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ABILITY TO USE FINTECH PAYMENT ON BABY BOOMERS GENERATION SMEs IN TANGERANG SELATAN CITY

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Abstract

Advances in technology in the financial sector, namely fintech payments in the current digital era, can be a challenge to adapt in everyday life. And it is undeniable that the generation that grew up with technology has very different expectations and experiences in using digital media than previous generations. This study aims to determine the effect of digital economic literacy and financial inclusion on the ability to use fintech payments through financial inclusion for the MSMEs of the baby boomers generation based on valid data. Data collection was carried out in this study using quantitative techniques with data analysis techniques Path Analysis through questionnaires. The number of samples studied were 160 SMEs of the baby boomers generation in South Tangerang City in 2022. The research variable data was in the form of primary data consisting of the ability to use fintech payments (Y), digital economic literacy (X1) and financial inclusion (X2). The results of the study show that digital economic literacy has a positive effect on the ability to use fintech payments; financial inclusion has a positive effect on the ability to use fintech payments; digital economic literacy has an indirect effect on the ability to use fintech payments through financial inclusion.

Abstrak

Technological advances in the financial sector, namely fintech payments in the current digital era, can be a challenge to adapt to everyday life. And it cannot be denied that the generation that grew up with technology has very different expectations and experiences in using digital media compared to previous generations. This study aims to determine the effect of digital economic literacy and financial inclusion on the ability to use fintech payments through financial inclusion in baby boomers MSMEs based on valid data. The data collection carried out in this study used quantitative techniques with Path Analysis data analysis techniques through questionnaires. The number of samples studied was 160 baby boomers MSMEs in South Tangerang City in 2022. The research variable data is in the form of primary data consisting of the ability to use fintech payments (Y), digital economic literacy (X1) and financial inclusion (X2). The results of the study show that digital economic literacy has a positive effect on the ability to use fintech payments; financial inclusion has a positive effect on the ability to use fintech payments; Digital economic literacy has an indirect effect on the ability to use fintech payments through financial inclusion.

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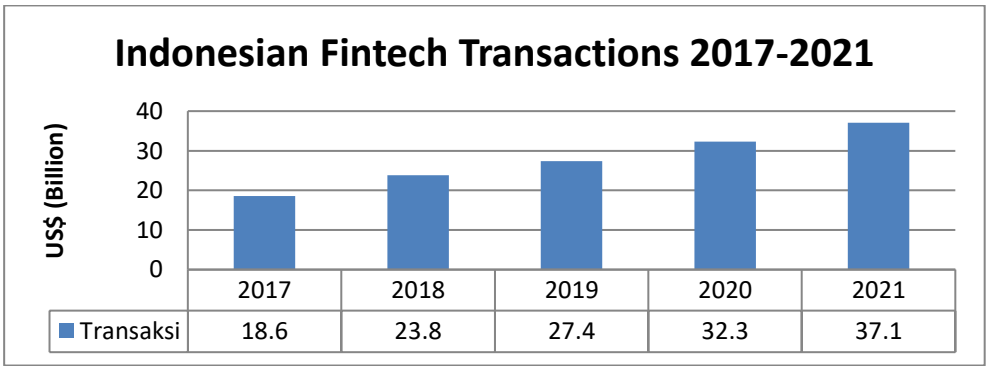
INTRODUCTION

With the development of technology, innovations emerged in various fields, including in the field of financial services or what is commonly called *financial technology* . People usually carry cash with them, but now they can make transactions remotely through payments that can be made in seconds without the need to come to the bank using only smartphones in taking advantage of the digital role. As quoted from Hadad (2017), the phenomenon of innovation in the financial services industry is currently changing the landscape of the global financial services industry. All of these changes have encouraged the emergence of a new phenomenon called Financial Technology or Fintech. The *fintech* sector is a strategy that offers extraordinary opportunities not only to build financial inclusion, but also to improve people's welfare. The presence of *Fintech* is increasingly benefiting from the widespread use of *smartphones* by people in rural areas to connect people who are difficult to reach with formal financial institutions, *smartphones* that facilitate the use of financial services to meet one's needs and maintain business continuity. The accumulation of transaction value and the excellent development of digital payments show that there are several determining factors that make *fintech* very attractive not only for entrepreneurs, but also for users.

