The Effect of Financial Literacy on Interest in Using Fintech Payments on the Shopee Application

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A R T I C L E   I N F O

A B S T R A C T

This study aims to determine the effect of financial literacy on interest in using fintech payment processors on the Shopee application. The population in this study were students of the Management Study Program, Faculty of Business Economics, Muhammadiyah University of Palopo. With a total sample of 87 respondents obtained using the purposive sampling technique. The processed data is the result of distributing questionnaires online using a Google form with a Likert scale. The data analysis method used is simple linear regression analysis, analysis of the coefficient of determination, and the t test. The results of the study support the conclusion that financial literacy has a significant effect on interest in using fintech payments (PayLater) in the Shopee application.

INTRODUCTION

In the era of the Industrial Revolution 5.0, which is interpreted as high competition in various sectors that are in direct contact with the needs of the community, people are required to live side by side with technology, master it, and utilize it. Technology is a tool that makes it easier for humans to use the resources they need (Selvy Diana Putri and Listiana Sri Multasih, 2022).

The development of digital technology as evidenced using gadgets and the internet is now reaching the business world. In transaction activities, the application of technology in financial services is very helpful and makes it easier for people to interact. Currently, the phenomenon of innovation in the financial services industry is changing the outlook of the industry globally. As a result of these changes, a new phenomenon has emerged, namely finance that used to be conventional has turned into digital. This phenomenon is called Financial Technology or Fintech.

Financial Technology or Fintech is a technology that acts as an intermediary and liaison between the public and the financial sector. Fintech is one of the solutions to the problems of the traditional financial industry which cannot serve society. Therefore, people are looking for funding alternatives other than traditional industrial services such as banks, which are more transparent and have efficient financial services and can reach various levels (Adningsih, et al., 2019).

Shopee, as the top 3 mobile application platforms in Indonesia, is encouraged to always make the latest breakthroughs in the features they provide, including in the field of payment systems. The shopee service provides non-cash transaction facilities, namely the ShopeePaylater feature. ShopeePaylater has a system that has the same functions and benefits as a credit card. The main concept of this payment feature is 'buy now, pay later'. The ShopeePaylater service aims to make it easier for customers who are shopping or selling at Shopee (Hadijah, 2019).

The purpose of this study was to determine the effect of financial literacy on interest in using the fintech payment paylater on the shopee application.

In Selvy Diana Putri and Listiana Sri Mulatsih's research (2022) regarding "The Influence of Financial Literacy on Interest in Using Fintech Payment (Paylater) in the Shopee Application. The variables used are financial literacy, convenience, and risk as variable X and interest in using as variable Y. The results of this study indicate that financial literacy has a positive effect on interest in using fintech payments (paylater) at Shopee, convenience has a positive effect on interest in using fintech payments (paylater) on Shopee, and risks affect interest in using fintech payments (paylater) on Shopee.

Research conducted by Vivi Eviana and Agung Joni Saputra (2022) regarding "Analysis of Factors Influencing Interest in Using the Paylater Payment System". The results showed that facilitating conditions, convenience, and hedonic motivation had a positive and significant effect on interest in using the Paylater payment method, while interest rates and income had a negative and insignificant effect on interest in using the Paylater payment method.

Research conducted by Refianti Andani Katiya and Brady Rikumahu (2022) regarding "Analysis of Interest Using the Paylater Feature as an Online Payment Media (Fintech) Using Diffucion Of Innovation Theory). Using 5 independent variables namely relative advantage, suitability, complexity, testable, observable towards the dependent variable individual interest in adopting Paylater services. The results showed that relative advantage, suitability, complexity, trialability, observability simultaneously had a significant effect on individual interest in adopting paylater services.

RESEARCH METHOD

The object used in this study is Paylater at Shopee. The participants in this study were students at Muhammadiyah Palopo University. The samples in this study were odd-semester students of the Management Study Program, Faculty of Business Economics, Muhammadiyah University of Palopo, Class A, class of 2019–2022. A sample of 87 people was determined using the Slovin formula. The total population in this study was 685 students, so the percentage of allowance used was 10%, and the calculation results could be rounded up to achieve suitability.

The sampling technique in this study used a purposive sampling technique. This sampling technique is limited based on gender, age, semester, class, year of year, length of time to use SPaylater, purpose of using SPaylater and sources of income. This type of research used is quantitative research. Source of data in this research is primary data. The data collection technique is by distributing online questionnaires using the Google form as measured by a Likert scale to Odd Semester Students of the Management Study Program Faculty of Business Economics, Muhammadiyah University of Palopo Class A Class of 2019-2022 which is carried out in approximately 2 months, starting from the beginning of December 2022 until the end of January 2023. The data analysis technique used is instrument analysis, namely validity and reliability tests, simple linear regression analysis, analysis of the coefficient of determination, and hypothesis testing, namely the t test. The analysis was carried out using the SPSS data processing application version 26.

RESULTS AND DISCUSSION

Based on the objectives and methods used in this study, the following is an explanation of the results of this study, namely:

Validity test

Validity testing was carried out with 87 respondents. To find out whether an instrument can be said to be valid is to compare the r-count value with the r-table for the degree of freedom (df) = n-2. The number of samples (n) in this study was 87. So the df obtained was 87-2 = 85, using a significance level

of 5% to obtain r-table = 0.213. If the r-count is greater than the r-table, then the variable instrument can be said to be valid. The results of testing the validity of financial literacy instruments (X) and interest in using (Y) can be seen in the following description:

Results of Testing the Validity of the Financial Literacy Variable (X)

The results of testing the validity of the financial literacy variable consist of 8 statement items shown in Table 1.

