are that it saves time without having to meet in person, and it is also safer because there is a digital record of transaction activity. FinTech indicators based on expert opinion can be seen below:

1. Technology Adoption: related to the spread of innovation, technology adoption indicators can be used to assess the extent of FinTech use and acceptance by the community. Several factors that can be measured include the level of trust, awareness, and benefits of the technology. (Everet, 1995)
2. Transaction Volume: related to the FinTech industry, the transaction volume indicator is one of the important things as a way to assess the growth and adoption of FinTech. This indicator covers the amount of transactions on the FinTech application platform (PwC, 2019).

Financial Literacy

Financial literacy encompasses knowledge, confidence, beliefs, skills, and motivation that are essential for making effective financial decisions, enabling participation in economic life, and improving individual well-being. The Organization for Economic Cooperation and Development (OECD, 2019) defines financial literacy as a combination of awareness, knowledge, skills, attitudes, and behaviors needed when making healthy financial decisions, so that everyone can achieve financial well-being. From the research of Rodrigues et al., (2019) it is seen that financial literacy is a combination of knowledge, awareness, skills, attitudes, and behaviors needed in making good financial decisions and ultimately achieving financial well-being for everyone. In

addition, financial literacy contributes to the growth and development of the economy and the quality of financial services in the country. There are several common elements in financial literacy, namely investment, savings, budgeting, and loans. The dimensions of financial literacy include financial skills and knowledge as well as changes in financial behavior. In general, financial literacy can assess an individual's competence in knowing the exchange rate.

The financial literacy indicators used include:

1. Financial Knowledge: this indicates a person's knowledge of basic financial concepts, such as investment risk, financial planning, interest, and inflation.
2. Financial Management Skills: this includes one's competence in budgeting, managing debt, optimizing savings, and paying attention to expenses.
3. Attitude Towards Finance: this encompasses a person's opinion of the desire to learn, the importance of finance and increasing financial knowledge, and the tendency towards impulsive spending.
4. Participation in Financial Planning: this includes whether the person participates in long-term financial planning, such as saving for retirement or education.
5. Financial Problem Solving Ability: this includes the extent to which the person can find out and solve various financial problems, for example determining the most suitable financial product based on needs.
6. Responsible Financial Behavior: This encompasses a person's behavior to avoid uncontrollable debt, have regular savings habits, and manage risk with insurance.

The Impact of Fintech Adoption on Financial Literacy

FinTech able to increase financial inclusion and minimize the occurrence of imbalances in financial literacy in people. With the changing technology and better achievement, FinTech can provide opportunities for everyone to improve their financial skills and understanding of one's financial capabilities. From the evidence in the research of Astari and Candraningrat, FinTech supports a positive effect on financial performance. Therefore, the better the financial literacy of MSME actors, the better the level of FinTech utilization to increase financial performance.

In addition, Aliyah and Nurdin also obtained interesting results in their research. That there is a positive relationship between a person's opinion about the ease of using and empowering financial technology with their respective financial literacy portions. Opinions related to the ease of using financial technology are important factors that influence an individual's level of financial literacy. Then, opinions related to the usefulness of financial technology have a positive effect on financial literacy. From here it has been shown that the acceptance of understanding FinTech can have a good effect on increasing the level of financial literacy.

Conceptual Framework

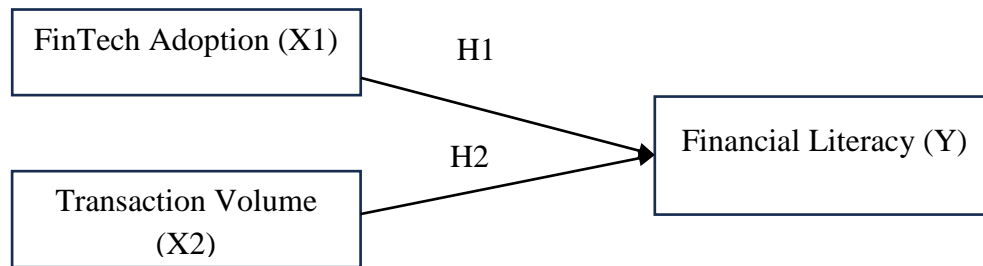


Figure 1. Conceptual Framework

Hypothesis Development

From Figure 1, we can make hypotheses including:

H1: FinTech Adoption Has a Positive Impact on Financial Literacy.

H2: Transaction Volume Has a Positive Influence on Financial Literacy.

