

THE EFFECT OF FINANCIAL LITERATURE AND FINANCIAL TECHNOLOGY ON COMMUNITY FINANCIAL INCLUSION (CASE STUDY ON ADOLESCENT IN CITY OF TEBING TINGGI, NORTH SUMATERA)

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The Effect of Financial Literature and Financial Technology on Community Financial Inclusion (Case Study on Adolescent in City of Tebing Tinggi, North Sumatera)

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ABSTRACT

This study analyzes the effect of financial literacy and financial technology on public financial inclusion (Case study on teenagers in Tebing Tinggi City, North Sumatra). This research uses a quantitative approach and associative research with questionnaire data collection techniques. The population is 27,837 teenagers in Tebing Tinggi City selected by incidental sampling technique with 100 respondents. The data were analyzed by the classical assumption, multiple linear regression, research hypothesis testing, and coefficient of determination. The findings underline that financial literacy has a significant influence on community financial inclusion in Tebing Tinggi adolescents, financial technology has a significant influence on community financial inclusion. Tebing Tinggi city adolescents, financial literacy and financial technology affect community financial inclusion in Tebing Tinggi city adolescents.

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Keywords: Financial Literacy, Financial Technology, Financial Inclusion

INTRODUCTION

In this era of rapid technological development, people need to manage their finances properly. Therefore, you can use this financial management to make decisions regarding the use or allocation of your funds. Essentially, inclusive finance is any effort aimed at removing all kinds of barriers to public access to affordable financial services (Soetiono & Setiawan, 2018). Financial literacy can be interpreted from an operational perspective in four categories, including budgeting, savings, credit, and investment. An individual's level of financial literacy affects their ability to borrow from financial/banking institutions. Financial literacy deals with how one comprehend financial terms and concepts and successfully apply them into financial actions (Pulungan, 2018). Financial literacy levels are low in his teenage community in Tebing Tinggi city. Individuals therefore need to understand and improve more on how to manage their finances properly and improve their welfare over those with lower levels of welfare gift. With that, the young people of Tebingtinggi city will be more advanced in the future with an understanding of financial education. Financial Technology is a business focused on delivering the idea of financial services using modern software. Today, financial technology is a global focus as it enables companies to compete effectively in the 21st century. Developments in financial technology are impacting many areas of the financial services industry, including banks, insurance capital markets, and other financial institutions. For decades, the application of technology and information to financial services has attempted to provide innovation, technology infrastructure efficiency, and system stability.

LITERATURE REVIEW

Definition of Financial Inclusion

Inclusive finance is essentially any effort aimed at removing all barriers to public access to affordable financial services (Febriaty & Koto, 2019). Financial inclusion is achieved when everyone has easy access to financial services. As financial inclusion is a multifaceted concept, the macroeconomic implications will vary depending on its nature. Financial inclusion development, supported by technological developments, is a powerful force in financial markets, especially in business activities (Wahyuni & Radiman, 2022). Financial inclusion is essentially an initiative aimed at minimizing and removing all kinds of public access barriers (both price and non-price) to financial services (Dahrani & Ritonga 2022). The goals of inclusive finance (Soetiono & Setiawan, 2018) are:

- 1) Improving public access to financial institutions, services, and products
- 2) Increasing the provision of financial products and services as the community need and capability
- 3) Increasing access to financial products and services according to the community need and capability
- 4) Improving the quality of access to financial products and services according to the community need and opportunity.

Aspects of Financial Inclusion

Financial inclusion has several dimensions (Julita, 2021):

- 1) Access
- 2) Availability
- 3) Use of financial products and services

4) Quality

The National Financial Inclusion Strategy is based on six main pillars (Putri, 2021), including:

- 1) Data collection and diagnostics
- 2) Targets and Goals.
- 3) preparing or revising national strategies
- 4) the role of the public sector
- 5) Role of the Private Sector
- 6) Surveillance and Surveillance

There are several financial inclusion indicators (Wardhono, Indrawati, & Qoriah, 2018).