Currently, almost all industrial sectors in Indonesia are offered with new innovations that can change the business model of each industry to be more effective and efficient, one of which is the financial sector. The financial sector is a sector that contributes to national economic growth. According to *the Department for International Development* (DFID), the financial sector is part of all macro and micro companies or it can be said that part of the economy is focused on financial services related to transactions that exist in financial institutions. Currently, new technological innovations are emerging in the financial sector, known as financial technology. *Financial technology* (*fintech*) is the maximum use of technology in improving financial services. The concept of fintech is using software, the internet, and today's communications. Fintech is worked on by start-up companies that provide convenience in transactions, especially financial transactions and challenges conventional companies that are still lacking in technology use.

. The development of *Fintech* transactions can be seen in the graph below, where the graph shows a trend in the use of *fintech payments* which tends to increase every year, can be seen in graph 1.1 as follows:

Graph 1. *Development of Indonesian Fintech Transactions in 2017-2021*



Source: Data Processed by Researchers Based on Statista Databoks..

Seeing that the Indonesian digital payment market currently has enormous potential because it includes functions in electronic transactions that make it easy for

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users, such as: electronic money, interbank transfers via smartphones (mobile banking), ATMs and other opportunities that can be used by industry players to meet consumer needs. No exception for MSMEs in Indonesia. Other research shows that the introduction of *fintech* can make a positive contribution to strengthening the MSME sector, especially MSMEs which are considered pillars of the economy. The presence of *Fintech* is designed to provide solutions to the problems of financial transactions and capital for many small and medium enterprises (MSMEs).

Advances in technology in the financial sector, namely fintech payments in the current digital era, can be an advantage and even a challenge to adapt to everyday life. And it cannot be denied that the generation that grew up with technology has very different expectations and experiences in using digital media compared to previous generations such as the baby boomers generation. The rapid development of technology has made the baby boomers generation have different perspectives, thoughts and ideas in using information technology to complete their work in the digital field or today's technological advances.

Fintech payments themselves are also present in developing or maintaining the businesses of MSME actors in the midst of technological and digital advances, but often MSME actors are constrained by their ability to use *fintech services* , especially *fintech payments* . Then with various factors so that someone is able to use fintech services but on the other hand looking at MSME actors who are elderly or the baby boomers generation must have knowledge or understanding of the digital economy by becoming digital economy literature, and adapting to various financial sectors provided in this era. today's digital era, so that the baby boomers generation of MSME players are able to maintain their existence or not be left behind in the situation of progress of fintech, because they as baby boomers generation MSME players must inevitably compete with various MSME players from generation X to Post Gen Z generation. Baby boomers themselves are quite a promising market segment because in general this generation is well-established, has a fairly high income and also has a successful career. However, pay attention to this baby boomers segment to socialize and educate in the use of fintech. These efforts need to be supported by understanding the behavior of the baby boomers generation both in terms of acceptance levels and exploring the obstacles faced by the baby boomers generation.

To support this research, South Tangerang City was chosen as the research location because South Tangerang City is also one of the best cities to support MSMEs. The Ministry of Cooperatives and SMEs even awarded South Tangerang City a regional award with the best MSME rating. Therefore, as one of the best cities in supporting MSMEs, MSME players in South Tangerang City should adapt to *fintech regulations* . The number of MSMEs in South Tangerang City will reach 26,799 businesses in 2021 based on data from the South Tangerang City Cooperatives and MSMEs Office.

In developing or maintaining their business in the midst of technological and digital advances, MSME actors are often constrained by their ability to use *fintech services* , especially *fintech payments* . The implementation of the aim of *fintech payment services* for MSMEs in South Tangerang City refers to a small portion of the number of MSMEs in cities in South Tangerang. So that it is possible that there are still MSMEs such as street vendors or small stalls and MSME players who have been the baby boomers generation, who can be said they do not yet understand the world of *fintech* , especially *fintech payment regulations* that are oriented towards future business development but have not received support and guidance to socialize the use of services. *fintech payments* . The role of the MSME sector in the Indonesian economy cannot be denied. MSMEs have a workforce absorption capacity of 4,444 people or the equivalent of around 97 percent

of the total national workforce and have a contribution to the gross domestic product (GDP) of around 57 percent (Bank Indonesia, 2015). MSMEs can alleviate poverty because they can reduce unemployment by equalizing income. However, considering the limitations in the development of MSME actors, this is a priority that the government must pay attention to because of its contribution to economic growth.