METHODOLOGY

Types of research

Researchers use a causal research method with a quantitative approach. Causal research is used to show the relationship between cause and effect of each different variable. In general, causal studies include the use of experimental methods, where independent variables can affect dependent variables. The purpose of this study is to find out and explain the impact of payment gateway-based FinTech on financial literacy in MSME actors in Mataram City.

Research Location

The research location was conducted in Mataram City with MSME actors as the subjects.

Population, Sample and Sampling Techniques

In this study, the population is all MSMEs in Mataram City. While the number of populations is unknown, therefore the sample will be determined using the non-probability sampling method. While the type of technique used is purposive sampling, which determines the research respondents based on certain objectives or criteria. Determination of the number of samples is determined based on the opinion of Hair et al., (2010) who said that the sample size is at least 5-10 times the number of indicators. Therefore, this study has 12 indicators, so the minimum total is 60 respondents.

Data Collection Methods and Measurement Scales

The data used in this study is a survey method using a questionnaire. The questionnaire consists of closed questions that will be distributed to respondents to be filled out online using a Google form. The questionnaire

obtained will be measured using a Likert scale as a scale of measuring value intervals with five levels of answer choices.

Data Analysis Tools and Techniques

In this study, the procedure and technical data analysis used the partial least square approach through the SmartPLS version 4.0 application. The steps are convergent validity test, discriminant validity, reliability, R Square, Q Square, and hypothesis test.

RESULTS AND DISCUSSION

Hypothesis testing using SmartPLS 4.0 program analysis. The PLS evaluation model is based on non-parametric estimation measurements. The measurement model test or outer model is used to validate the research model from the construct validity test (convergent and discriminant validity), as well as internal consistency testing (construct reliability). Meanwhile, the structural model or inner model works by estimating the causal relationship between variables. Structural model testing can be known in the bootstrapping process, and also the T-Statistic test parameters. The structural model (inner model) is assessed by knowing the percentage of variance indicated by the R2 number for the dependent latent construct.

Measurement Model Testing (Outer Model)

The measurement model test can describe the relationship between all indicators in the latent variables, and there are three criteria for measuring the measurement model, namely construct validity (convergent and discriminant validity) of the indicators and composite reliability for the indicator block.

Convergent Validity Test

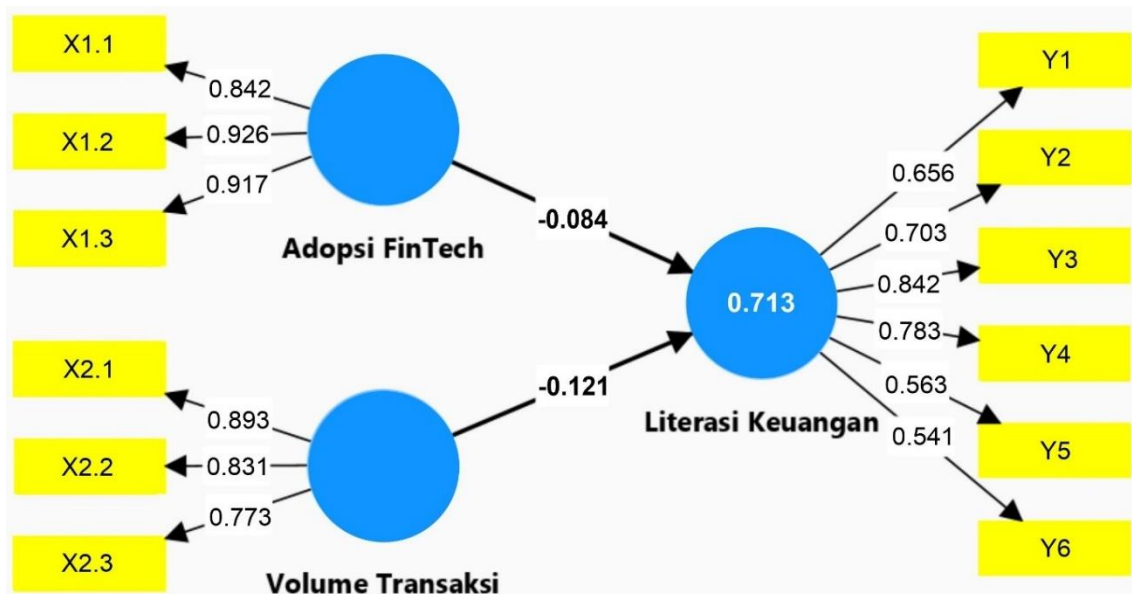
In PLS, convergent validity test with reflective indicators is assessed from the loading factor (correlation between item scores/component scores with construct scores) of the indicators that measure it. The larger the factor loading number, the more important the role of loading to interpret the factor matrix. The rule of thumb commonly used to assess convergent validity is outer loading > 0.7. However, according to Haryono (2017), a loading factor value > 0.50 is still acceptable. The following are the test results that can be seen in table 1 below:

Table 1 Loading Factor with Loading Values

	X1	X2	Y
X1.1	.842		
X1.2	.926		
X1.3	.917		
X2.1		.893	
X2.2		.831	
X2.3		.773	
Y1.1			.656
Y1.2			.703
Y1.3			.842
Y1.4			.783
Y1.5			.563
Y1.6			.541

Source: Primary Data Processed 2024

From the loading factor value in Table 1.1 above, it proves that all the numbers obtained from each item are > 0.50 , so that all items from the indicator can be said to be valid or there are no items that need to be eliminated. Or the loading factor value can also be proven by the following image:



Source: Primary Data Processed 2024

Figure 2 Research Modeling Diagram

From Figure 2, it can be seen that all indicator items have a loading score of more than 0.50, therefore none of the indicators were dropped or deleted.

Discriminant Validity Test

Discriminant validity can occur if there are two different instruments, which assess two constructs that are thought to be unrelated so that the scores obtained are indeed unrelated. All indicators are tested using numbers from cross loading. In table 2 below, the discriminant validity test is used so that it

can be seen that each indicator in a construct will be different from the indicators in other constructs and collect in other constructs. According to Hamid & Anwar (2019), the Rule of thumb value that is often used in assessing discriminant validity with the level of relationship between indicators whose constructs are > relationships with other block constructs uses a value that must be > 0.50. The following shows the results of the discriminant validity test.

Table 2 Discriminant Test

	FinTech Adoption (X1)	Transaction Volume (X2)	Financial Literacy(Y)
X1.1	.842	-.119	-.027
X1.2	.926	.468	.324
X1.3	.917	.408	.366
X2.1	.239	.893	.056
X2.2	.362	.831	.203
X2.3	.570	.773	.042
Y1.1	.339	.111	.656
Y1.2	.017	.121	.703
Y1.3	.023	.347	.842
Y1.4	.434	.042	.783
Y1.5	.397	.131	.563
Y1.6	.373	.073	.541

Source: Primary Data Processed 2022

From table 2, it can be seen that all indicators have numbers > 0.50. Therefore, the data processing can be continued and it can be said that the construct already has good validity convergent. And the cross loading figure proves that there is good validity discriminant, thus the indicator correlation number is greater than the other construct numbers.

Reliability Test

Composite reliability test can be seen from the Cronbach's Alpha number and the Composite Reliability number. The construct can be considered reliable if the Cronbach's Alpha number obtained is > 0.60 and the Composite Reliability number is > 0.70 (Haryono, 2017). The composite reliability test results can be proven in the following table 3.1:

Table 3 Reliability Test Results

	Cronbach's alpha	Composite reliability (rho_c)	Description
X1	.798	.754	Reliable
X2	.883	.826	Reliable
Y	.784	.772	Reliable

Source: Primary Data Processed 2022

Table 3 proves that all variables in the study, namely FinTech Adoption, Transaction Volume, and Financial Literacy, can be said to be reliable. This is

