

# ANALYSIS OF THE INFLUENCE OF FINANCIAL LITERACY AND DIGITAL LITERACY ON THE DECISION TO USE DANA E-WALLET

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## ABSTRACT

This study aims to determine the effect of Financial literacy and digital literacy on Fintech Payment on the Use of Funds. The number of samples used was 90 people, with a purposive sampling method. This study uses a quantitative research method processed through SPSS Version 25. The data analysis technique applied is multiple linear regression. The results of the analysis answer that Financial literacy has a positive and significant effect on Fintech Payment T count Financial literacy of  $3.481 > 1.661$  and significance of  $0.001 < 0.05$ . Digital literacy has a positive and significant effect on Fintech Payment T count digital literacy of  $3.125 > 1.661$  and significance of  $0.002 < 0.05$ . The results of the F test obtained Financial literacy and digital literacy together (simultaneously) have a positive effect on Fintech Payment (F count  $> F$  table  $23.967 > 0.20$  at a significance of  $0.000 < 0.05$ ). And the results obtained are a coefficient of determination of 34.0% Fintech Payment can be obtained and explained by Financial literacy and digital literacy while the remaining 0.66% is explained by variables outside the model studied.

**Keywords:** *Financial literacy, Literacy digital, Fintech Payment dan DANA*

## INTRODUCTION

Students are one of the next generations who will build Indonesia in the future. They need to be prepared to build the Indonesian nation, especially in the economic sector. To achieve this, it is necessary to develop and cultivate the character of the nation's children who are diligent, disciplined, and of course, thrifty and careful in their lives. One important character trait to develop is financial planning and management. Improving financial literacy for students is crucial because they face risks from more complex financial products and services than their parents. One rapidly developing innovation is financial technology (fintech), particularly in digital payment systems such as e-wallets. The DANA e-wallet is a digital payment platform widely used by Indonesians, including students.

The development of digital technology has penetrated the business world. In transaction activities, the application of technology in financial services significantly facilitates interactions. Currently, innovation in the financial services industry is changing the global outlook on the industry. As a result of these changes, a new phenomenon has emerged: the transition from conventional finance to digital. This phenomenon is called Financial Technology, or Fintech. According to the National Digital Research Center (NDRC), fintech is a new innovation that combines financial services with modern technology. Fintech is a technology-based financial system that produces new products, services, technologies, or business models that impact monetary stability,

financial system stability, or efficiency, smoothness, security, and reliability in payment systems (Aulia, 2020).

Financial literacy is crucial as students begin to manage their own finances. A lack of financial literacy can lead to consumptive behavior and poor financial decisions. On the other hand, digital literacy also plays a role in understanding, evaluating, and using technology wisely. The phenomenon among students at Panca Budi Development University (UPP) shows that some students still lack a solid understanding of financial management and are not yet optimally utilizing digital technology. This impacts their decision to use e-wallets, particularly DANA.

## THEORETICAL BASIS/LITERATURE REVIEW FINANCIAL LITERACY

According to the Financial Services Authority Circular Letter Number 30/SEOJK./07/2017 in 2017, financial literacy is knowledge, skills, and beliefs that influence attitudes and behaviors to improve the quality of decision-making and financial management in order to achieve prosperity. According to Agusta (2016), financial literacy has different implications depending on the income level in each country. Financial literacy in high-income countries complements consumer protection for access to financial institution products and services.

## LITERACY DIGITAL

Digital literacy, according to Kurniawati and Baroroh (2016), refers to the effort to recognize, search, understand, evaluate, analyze, and use digital technology. According to Gilster,

quoted by A"Yuni, digital literacy is expected to be the ability to understand and use information from various formats (A"Yuni, 2015 Gilster 1997). Glistler explains that the concept of literacy is not only about the ability to read but also reading with meaning and understanding.

### **FINANCIAL TECHNOLOGY**

In recent years, financial technology, or fintech, has become a widely discussed topic. Leong (2018) defines FinTech as a subject that combines finance, technology management, and innovation management. He added that FinTech is also an innovation that can improve financial services by providing solutions tailored to different business situations.