Table 1. Results of the Validity Test of Financial Literacy Instruments

Statement Items	Validity		Conclusion
	r-count	r-table	
1	0.619	0.213	Valid
2	0.697	0.213	Valid
3	0.398	0.213	Valid
4	0.608	0.213	Valid
5	0.612	0.213	Valid
6	0.397	0.213	Valid
7	0.499	0.213	Valid
8	0.542	0.213	Valid

Source: Results of 2022 SPSS Data Processing

Based on Table 1, the results of the instrument validity test for all statement items submitted for the financial literacy variable have an r-count between 0.397 and 0.697. This means that the r-count value of all financial literacy variable statement items is greater than the r-table value of 0.213. Based on the results of the validity test, it can be concluded that all statement items in the financial literacy variable questionnaire are declared "valid".

Results of Testing the Validity of the Interest Variable Using (Y)

The results of testing the validity of the interest variable used consist of 6 statement items shown in Table 2.

Table 2. Results of the Validity Test of the Learning Difficulty Instrument

Statement Items	Validity		Conclusion
	r-count	r-table	
1	0.743	0.213	Valid
2	0.635	0.213	Valid
3	0.770	0.213	Valid
4	0.675	0.213	Valid
5	0.798	0.213	Valid
6	0.695	0.213	Valid

Source: Results of 2022 SPSS Data Processing

Based on Table 2, the results of the instrument validity test for all statement items submitted for the variable of interest in using have an r-count between 0.635 and 0.798. This means that the r-count value of all items of interest variable statements using is greater than the r-table value of 0.213. Based on the results of the validity test, it can be concluded that all statement items in the interest variable questionnaire are declared "valid".

Reliability Test

This test is carried out by means of one shot or measurement only once. SPSS software provides facilities for reliability testing with the Cronbach's Alpha (α) statistical test. Here the deduction is only once and then the results are compared with other statements or measure the correlation between the answers to the statements. A construct or variable is said to be reliable and acceptable if it gives a Cronbach's Alpha value ≥ 0.6 (Sekaran, 1992).

Table 3. Financial Literacy Instrument Reliability Test Results (X) and Interest in Using (Y)

Variable	Cronbach's Alpha (α)	Critical Value	Information
Financial Literacy	0.723	0.600	Reliable
Interest in Using	0.781	0.600	Reliable

Source: Results of 2022 SPSS Data Processing

Simple Linear Regression Analysis

Simple linear regression analysis in this study, aims to measure the strength of the relationship between the two variables, and shows the direction of the relationship between the dependent variable and the independent variable. The test results are as follows:

Table 4. Simple Linear Regression Test Results
Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
1 (Constant)	12207	3,503		3,485	001
Financial Literacy (X)	.376	.102	.371	3,678	.000

a. Dependent Variable: Y

Source: Results of 2022 SPSS Data Processing

Based on table 4 obtained from the results of data processing using SPSS, the following regression equation is obtained:

$$Y = 12.207 + 0.376 \ X$$

The regression equation can be explained that the coefficients of the simple linear regression equation above can be interpreted as a constant regression coefficient of 12.207 indicating that if the financial literacy variable is zero or fixed, it will increase interest in using it by 12.207 units. The coefficient value of the financial literacy variable is 0.376 indicating that if the financial literacy variable increases by one unit, it will increase interest in using it by 0.376 one unit or 37.6%.

Analysis of the Coefficient of Determination

Analysis of the coefficient of determination is intended to determine the percentage of influence of the independent variable on the dependent variable. The test results are as follows:

Table 5. Results of Testing the Coefficient of Determination of Financial Literacy on User Interest

Summary Models

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.371a	.137	.127	2.75867

a. Predictors: (Constant), x

Source: Results of 2022 SPSS Data Processing

Based on table 5 which is obtained from the results of data processing using SPSS, a determination value is obtained $(R)^2$ of 0.137. This shows that financial literacy has an influence contribution of 13.7% on interest in using, while the remaining 86.3% (100% -13.7%) is influenced by other factors not tested in this study.

Hypothesis testing

Hypothesis testing with the t test is used to find out which hypothesis is accepted. Hypothesis formulation: There is a significant effect of financial literacy on user interest.

Table 6. Results of the Financial Literacy Hypothesis Test on User Interests

Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	std. Error	Betas		
1 (Constant)	12207	3,503		3,485	001
Financial Literacy (X)	.376	.102	.371	3,678	.000

a. Dependent Variable: Y

Source: Results of 2022 SPSS Data Processing

Based on table 6 obtained from the results of data processing using SPSS, a t-count value of 3.678 is obtained with degrees of freedom (df) = nk. Where n = number of samples and k = construct. So df = 87-2=85. Then the t table is 1.992. Because t-count (3.678) > t-table (1.992) with a significant level in the table of 0.000, which means 0.000 <0.05, then H is accepted, meaning it can be seen that financial literacy significantly affects user interest.

CONCLUSION

Based on the research that has been done and the explanation of the results shown in the previous chapter, the results of this study indicate that there is a significant influence between financial literacy and the interest of financial technology payment later (paylater) users at Shopee, as indicated by the regression coefficient value, which is positive (0.376), the coefficient value determination, which is worth (0.137), the results of the t test, which found that t-count > t-table (3,678 > 1,992), and the significant value is less than 0.05 (0.000 < 0.05). This means that financial literacy has a significant impact on Shopee app users' interest.

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