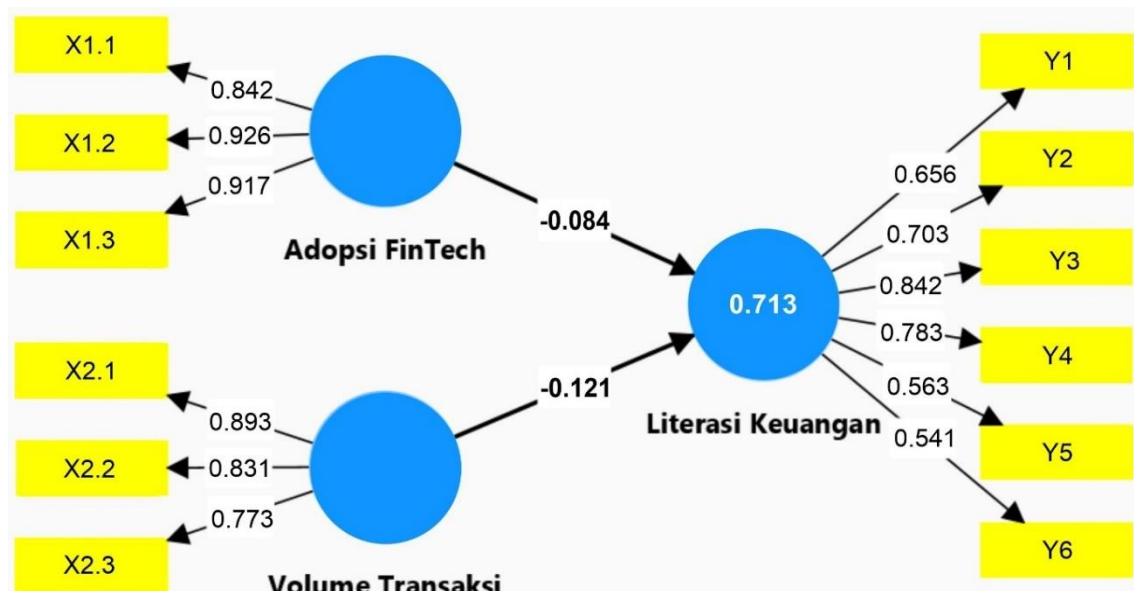
evident from the Cronbach's Alpha figure > 0.60 and the Composite Reliability figure in each research variable > 0.70.

Structural Model Testing (Inner Model)

Structural model testing is done to predict causal relationships in each variable or hypothesis testing, find out the significance number, and R-Square of the research model. The purpose of structural model testing is to predict relevance and prove the value of the structural path coefficient. For the structural test model, work on the smart PLS 4.0 application in the bootstrapping process.

The R-Square number is used to find out predictive relevance, namely to assess the level of goodness of the observation numbers obtained by the model and its parameter estimates. The R-Square number > 0 proves that the model has predictive relevance, but the R-Square value < 0 proves that the model has less predictive relevance. The magnitude of the R-Square number has a number that ranges from 0 < R² < 1, meaning that the R-Square value that is closer to the value of 1 means the model is getting better. According to Hamid & Anwar (2019) an R-Square value of 0.70 can be said to be strong while a value of 0.50 is moderate and a value of 0.25 is weak.

The R-Square figure obtained in this study is 0.713. Based on this figure, it shows that the research model on the influence of FinTech Adoption and Transaction Volume on Financial Literacy has predictive relevance, this is because it has a number > 0. So, it can be considered that the structural equation model proposed in this study is appropriate for use as a basis for the process of determining the estimated research results. Test the structural model, the results can be seen in Figure 3 below:



Source: Primary Data Processed 2022

Figure 3 R-Square Test

Next is the hypothesis test to find out the path coefficient number and the T-Statistic value. Path coefficient test according to Hartono in Jogiyanto

(2011), the dimension of significance of hypothesis support can be used by comparing the T-Statistic and T-Table numbers. If the T-Statistic number is higher than the T-Table, it means that the hypothesis is supported. If the confidence level is 95% ($\alpha=5\%$) it means that the T-Table number for the hypothesis, namely two-tailed, is ≥ 1.96 .

Hypothesis Testing

From Table 4, it can be seen that all independent variables that consist have a positive influence on Financial Literacy. The influence of each variable can be proven in the details of table 4.1 below:

Table 4 Hypothesis Testing

Relationship Between Variables	T statistics (O/STDEV)	P values	T Table
X1 > Y	2,467	0.014	1,672
X1 > Y	2.125	0.021	1,672

Source: Primary Data Processed 2022

In table 4 above, the results obtained from the following hypothesis test can be explained:

- The fintech adoption variable obtained a t-statistic value of $2.467 > t$ table 1.672 or a p value of $0.014 < 0.05$, so H1 is accepted, namely that fintech adoption has a positive effect on financial literacy.
- The transaction volume variable obtained a statistical t value of $2.025 > t$ table 1.672 or a P value of $0.021 < 0.05$, so H2 is accepted, namely that transaction volume has a positive effect on financial literacy.

The Impact of FinTech Adoption on Financial Literacy of MSMEs

In the results of the hypothesis test that has been done by researchers regarding the influence of fintech adoption on financial literacy, in table 4.1 above shows the P values ($0.014 < 0.05$) and t-statistics $2.467 > t$ table 1.672 . So it can be concluded that the first hypothesis can be accepted with the results of fintech adoption having a positive effect on financial literacy.