### **E-PAYMENT**

E-payment is a payment model that simplifies and provides a sense of convenience for users making all types of payments. However, users only need an internet connection or network for the transaction to proceed smoothly, eliminating the need for a face-to-face meeting.

According to Pram (2016), e-payment is a payment method that uses the internet as an intermediary. Therefore, the e-payment system greatly simplifies and assists people in making payments for all types of transactions, anytime, anywhere.

### **E-WALLET DANA**

E-wallets, or digital wallets, are an innovation in financial technology (fintech) services that allow users to conduct electronic financial transactions without using cash. One e-wallet that is growing rapidly in Indonesia is DANA. Generally, DANA is an app-based digital wallet service used to store electronic money and conduct various cashless payment transactions, such as bill payments, product purchases, money transfers, and transactions with online and offline merchants.

### **RESEARCH METHOD**

This study uses a quantitative research method. The quantitative research method is a research method based on the philosophy of positivism, used to research a specific population or sample, data collection using research instruments, quantitative or statistical data analysis

with the aim of testing the hypothesis that has been applied (Sugiyono, 2016). The location of this research was carried out directly at the Panca Budi Development University located at Jl. Gatot Subroto, Medan Sunggal District, Medan City, North Sumatra 20122. In this study, the author to determine the number of samples used in this study is the Slovin formula with an error rate of 10% with the slovin formula. The results of the calculation from the slovin formula concluded that the sample used was 90 respondents. The analysis of research data was carried out with the help of the SPSS (Statistical Package for Social Science) application version 25. Data analysis was carried out using several data analysis models to strengthen the drawing of scientific-based conclusions

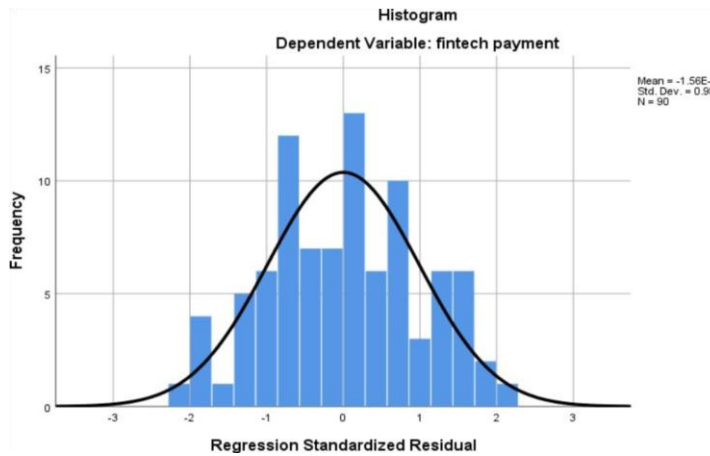
### **RESULTS AND DISCUSSION**

Panca Budi Development University was originally established under the name Metaphysics Academy, under the auspices of the Metaphysics Academy Foundation. It was founded on November 27, 1956, by Professor Dr. H. Kadirun Yahya, a retired soldier and scholar, expert in physics and chemistry, fluent in English, German, and Dutch, and specialized in metaphysical spirituality. The Metaphysics Academy was renamed Panca Budi Development University, and its founding date was December 19, 1961. In 2013, Panca Budi Development University began using an e-learning system. After that, in 2017, the seven faculties were merged into four: the Faculty of Islamic Religion and Humanities, the Faculty of Science and Technology, the Faculty of Social Sciences, and the Postgraduate Program.

### **VALIDITY TEST AND RELIABILITY TEST**

The Corrected Item – Total correlation value for all digital literacy and Fintech Payment statement items is  $>0.30$ , thus concluding that the data is valid. Furthermore, the Cronbach's Alpha value for the digital literacy, fintech payment, and financial literacy variables is  $>0.60$ , thus concluding that the data is reliable.