- 1) Access
- 2) Usage
- 3) Quality
- 4) Availability

3.4 Financial Education

Financial literacy refers to an individual's skills and abilities in dealing with personal or business finances. Literacy broadly refers to practices in social relationships related to knowledge, language and culture, including the way we communicate in society (Siregar, 2022). A level of financial literacy is vital for every individual. If a person possesses good financial literacy (good literacy), he can manage his finances well. Low literacy scores indicate problems with financial literacy, perspectives and behaviors (Pohan, Jufrizen, & Annisa, 2021). Poor financial literacy is a very serious problem as it can negatively affect financial behaviour. Financial hardship is not simply a function of income (low income), and financial hardship can also occur when there are financial management errors (mismanagement), such as credit use or lack of financial planning (Mukmin, Gunawan, Arif, & Jufrizen, 2017). Financial literacy refers to the knowledge and ability to organize personal and business finances. Financial literacy is also a factor in helping everyone avoid financial problems. Financial literacy is about the ability to comprehend financial terms and concepts and translating them into action (Putri, Christiana, Pulungan, & Ardila, 2017). Financial literacy is very closely related to financial management, as higher levels of financial literacy lead to better financial management (Gunawan, Pirari, & Sari, 2020).

Financial Literacy Goals

Financial literacy goals (Ismanto, Widiastuti, Muharam, Pangestuti, & Rofiq, 2019) include:

- a) Improving the quality of individual economic decision-making
- b) Improving personal attitudes and behavior in financial management.

Pillars of Indonesia's National Financial Literacy Strategy

The Indonesian National Financial Literacy Strategy comprises three pillars that provide a basic framework for achieving an educated Indonesian society (Soetiono & Setiawan, 2018).

- 1) A pillar of education and a nationwide network aimed at increasing public awareness, knowledge, and skills in financial literacy, changing people's financial thinking and behavior, and ultimately increasing the users of financial products and services of financial literacy campaign.

- 2) Pillar of Strengthening the Financial Literacy Infrastructure, necessary to strengthen and support financial education and national campaigns, and to expand and promote public access to financial literacy information.
- 3) Pillars of financial services and product development. This pillar is key to promoting financial services institutions according to community needs, improving the quality of financial products and services, and expanding the reach of the financial services sector.

Factors Affecting Financial Literacy

There are several factors that influence financial literacy (Arianti, 2021).

- a) income
- b) investment
- c) financial behavior
- d) education level
- e) work experience

There are several factors that influence financial literacy (Hidayat, 2015).

- a) work
- b) age
- c) gender
- d) education

Financial Literacy Index

There are several indicators of financial literacy (Arianti, 2021).

- 1) financial knowledge
- 2) financial behavior
- 3) financial attitude

The Financial Literacy Index (Suriani, 2022) is:

- 1) General financial knowledge
- 2) Deposits and loans
- 3) Insurance
- 4) Investment

Financial Technology

Financial generation is the usage of technological tendencies which have facts to enhance a carrier withinside the monetary industry (Sudaryo, Sofiati, Yosep, & Nurdiansyah, 2020). Financial generation is used to explain numerous progressive enterprise fashions and rising technology with correct ability to convert the monetary offerings industry (Wismantoro, Aryanto, & Andono, 2021).

Types of Financial Technology

There are numerous forms of monetary generation (Yudha et al, 2020), particularly:

- 1) Peer-to-peer Lending monetary generation
- 2) Digital payments
- 3) Market aggregator

Financial Technology Risk

There are numerous monetary generation risks (Yudha et al, 2020), particularly, amongst others:

- 1) Financial risk (Financial risk)
- 2) Legal risk (Legal risk)

- 3) Security risk
- 4) Operational risk

Factors Affecting Financial Technology

There are numerous elements that have an effect on monetary generation (Wismantoro et al, 2021), including:

- a) Ease of use
- b) Perceived risk
- c) Reference group

Financial Technology Indicators

The 3 monetary generation indicators (Rahadi, 2021) are, amongst others:

- 1) Understanding of monetary generation, particularly person information of monetary generation.
- 2) Knowledge and information of monetary generation merchandise, which might be associated with people understanding and information numerous monetary generation merchandise including virtual wallets, on-line mortgage funds, and so on.
- 3) The use of monetary generation, that's associated with the quantity to which people can use monetary generation of their every day lives.

2 RESEARCH METHOD

Research Approach

This research approach used a quantitative approach with associative studies and this study uses primary data. Association studies are studies conducted to determine relationships or influences between two or more variables (Sugiyono, 2013). Primary data are data obtained from questionnaires, Google Forms (surveys), observations, and the results of distributing interviews (Juliandi, Irfan, & Manurung, 2014).

Variable Operation Definition

The operational definition of a research variable is an attribute or type or value of an object or activity that exhibits a particular variation determined by the investigator under study and subsequently led to conclusions (Sugiyono, 2015).

Place of Study

The location of this study was around Tebing Tinggi city, North Sumatra. The data collected focus on adolescents living in Tebingtinggi city, North Sumatra.