The first hypothesis that states that Fintech Adoption has a positive effect on Financial Literacy in MSMEs in Mataram City can be accepted. This means that if FinTech Adoption is high, then MSMEs will have better Financial Literacy. When viewed from the data on the average score of respondents' perceptions, it means that MSMEs have FinTech Adoption that can be said to be low, therefore their level of Financial Literacy can be said to be lacking. These results support previous research that states that FinTech has a positive effect on Financial Literacy (Aliyah & Nurdin, 2019).

MSMEs can access financial information more easily and quickly with the adoption of FinTech. Using banking applications, mobile devices, or online platforms, they can monitor and manage their financial transactions in real-time. So that their understanding of their own financial condition increases.

MSMEs can empower electronic payment applications, accounting software, or inventory management systems that are integrated in utilizing fintech adoption. Fintech adoption makes it very easy to manage their finances more efficiently, including inventory management, tracking expenses and income, and making financial reports. So if they can manage their finances better, then MSME actors are able to create better decisions for their business.

Thus, the important point is that the adoption of fintech has become a very important role in increasing financial literacy for MSMEs in Mataram City. With good technology empowerment, MSMEs can get efficient financial management, information accessibility, increased income, market expansion, and increased financial security. This is involved in the growth and development of a business for the future related to their economic level.

The Influence of Transaction Volume on Financial Literacy of MSMEs

Furthermore, if we look at the evidence from the hypothesis test that has been done related to the influence of transaction volume on financial literacy, as shown in table 4.1 that P values (0.021) < 0.05 then t-statistics $2.125 > t$ table 1.672. This means that the second hypothesis can be accepted that transaction volume has a positive effect on the financial literacy of MSME actors in Mataram City. Thus, the greater the Transaction Volume worked on by MSME actors, the better their Financial Literacy.

Transaction Volume is a proxy for FinTech as stated by PwC (2019), if the transaction volume of the resulting figure is high, it will also contribute to increasing financial literacy. If MSMEs have a large Transaction Volume, they can have a better understanding and knowledge of Financial Literacy. This competence can be useful for MSMEs in creating and using much better business strategies. For the future, this can be useful for them in organizing their business for the long term, so that they can always compete and survive in the business world where there is always competition.

Transaction Volume has a positive influence on Financial Literacy of MSMEs in Mataram City. The large volume of transactions they do, the greater their awareness of the importance of financial management and understanding. The increasing number of money transaction activities makes MSMEs always involved in the financial aspects of their business, such as recording expenses, income, and cash management.

The increasing transaction volume creates opportunities for MSMEs to be able to know the risks and benefits related to their business activities. MSMEs can know the consequences of the financial decisions they make. The decisions in question are for example about spending on purchasing stock or investment for the development of a business. This actually makes it easier for them to improve their Financial Literacy.

MSMEs will be more skilled in making their financial planning with the increasing volume of transactions. They can be on guard regarding the need for large amounts of money to meet needs or be on guard regarding businesses that may arise at any time. If they understand Financial Literacy, it can be easier to

create more precise projections of expenses and income and manage cash flow better.

MSMEs can collect more financial data and information due to the influence of the Transaction Volume level. Those who have a better understanding of their financial performance, enable them to create wiser decisions regarding spending, business expansion, and investment. They can also find out about movements and opportunities that have the potential to increase profits in the business they run.

Overall, the high Transaction Volume will have a positive impact on the Financial Literacy of MSMEs in Mataram City. From increased awareness, better financial planning, understanding of risks and benefits, improved negotiation skills, and wiser decision-making, MSMEs can add to their financial skills and support the growth and development of a business in the future.

CONCLUSION AND RECOMMENDATION

From the results of the analysis of the evidence obtained in the data, it can be concluded that FinTech Adoption and Transaction Volume have a positive effect on Financial Literacy in MSME actors in Mataram City. The meaning is, if the level of FinTech Adoption and Transaction Volume is higher, the better the Financial Literacy of MSME actors in Mataram City. The results of this study are also supported by previous studies that state that FinTech Adoption and Transaction Volume have a positive effect on Financial Literacy of MSME actors.

ADVANCED RESEARCH

The researcher provides suggestions for subsequent researchers not to be limited only to quantitative research methods, variables and the number of respondents used in this study. So that to research related to financial literacy, it is expected that in addition to using quantitative research methods, qualitative research methods can also be used in order to analyze a research problem more accurately. In addition, subsequent research can increase or use other variables that have never been studied by previous researchers.

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