**NORMALITY TEST**  
**DATA NORMALITY TEST**

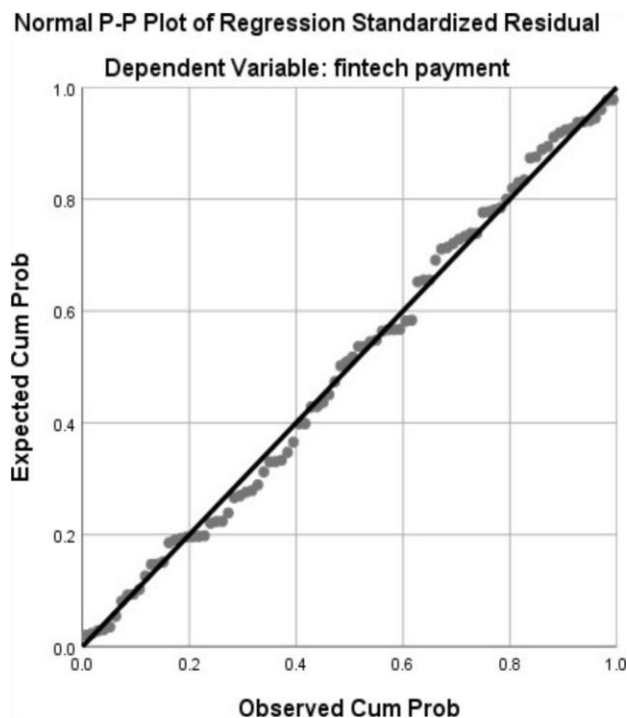


Source: IBM Statistics SPSS 25 Management Results  
**Figure 1 Normality Histogram**

The results of the data normality test show that the data is normally distributed, where the

histogram image has a bell-shaped line and has a balanced convexity in the middle.

**PP PLOT RESULTS**



Source: IBM Statistics SPSS 25 Management Results  
**Figure 2 PP-Plot Normality Test**

The 90 data points are spread around the diagonal line. Not only do they follow the diagonal line, but many also touch it. This distribution of points indicates that the respondent's answers are normally distributed, thus the regression model

meets the assumption of normality based on the PP-Plot graph.

**KOLMOGOROV SMIRNOV TEST RESULTS**

**Table 1 Results of the Kolmogorov Smirnov Test**

		Unstandardized Residual
N		90
Normal Parameters <sup>a,b</sup>	Mean	.0000000
	Std. Deviation	3.78778311
Most Extreme Differences	Absolute	.047
	Positive	.047
	Negative	-.046
Test Statistic		.047
Asymp. Sig. (2-tailed)		.200 <sup>c,d</sup>
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		
d. This is a lower bound of the true significance.		

*Source: IBM Statistics SPSS 25 Management Results*

Asymp value, Sig. (2-tailed) 0.200 > 0.05 significance value so it can be concluded that the data tested is normally distributed.

**MULTICOLLINEARITY TEST**

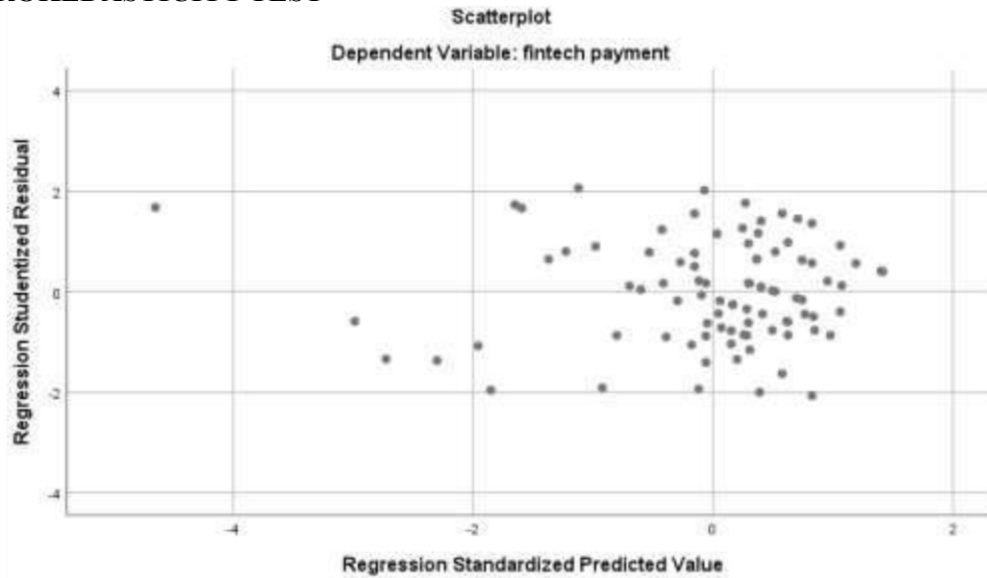
Coefficients <sup>a</sup>		
Model		
		Tolerance VIF
1	(Constant)	
	financial literacy	.704 1.421
	literacy digital	.704 1.421