In the development of MSMEs, innovation is needed to adapt to the current era of scientific and technological progress, especially *fintech innovation* in the economic field. Cited by female research (2020) , that supports financing through fintech because it can improve the quality and development of micro, small and medium enterprises.

In addition to the benefits obtained from using fintech payments for the baby boomers , there are also several problems for the baby boomers in adapting to using technology. According to Fozahl and Wahl (2012), the problem that arises is that the baby boomers who are not native to technology will find it difficult to accept various types of technology. Another problem faced by the elderly is their adaptation to the use of technology in today's life.

Even today, many elderly people are postponing their retirement to continue working or starting other careers amid today's technological advances. Therefore, baby boomers need to learn and use technology to be able to compete competitively in the world of work. So this research study focuses on the baby boomers generation in the midst of technological advances, especially in the *fintech sector* .

In Marginingsih's research (2021) the role of *financial technology* in encouraging financial inclusion is also reflected in several fundamental characteristics of *financial technology* , which can be described as increasing access to the financial system and its decentralization through technological advances, including community and MSME participation; they are unable to act as donors and users of the financial system. Then, increasing transparency, accountability and collaboration in sectors where technology can increase transparency, monitoring, accountability and information sharing with the government, society and the private sector to work together. The development of *fintech* should be in line with financial inclusion, but the role of financial inclusion through *fintech integration has* not yet spread to Indonesian society and the dominant contribution of financial inclusion to financial system stability has not been seen.

On the other hand, according to Raja Zulkifi and Salman (2016) the digital economy can exacerbate inequality, because there are some MSME actors who quickly track successful digital developments and some who have not been able to keep up. The digital economy is indeed still a challenge for some entrepreneurs, even though on the other hand the digital economy can provide multiple benefits for those who can adapt. Then according to Ramadani (2018) on the other hand, entrepreneurs who do not keep up with the sophistication of time will likely experience difficulties in the development of the business world in today's digital era. Changes in market dynamics in the field of digital economy have also become the main choice for MSMEs, especially regarding further *fintech developments* .

This was also supported by an initial survey conducted by researchers. Whereas in general the *baby boomers generation of MSMEs* in South Tangerang City, based on an initial survey conducted by researchers in South Tangerang City on 40 baby boomers MSMEs, it was stated that 73.7% did not know about Fintech payments and 26.3% knew about Fintech payments.

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Then, the highest percentage of the difficulty factor for baby boomers generation of MSMEs in using fintech payment services is the statement "still feel comfortable and safe with traditional transactions" with the highest percentage of 92.5%. Meanwhile, the lowest percentage related to the difficulties of the baby boomers generation of MSMEs was the statement "feeling ineffective in managing finances" with a percentage of 27.5%. The results of an initial survey of 40 baby boomers MSMEs. Based on the results of the initial survey, it can be concluded that the main factor that makes it difficult for MSME players from the baby boomers generation to use fintech payment services is that they still feel comfortable and safe with traditional transactions. Furthermore, the second highest factor was continued by lazy to try as much as 70 % and continued by the difficulty factor in the administration process as much as 52.5%. These three highest factors are thought to influence the baby boomers generation of MSMEs in using fintech payment services.

However, according to Joachim's research (2017), it has been carried out with a focus on *fintech payments* from various users from the baby boomers age group.

In addition, there is research that studies consumer perceptions of mobile banking based on fintech payments. However, studies that focus on resistance or resistance to innovation, especially by the baby boomers generation in Indonesia, are still few because in general most people think that innovation is a good thing that can improve current conditions, so they often tend to ignore resistance to innovation.

Based on the description above, it can be concluded that policies related to outreach, guidance and training are urgently needed for baby boomers generation of MSMEs (age 58 years and above) so that they can hone their skills in using Fintech Payment services amidst technological developments, so that the existence of MSMEs, especially among actors MSMEs for the baby boomers generation to survive and be able to keep abreast of current technological advances. Increasing digital economic literacy to financial inclusion is also something that must be adapted for MSME players of the baby boomers generation, because the ability to use Fintech Payments will not be easy if users have not become digital economy literature and adapt to financial inclusion.

The focus in this research is aimed at observing how the ability to use Fintech Payment for MSME actors, and measuring the level of digital economy literacy and the state of its financial inclusion, specifically for baby boomers generation of MSME actors, what is meant by the baby boomers generation is MSME actors in the age range of 58 years up in the city of South Tangerang.