Equipment Validation Test

This test is intended to measure whether a survey or questionnaire is effective. Basically, validity tests measure the effectiveness of statements/questions used in research. One of the data collection tools for this survey is a survey or survey. In addition, the questionnaire or surveys should be tested on respondents to find out whether the questionnaire is valid and reliable (Juliandi et al., 2015).

Equipment Reliability Test

Reliability tests measure the variables used in the questions/statements used. A reliability test was performed by comparing the significance level using Cronbach's alpha value. The significance levels used are 0.5, 0.6 to 0.7,

depending on the needs of the study. Equipment reliability testing can be performed externally or internally. External testing can be done by test and retest (stability), equivalent testing, and a combination of both. Internally, the reliability of the tool can be tested by analyzing the consistency of items on the tool using certain techniques (Sugiyono, 2019).

Data Analysis Techniques

Multiple Regression Analysis

Multiple regression analysis is regression with one dependent variable and two or more independent variables (Sugiyono, 2016b). The equation is $Y = a + b_1X_1 + b_2X_2$

Normality Test

A normality test investigates the normal distribution of the noise or residual variables in a regression model. The criteria include:

- a) If the significance or probability value > 0.05 , the data are said to be normally distributed.
- b) If the significance or probability value is < 0.05 , the data are non-normally distributed.

Kolmogorov Smirnov Test

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The Kolmogorov-Smirnov test aims to determine the normal distribution between the independent and dependent variables, or both.

Ordinary Test P=Regression Plot Standardized Residuals

This test is to check if the regression model is correct. So, if the data goes along the diagonal and spreads around the diagonal, they look like this:

- a) If the data in the graph are distributed around the diagonal, follow the diagonal or histogram lines, and exhibit a normally distributed pattern, a regression model satisfies the normality assumption.
- b) If the data are away and follow the diagonal or histogram lines, they may exhibit a normal distribution and the regression model does not meet the traditional assumptions.

Multicollinearity Test

The test assesses if a regression model finds strong correlations between independent variables. Multicollinearity tests can be explained from tolerances and variance inflation coefficients (VIF).

Heteroscedasticity Test

Heteroscedasticity in regression models is to test whether there are inequalities in variance and residuals in several observations (Juliandi & Irfan, 2015). If the residual variance from one scale to another remains, it is homoscedasticity, and if it differs, it is heteroscedasticity.

Autocorrelation Test

The test is to investigate a correlation between the noise error at t period and the error at $t-1$ period (before) in a linear regression model. If correlation exists, it is an autocorrelation problem.

Hypothesis Test

Hypothesis testing is the process of evaluating the weight of evidence of a sample and providing a basis for population association decisions. The testing decides whether to reject or accept the hypothesis being tested.

T-Test (Partial Test)

A t-test is a statistical testing tool used to test the hypothesis of comparison between two samples when the data are on interval or ratio scales. The formula used to test the hypothesis (t-test) (Sugiyono, 2016a) is:

$$t = \frac{r\sqrt{n-2}}{\sqrt{1-r^2}}$$

F-test (Simultaneous Test)

The F-test is to see if the independent variables collectively (simultaneously) affect the dependent variable. The format is:

Ho: $\beta_1, \beta_2 = 0$ indicates that financial literacy and financial technology do not impact financial inclusion

Ha: $\beta_1, \beta_2 \neq 0$ suggests financial literacy and financial technology affect financial inclusion

If the significance level in the ANOVA table is $< \alpha = 0.05$, then Ho is rejected (effect). Conversely, if the significance level in the ANOVA table is $> \alpha = 0.05$, Ho is accepted (no effect). For hypothesis testing according to (Sugiyono, 2019), the significant Gardar correlation equation can be used as follows:

$$F = \frac{R^2/k}{(1-R^2)/(n-k-1)}$$

Coefficient of Determination (R-squared)

The R-Square test is a test for explaining the magnitude of the variation proportion in the dependent variable explained by the independent variables. The formula for calculating the coefficient of determination (Sugiyono, 2013) is as follows:

$$D = R^2 \times 100\%$$

RESULTS

Data Description

Respondents to this survey, the author, answered his 6 questions on the variable Financial Literacy (X1), 10 questions for Financial Technology (X2), and Financial Inclusion (Y). There were 27,837 people in the community population that made up the sample for this study. Because this sampling used a non-probability sampling technique, to be exact, a random sampling, the survey only involved 100 respondents as the sample.

Data Analysis

It aims to analyze data described from previous data based on validated and reliable research tools. Analyzed data creates assumptions used for certain statistics by testing hypotheses for decision making. This is summarized in the following tests.