a. Dependent Variable: fintech payment

*Source: IBM Statistics SPSS 25 Management Results*

The results of the Multicollinearity Test for the variables Financial literacy (X1) and Digital literacy (X2) on Fintech payment (Y) tolerance value > 0.10 and VIF < 10, so this study is declared free from multicollinearity problems.

**HETEROKEDASTICITY TEST**



Source: IBM Statistics SPSS 25 Management Results

**Figure 3 Scatterplot of Heteroscedasticity Test**

The scatterplot shows that the data distribution does not form certain patterns and is not too spread out, so the data is declared free from heteroscedasticity problems.

**MULTIPLE LINEAR REGRESSION RESULTS**

**MULTIPLE LINEAR REGRESSION RESULTS**

**Table 2 Multiple Linear Regression**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	21.594	3.058		7.061	.000
	financial literacy	.332	.095	.357	3.481	.001
	literacy digital	.298	.095	.321	3.125	.002

a. Dependent Variable: fintech payment

Source: IBM Statistics SPSS 25 Management Results

$$Y = 21,594 + 0.332 X1 + 0.298 X2 + e$$

From the constant  $\alpha = 21,594$ , it can be seen that if Financial literacy and digital literacy increase or have a value of 0 (zero), then Fintech payments will increase by 21,594. If there is a policy on Financial literacy that increases by one

unit, Fintech payments will increase by 0.332 units or 33.2%. If there is a policy on digital literacy that increases by one unit, Fintech payments will increase by 0.298 units or 29.8%.

**HYPOTHESIS TESTING PARTIAL T TEST**

**Table 3 Partial t-test**

Coefficients <sup>a</sup>				
Model		Standardized Coefficients	t	Say.
		Beta		
1	(Constant)		7.061	.000
	financial literacy	.357	3.481	.001
	literacy digital	.321	3.125	.002

a. Dependent Variable: fintech payment

*Source: IBM Statistics SPSS 25 Management Results*

The calculated t-value of 3.481 is greater than the t-table value of 1.661, with a significance level of 0.001, less than 0.05. This indicates that financial literacy has a positive and significant effect on the decision to use the DANA e-wallet. Furthermore, the calculated t-value of 3.125 is

greater than the t-table value of 1.661, with a significance level of 0.002, less than 0.05. This indicates that digital literacy has a positive and significant effect on the decision to use the DANA e-wallet.

**SIMULTANEOUS TEST F**

**Table 4 Simultaneous F Test**

ANOVA <sup>a</sup>						
Model		Sum of Squares	df	Mean Square	F	Say.
1	Regression	703.546	2	351.773	23.967	.000 <sup>b</sup>
	Residual	1276.910	87	14.677		
	Total	1980.456	89			

a. Dependent Variable: fintech payment

b. Predictors: (Constant), literacy digital, financial literacy

*Source: IBM Statistics SPSS 25 Management Results*

It can be seen from the results of the simultaneous test in Table 4.40 above, the coefficient value obtained in F count = 23.967 while F table is = 0.20 which is seen at  $\alpha = 0.05$ . The significant probability is much smaller than 0.05, namely  $0.000 < 0.05$ , then the regression model can be said that in this study Financial Literacy and Digital Literacy have a positive and significant effect on Fintech Payment. Thus, it can be concluded that

Financial literacy and Digital Literacy together (simultaneously) have a positive effect on Fintech Payment (F count > F table  $23.967 > 0.20$  at a significant  $0.000 < 0.05$ ). Therefore, the previous Hypothesis (H3) is accepted.