Based on the statement above, the objectives of this study are (1) to determine the ability of baby boomers generation MSME players in South Tangerang city to use Fintech Payments, (2) to determine the level of digital economic literacy of baby boomers generation MSME actors in South Tangerang city towards the ability to use Fintech Payments, (3) To find out the state of financial inclusion of baby boomers generation MSMEs in the city of South Tangerang regarding the ability to use Fintech Payments. The research framework can be seen as follows:

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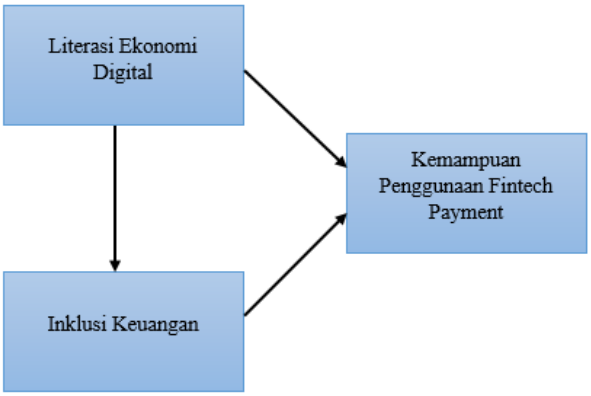

Figure 1. Research Framework

METHOD

This research was conducted in South Tangerang using primary data obtained from structured interview data directly to the research object using a goggle form questionnaire. This survey serves to collect data from baby boomers MSMEs to determine their level of digital economy literacy and financial inclusion. The scope of this research is the baby boomers generation of SMEs in South Tangerang City.

The analytical method used is descriptive and quantitative methods. The descriptive method is useful for analyzing and interpreting the data that has been collected in this study. Meanwhile, the quantitative method is useful for measuring the level of digital economy literacy and financial inclusion of baby boomers generation MSMEs on the Ability to Use Fintech Payments in the city of South Tangerang.

The model estimation technique is carried out using primary data using Microsoft Excel tools and SPSS 25 software, for validity and reliability calculations, using SPSS 25 software to speed up the processing of data that has been obtained from online questionnaires. In this study using two data, namely primary data and secondary data.

The data collected comes from baby boomers (58 years and over) generation of MSMEs in the city of South Tangerang. Community data in the form of respondent characteristics, digital economy literacy, and financial inclusion are owned by means of structured interviews.

Respondent data is primary data obtained by direct survey by interview using a questionnaire template which is divided into four parts, namely the respondent's characteristic questionnaire, knowing the respondent's digital economic literacy, the condition of the respondent's financial inclusion. The questionnaire was first designed in such a way that data could be collected and processed and analyzed. Secondary data is data obtained from various agencies to support research needs. Secondary data is a statistical publication issued by the cooperative and MSME service agencies of the city of South Tangerang.

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The population in this study are baby boomers generation MSME actors (traders or MSME actors aged 40 years and over and seen from all ages, from South Tangerang city MSME actors in 2021 there are 26,799 actors. And judging from the distribution of baby boomers generation MSME actors in Tangsel City as many as approximately 2,500 - 3,100 consisting of 7 sub-districts in Tangsel City. In this study there was a proportional number of MSME actors in the city of South Tangerang as many as 26,799. In this study the entire population was not all examined. By looking at the number of MSME actors from the baby boomers generation of 10 % of the existing population according to data from the South Tangerang City Office of Cooperatives and SMEs.

The data analysis technique used is path analysis using SPSS version 25 software. Because this research is a path analysis, the first step taken is to make a path diagram. Path diagrams aim to present problems and hypotheses in the form of charts or pictures so that a structural equation model can be determined. Based on the research path diagram, there are 2 structural equation models that explain the relationship between variables. The following is a diagram of this research path:

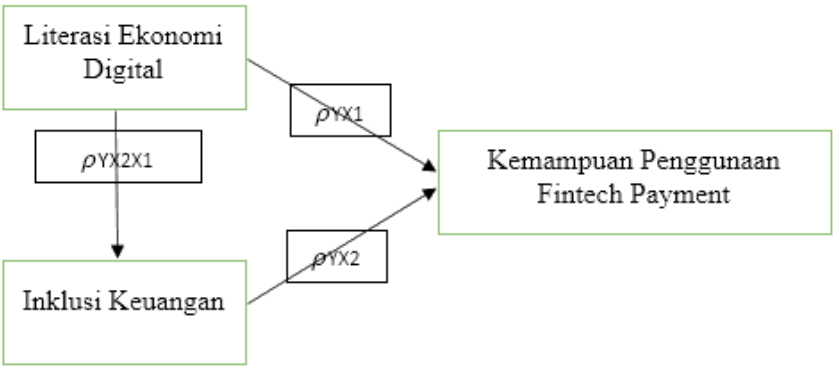

Figure 2 *Causality Relationship Between Variables*

Information :

1. PYX2X1 = Path coefficient of the variable Digital Economy Literacy (X1) Ability to Use Fintech Payments (Y) through Financial Inclusion (X2), illustrating the magnitude of the influence of digital economic literacy indirectly on the ability to use fintech payments through financial inclusion.
2. PYX1 = The path coefficient of the variable Digital Economy Literacy (X1) on the Ability to Use Fintech Payments (Y), illustrates the magnitude of the direct influence of digital economic literacy on the ability to use fintech payments.
3. PYX2 = The path coefficient of the financial inclusion variable (X2) on the ability to use fintech payments (Y), illustrates the magnitude of the direct influence of financial inclusion on the ability to use fintech payments.

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RESULTS AND DISCUSSION

Table 1 *Normality Test Results*

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		160
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	1.82564368
Most Extreme Differences	Absolute	.064
	Positive	.056
	Negative	-.064
Test Statistic		.064
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.

Source: SPSS output v.25 (2022)

Based on the output results obtained a significance value of 0.200. Because the significance value is more than 5%, it can be concluded that the residuals are normally distributed.

Table 1 *Linearity test results between X1 and Y*

ANOVA Table

			Sum of Squares	df	MeanSquare	F	Sig.
Ability to use *Fintech payments* * Digital Economy Literacy	Between Groups	(Combined)	633,280	12	52.773	14.956	.000
		Linearity	564.526	1	564.526	159.983	.000
		Deviation from Linearity	68.755	11	6.250	1.771	.064
	Within Groups		518.714	147	3.529		
	Total		1151.994	159			

Based on the table above, it can be seen that the linearity significance value of the digital economic literacy variable is 0.000 <0.05 and the deviation from linearity significance value is 0.064 > 0.05. So it can be concluded that the digital economy literacy variable has a linear relationship to the ability to use fintech payments.

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Table 2 *Linearity test results between X1 and Y*

ANOVA Table

			Sum of Squares	df	MeanSquare	F	Sig.
Ability to use *Fintech payments* * Financial Inclusion	Between Groups	(Combined)	556,789	9	61.865	15.591	.000
		Linearity	494.468	1	494.468	124.613	.000
		Deviation from Linearity	62.321	8	7.790	1.963	.055
	Within Groups		595.205	150	3.968		
	Total		1151.994	159			

Source : output SPSS v.25 (2022)

Based on the table above, it can be seen that the linearity significance value of the financial inclusion variable is 0.000 <0.05 and the deviation from linearity significance value is 0.055 > 0.05. So it can be concluded that the financial inclusion variable has a linear relationship to the ability to use fintech payments.
In the next stage, the calculation of the model I path coefficient and the model II path coefficient will be carried out, as explained below:

Model I

Table 3 *Result Model t test I*

Coefficients [a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients std. Error	Standardized Coefficients Betas	t	Sig.
1	(Constant)	7,170	2,974		2,411	.017
	Digital Economy Literacy	.471	077	.474	6.148	.000
	Financial Inclusion	.351	085	.318	4.128	.000

a. Dependent Variable: Ability to Use *Fintech payment*

Source: SPSS output v.25 (2022)

Based on the test results in the table above, the effect of digital economic literacy on the ability to use fintech payments is 6.148 with a significance value of 0.000 and the effect of financial inclusion on the ability to use fintech payments is 4.128 with a significance value of 0.000. So it can be concluded that there is a significant positive effect between digital economic literacy on the ability to use fintech payments and there is also a significant positive effect between financial inclusion on the ability to use fintech payments. The following is a picture of the relationship between the effects of each variable:

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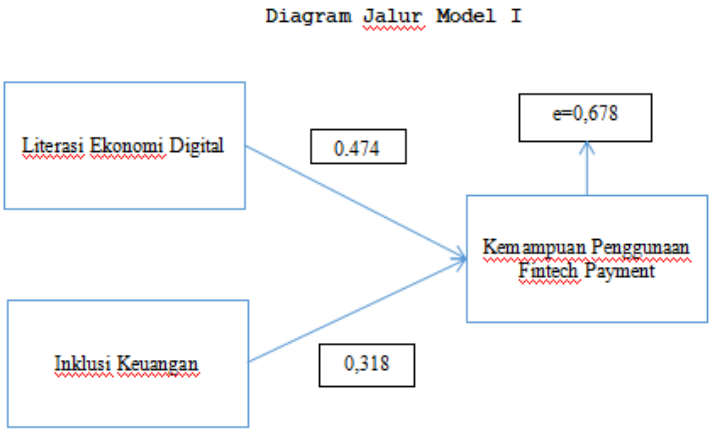

Figure 3 *Model I Path Diagram*

Source: SPSS output v.25 (2022)

Table 4 *Test Results for the Coefficient of Determination of Model I*

Summary Model [b]

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.735 [a]	.540	.534	1.83724

a. Predictors: (Constant), Financial Inclusion, Digital Economy Literacy
b. Dependent Variable: Ability to Use *Fintech payment*
Source: SPSS output v.25 (2022)

The value of R square e contained in table 5 is 0.540. This shows that the contribution of X1 and X2 to Y is 54%, while the remaining 46% is contributed by other variables outside this study. The value of e1 is calculated using the formula e= √(1-R^2)=√(1-0.540)=0.678.
This model simultaneously tests the H1 hypothesis: there is an effect of digital economic literacy on the ability to use fintech payments and H2: there is an effect of financial inclusion on the ability to use fintech payments. It is hereby stated that hypothesis 1 and hypothesis 2 are accepted.

Model II

Table 5 *Model II t test results*

Coefficients [a]

Model	Unstandardized Coefficients B	Unstandardized Coefficients std. Error	Standardized Coefficients Betas	t	Sig.
(Constant)	17,751	2,402		7,391	.000
Digital Economy Literacy	.642	.050	.712	12,732	.000

a. Dependent Variable: Financial Inclusion
Source: SPSS output v.25 (2022)

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Based on the output of the regression model II, it is known that the significance value of the two variables, namely digital economic literacy (X1) is 0.000 and the ability to use financial payments (Y) is indicated by a constant of 0.000, where both have a value <0.05. These results conclude that the regression model II, namely the digital economy literacy variable (X1), has a significant effect on financial inclusion (X2).

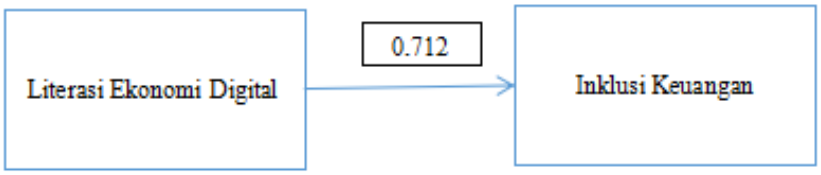

Figure 4 *Model II Path Diagram*

Source: SPSS output v.25 (2022)

The magnitude of the R square value contained in table 7 is 0.506. This shows that the contribution of X1 to X2 is 50.6%, while the remaining 49.4% is contributed by other variables outside this study.

Table 6 *Model II Determination Coefficient Test Results*

Summary Model [b]

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	.712[a]	.506	.503	1.72122

a. Predictors: (Constant), Digital Economy Literacy
b. Dependent Variable: Financial Inclusion

The results of the path analysis test that was carried out previously concluded that there was an indirect effect between the variables X1 on Y through X2. The magnitude of the indirect effect that arises between digital economic literacy (X1) on the ability to use fintech payments (Y) through financial inclusion (X2) can be seen through the following formula:

=PYX1+(pX2X1 x pYX2)
=0.474+(0.712 x 0.318)
=0.474 +0.226
=0.700 (70.0%)

Based on the calculations that have been described, it is known that the value of the standardized coefficient (beta) in each research variable relationship. The direct effect of digital economic literacy (X1) on the ability to use fintech payments (Y) is 0.474 (pyx1), while the indirect effect is 0.712 x 0.318 = 0.226. From these results it can be seen that the total indirect effect of digital economic literacy (X1) on the ability to use fintech payments (Y) through financial inclusion (X2) is 0.474 + 0.226 = 0.700 or the ability to use fintech payments can be explained by the digital economy literacy variable through financial inclusion. 70%, while the rest is influenced by other factors not examined.