Normality Test

It determines if the dependent and independent variables are normally or abnormally distributed. The test condition is that the model satisfies the normality assumption if the data are distributed around the diagonal and follow the direction.

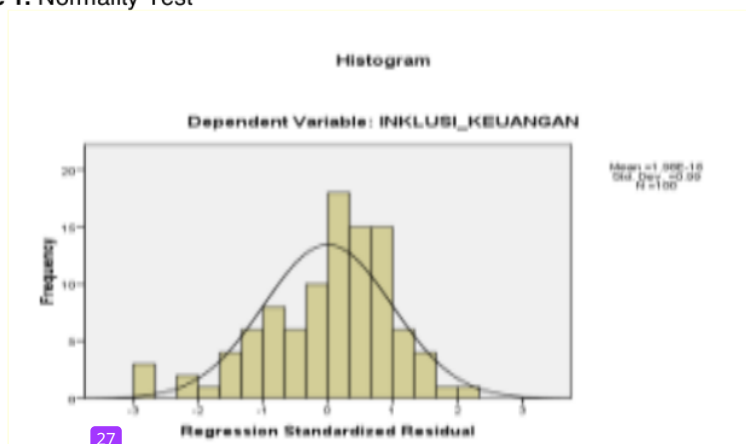
Table 1. Kolmogorov-Smirnov Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		100
Normal Parameters ^a	Mean	.0000000
	Std. Deviation	3.14639402
Most Extreme Differences	Absolute	.113
	Positive	.054
	Negative	-.113
Kolmogorov-Smirnov Z		1.129
Asymp. Sig. (2-tailed)		.156
a. Test distribution is Normal		

Source: SPSS, 2022

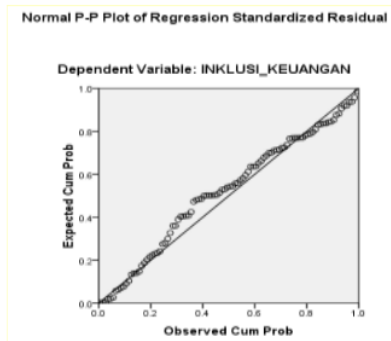
The data processing results presented in Table 1 show that the Asymp value is significant with a Kolmogorov-Smirnov test value of 1.129. In this study, Sig was obtained at 0.156. This means a significant value >0.05 and suggests the normal distribution of the residual data. Figure 1 shows the histogram plot and normal P-P of the standardized regression.

Figure 1. Normality Test



Source: SPSS Processed Data, 2022

Figure 2. Standardized P-Plot Normality Test



Source: SPSS processed data, 2022

Figure 1 shows a bell shape and the standardized P-P plot (see Figure 2) follows a diagonal line. These indicate that the normality test meets the aforementioned assumptions, hence the regression are normally distributed.

Multicollinearity Test

You can view the results of multicollinearity testing of study variables with independent test calculations between independent variables and statistical analysis of collinearity. Table 2 shows the results of interdependence tests between variables.

Table 2. Multicollinearity

Model	Colinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Financial Education	.817	1.224
Financial Technology	.817	1.224

a. Dependent Variable: Financial Inclusion

Source: SPSS Processed Data, 2022

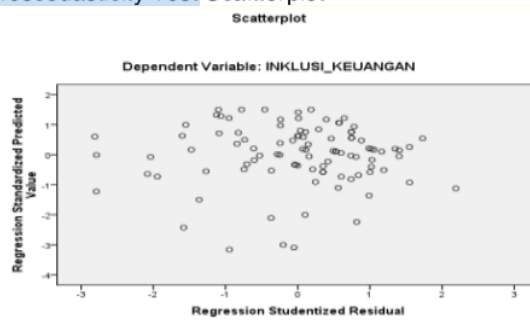
Table 2 highlights that the financial literacy (X1) and financial technology (X2) have a statistical colinearity tolerance value of 0.817. This suggests that there is no multicollinearity.

Heteroscedasticity Test

The heteroscedasticity test investigates the unequal variance of the residuals from the other observation in the regression model. Heteroscedasticity has one different observation. One of the methods will result in an inefficient estimation of the coefficient. The results will be less than it should be. The basis for the heteroscedasticity analysis are:

- 1) If a particular pattern, such as the dots forming a regular pattern (wavy, widens and narrows) occurs, there is heteroscedasticity.
- 2) If no clear pattern occurs and the points spread above and below 0 on the Y axis, heteroscedasticity is non-existence.