**COEFFICIENT OF DETERMINATION TEST**

Model Summary <sup>b</sup>				
Again st electri city	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.596 <sup>a</sup>	.35 5	.340	3.83107

a. Predictors: (Constant), literacy digital, financial litera  
cy  
b. Dependent Variable: fintech payment

The Adjusted R Square value of 0.340 can be called the coefficient of determination, this means that 0.340 (34.0%) of Fintech payments can be obtained and explained by Financial literacy and Digital literacy, while the remaining 100% - 34.0% = 0.66% is explained by variables outside the model being studied.

**SYNTHESIS OF TOPIC**

**The Influence of Financial Literacy on the Decision to Use DANA E-WALLET** Based on the t-test results, the calculated t-value was 3.521, greater than the t-table value of 1.661, with a significance level of 0.001, less than 0.05. This indicates that financial literacy has a positive and significant effect on the decision to use the DANA e-wallet. Thus, the first hypothesis (H1), which states that financial literacy influences the decision to use DANA, is accepted. Theoretically, these results indicate that the higher the level of financial literacy possessed by students, the better their ability to make decisions related to the use of digital financial services. Students who have a good financial understanding tend to be more rational, able to manage expenses, and consider the benefits and risks of using the DANA e-wallet. In addition, financial literacy also plays a role in shaping individual attitudes and behavior in managing finances, so that students do not only use DANA for convenience, but also based on considerations of efficiency and need. These results are in line with the Theory of Planned Behavior (TPB), which states that individual knowledge and attitudes will influence behavior in decision-making.

**The Influence of Digital Literacy on the Decision to Use DANA E-WALLET**

Based on the t-test results, the calculated t-value was 3.214, greater than the t-table value of 1.661, with a significance level of 0.002, less than 0.05. This indicates that digital literacy has a positive and significant effect on the decision to

use the DANA ewallet. Thus, the second hypothesis (H2), which states that digital literacy influences the decision to use DANA, is accepted. These results indicate that the higher the level of digital literacy of students, the more likely they are to use the DANA e-wallet in their daily transaction activities. The ability to understand and utilize digital technology allows students to operate the application more easily, quickly, and efficiently. Digital literacy also helps students evaluate information, understand application features, and avoid risks of using technology, such as transaction errors or digital fraud. Thus, the level of trust in using DANA becomes higher. This finding is in line with the Technology Acceptance Model (TAM), which states that perceived ease of use and perceived benefits will influence an individual's decision to use a technology system.

**The Influence of Financial Literacy and Digital Literacy on the Decision to Use the DANA E-Wallet**

Based on the results of simultaneous testing (F-test), the calculated F-value was 24.876 with a significance level of 0.000, less than 0.05. This indicates that financial literacy and digital literacy simultaneously have a positive and significant influence on the decision to use the DANA e-wallet among Management Study Program students at Panca Budi Development University.

The results of this study indicate that students' decisions to use the DANA e-wallet are not influenced by a single factor, but rather by the interaction between financial literacy and their ability to utilize digital technology. When students possess both of these variables simultaneously, they will create more optimal usage decisions. Students are not only able to use technology but also able to control and utilize it wisely in a financial context.

## CONCLUSION

Financial literacy has a positive and significant influence on the decision to use the DANA e-wallet. This indicates that the higher a student's financial literacy level, the better their decision-making skills regarding the use of digital financial services. Students with good financial literacy tend to be more rational, able to manage expenses, and weigh the benefits and risks of using an e-wallet.

Digital literacy has a positive and significant influence on the decision to use the DANA e-wallet. This indicates that students' ability to understand and use digital technology plays a crucial role in increasing their e-wallet usage decisions. Higher digital literacy levels make it easier for students to operate the application, understand its features, and conduct transactions effectively and efficiently.

Financial literacy and digital literacy simultaneously have a positive and significant influence on the decision to use the DANA e-wallet.

This shows that the decision to use an e-wallet isn't influenced by a single factor, but rather by a combination of financial literacy and digital skills. Students who possess both skills tend to be wiser, more adaptable, and more confident in using financial technology.

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