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Causality between variables can be described as follows:

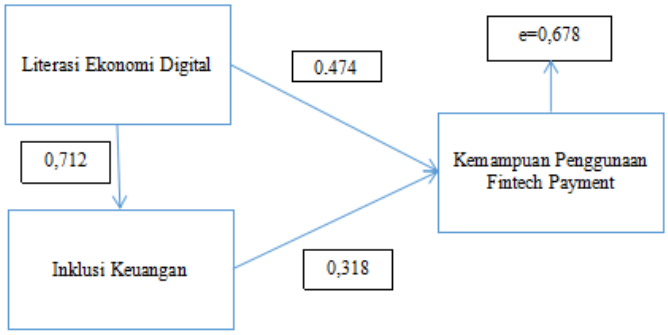

Figure 5 *Path Diagram of the Indirect Influence of Digital Economy Literacy (X1) on the Ability to Use Fintech Payment (Y) through Financial Inclusion (X2)*

Source: SPSS output v.25 (2022)

CONCLUSION AND SUGGESTION

The Effect of Digital Economy Literacy on the Ability to Use Fintech Payments

Based on the t test, the tcount > ttable of digital economic literacy is 6.148 > 1.975 with a significance value of 0.000 <0.05 which indicates H1 is accepted. The regression coefficient value on the digital economy literacy variable is 0.471, which means that if digital economy literacy increases by 1, then the ability to use fintech payments will also increase by 0.471 at a constant of 7.170. This can be explained from the fact that when a person has good knowledge of the digital economic system, his ability to use fintech payments will also increase.

The coefficient is positive, which means that there is a positive and significant influence between digital economic literacy on the ability to use fintech payments. This illustrates that the better digital economic literacy a person has, the better his or her ability to use fintech payments.

Supported by the statement of Lusardi & Mitchell (2007) that knowledge or economic literacy in society is an important factor in the development of the digital economy. Digital economic literacy is a basic need for everyone to avoid financial difficulties and makes it easier for people to manage finances properly and invest in techniques to achieve economic prosperity in today's digital era.

Fajar & Larasati (2021) also stated in their research that there is a positive relationship between digital economic literacy and the ability to use Fintech. The application of Fintech in MSMEs also has several challenges including infrastructure, legislation, limited human resource capabilities, and lack of financial literacy.

Issn & Rokhmawati (2022) in their research also found that increasing digital economic literacy for understanding fintech payments can be through formal and informal education; socialization; and public campaigns. Then education and outreach through awareness (non-formal channels); and increasing competency (formal channels) both through academic channels from various levels; profession; as well as profession.

From the results of the research that has been obtained, it can be proven that there is a direct effect between digital economic literacy on the ability to use fintech payments for baby boomers generation MSMEs in South Tangerang.

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The Effect of Financial Inclusion on the Ability to Use Fintech Payments

Based on the t test, the tcount > ttable of financial inclusion is 4.128 > 1.975 with a significance value of 0.000 <0.05 which indicates H2 is accepted. The regression coefficient value on the financial inclusion variable is 0.351, which means that if financial inclusion increases by 1, then the ability to use fintech payments will also increase by 0.351 at a constant of 7.170.

The coefficient is positive, which means that there is a positive and significant influence between financial inclusion and the ability to use fintech payments. This illustrates that the better financial inclusion a person has, the better their ability to use fintech payments.

Economic literacy and financial inclusion in fintech is a vehicle for achieving effectiveness and efficiency in an individual's finances. The use of fintech is proven to be easier and more efficient because only through a smartphone can one access and monitor finances both in terms of information and usage.

Merz (2010) said that financial inclusion will provide opportunities for the poor to improve their standard of living. Financial inclusion also allows companies, especially financial services, to do good while gaining access to many new customers who can benefit in a dynamic and fast-growing market. In addition, for a country financial inclusion has the potential to stimulate economic activity and improve the quality of life of its population.

These results are in line with Budi Rahardjo's research (nd) that financial sector inclusion has a direct influence on the ability to use fintech, especially in the payment sector. Financial inclusion can increase with support from the government to improve supporting facilities and infrastructure for the use of fintech payments in Indonesia.

From the results of the research that has been obtained, it can be proven that there is a direct effect between financial inclusion and the ability to use fintech payments for baby boomers, MSMEs in South Tangerang.

The Effect of Digital Economy Literacy on the Ability to Use Fintech Payments through Financial Inclusion

Based on the results of the calculations that have been done, the direct effect is 0.474 or 47.4% and the total indirect effect is 70%. This shows that financial inclusion has a very large influence in mediating the effect of digital economic literacy on the ability to use fintech payments for baby boomers MSMEs in South Tangerang. From the facts obtained, it is stated that the ability to use fintech payments for MSME actors in the baby boomers generation in South Tangerang is supported by their acceptance and knowledge of the digital economic system in the current era.

The better the literacy of the digital economy, the higher the financial inclusion so as to be able to increase the ability to use fintech payments for baby boomers MSMEs in South Tangerang. Vice versa, lower digital economy literacy will reduce the value of financial inclusion which of course has a negative impact on the ability to use fintech payments for baby boomers MSMEs in South Tangerang. It is hereby stated that H3 is accepted.

This is the case with the results of research conducted by Adinda Novita Sari (2020) which states that the attainment of inclusive finance is strongly influenced by the level of understanding and skills of one's financial management so that one can access financial products and services wisely. Then Pay, S., & Jabodetabek, D. I (2021) through the results of his research also revealed the same thing that the more financially literate a person is, the more actively involved in financial activities, for example in using financial products and services. Nina Yulianasari and Helvony Mahria (2021) also stated that the use of fintech payments has an effect on digital financial literacy and inclusion in MSMEs in Bengkulu City.

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Thus, it is proven that there is a positive and significant indirect effect between digital economic literacy on the ability to use fintech payments for baby boomers generation MSMEs in South Tangerang through financial inclusion.

Based on the results of the path analysis and explanation above, the results are as follows:

1. There is a positive and significant influence between digital economic literacy on the ability to use fintech payments for baby boomers MSMEs in South Tangerang.
2. There is a positive and significant influence between financial inclusion and the ability to use fintech payments for baby boomers generation MSMEs in South Tangerang.
3. Indirectly, there is an influence of digital economic literacy on the ability to use fintech payments for baby boomers generation MSMEs in South Tangerang through financial inclusion.

Based on statistical data processing, description and analysis of data that has been carried out and described by the author, the following conclusions are obtained from this study:

1. There is a positive and significant influence between Digital Economy Literacy on the Ability to Use Fintech Payments. This means that when a person has good knowledge of the digital economic system, his ability to use fintech payments will also increase. Likewise, if the lower a person's Digital Economy Literacy knowledge, the lower the ability of baby boomers MSMEs to use fintech payments.
2. There is a significant positive influence between financial inclusion on the ability to use fintech payments. This can be interpreted that the better the financial inclusion of baby boomers, the better their ability to use fintech payments. Likewise, the lower the financial inclusion, the lower the level of ability to use fintech payments.
3. The indirect effect obtained is smaller than the direct effect between Digital Economy Literacy on the ability to use fintech payments through Financial Inclusion. This study shows that financial inclusion (X2) does not have much influence in mediating Digital Economy Literacy (X1) on the ability to use fintech payments (Y). This means that the better the literacy of the digital economy, the higher the financial inclusion so as to be able to increase the ability to use fintech payments for baby boomers MSMEs in South Tangerang. Vice versa, lower digital economy literacy will reduce the value of financial inclusion which of course has a negative impact on the ability to use fintech payments for baby boomers MSMEs in South Tangerang.

Based on the results of the research, several suggestions can be obtained from several parties, namely :

1. To the South Tangerang City Office of Cooperatives and UKM, it is necessary to carry out routine socialization regarding the use of fintech payments as a form of innovation or upgrading of MSME players, especially the baby boomers generation , who in their eyes experience a little difficulty using fintech payment services so that they maintain their existence as MSME traders in the midst of digital progress.
2. For future researchers who are interested in conducting similar research, it is hoped that they will pay more attention to the use of mediating variables or independent variables to be selected. Future researchers can use other variables that are better in research on the use of fintech payments for baby boomers MSMEs.

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