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Figure 3. Heteroscedasticity Test Scatterplot



Source: SPSS Processed Data, 2022

The scatterplot in Figure 3 indicate that the variables are based on heteroscedastic test data. This means that the study variables used do not have heteroscedasticity. Since no clear pattern occurs and the points above and below 0 on the Y-axis are scattered, we conclude that the heteroscedasticity test is satisfied.

Multiple Linear Regression

Table 3 presents the results of multiple regression analysis using SPSS data.

Table 3. Multiple Linear Regression

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.640	2.046		.313	.755
Financial Education	1.106	.085	.773	13.061	.000
Financial Technology	.112	.044	.152	2.570	.012

a. Dependent Variable: Financial Inclusion

Source: SPSS Processed Data, 2022

The column "Non-standard coefficients" in Table 3 shows that the variables "financial literacy" (X1) and "financial technology" (X2) are:

$$Y = a + b_1X_1 + b_2X_2 + e$$

$$Y = 0.640 + 1.106 X_1 + 0.112 X_2$$

This result from the equation indicates that all independent variables (X1 and X2) have positive coefficient values. This implies that all independent variables must have a positive relationship and influence the variable Y (financial inclusion). However, it is subject to the following conditions.

1. A constant value of 0.640 indicates whether X1 and X2 variable values are constant or unchanged.

2. The financial literacy coefficient value (X1) gives a value of 1.106. This means that, assuming the other independent variables are constant, the correct execution of knowledge improves financial literacy.
3. The FinTech coefficient (X2) value shows a value of 0.112. This means that fintech will increase when trust is properly implemented, assuming other independent variables remain constant.

Research Hypothesis Testing

T-Test

The main purpose of testing hypotheses with a t-test statistic test is to show the degree of relationship and the effect of the independent variables individually explaining the dependent variables.

Impact of Financial Literacy (X1) on Financial Inclusion (Y)

Table 4. T-Test (Hypothesis 1)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Betal		
1 (Constalnt)	.640	2.046		.313	.755
Financial Education	1.106	.085	.773	13.061	.000
Financial Technology	.112	.044	.152	2.570	.012

a. Dependent Variable: Financial Inclusion

Source: SPSS Processed Data, 2022

As preseted in Table 4, we find that the obtained values for the coefficients are:

$$t_{\text{count}} = 13,061$$

$$t_{\text{table}} = 1.98$$

Decision criteria:

H_0 is accepted when: $-t_{\text{table}} \leq t_{\text{count}} \leq t_{\text{table}}$, $\alpha = 5\%$ ds = n-1

H_0 is rejected if: $t_{\text{count}} \geq t_{\text{table}}$ or $t_{\text{count}} \leq -t_{\text{table}}$

The impact of the variable financial literacy (X1) on financial inclusion (Y) is given by a value of t_{table} of 1.98 and $t_{\text{count}} = 13.061$. This means that $t_{\text{count}} > t_{\text{table}}$ and significant values are $0.000 < 0.05$. From these results, we conclude that H_0 was rejected. This indicates a positive and significant effect between X1 and Y for teenagers in Tebing Tinggi City.

Impact of FinTech (X2) on Financial Inclusion (Y)

Table 5. T-Test (Hypothesis 2)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Betal		
1 (Constalnt)	.640	2.046		.313	.755

Financial Education	1.106	.085	.773	13.061	.000
Financial Technology	.112	.044	.152	2.570	.012

a. Dependent Variable: Financial Inclusion

Source: SPSS Processed Data, 2022.

Using the t-test data in Table 5, we find that the coefficients obtained are:

$$t_{\text{count}} = 2,570$$

$$t_{\text{table}} = 1.98$$

Decision criteria:

H_0 is accepted when: $-t_{\text{table}} \leq t_{\text{count}} \leq t_{\text{table}}$, $\alpha = 5\%$ ds = n-1

H_0 is rejected if: $t_{\text{count}} \geq t_{\text{table}}$ or $t_{\text{count}} \leq -t_{\text{table}}$

The impact of X2 on Y is obtained a t_{count} of 1.98 and a value of $t_{\text{count}} = 2.570$ suggesting $t_{\text{count}} > t_{\text{table}}$ with significant values of $0.011 < 0.05$. We can conclude that these results were discarded. This indicates that financial technology variables (X2) have a positive and significant impact on community financial inclusion (Y) among young people in Tebingtinggi city.

Simultaneous F-test

Statistical test performs a joint F-test to determine the simultaneous significant effect of independent variables on the dependent variable.

Table 6. F-Test

ANOVA ^b						
Model		Sum of Squares	Df	Mean Squalre	F	Sig.
1	Regression	2546.680	2	1273.340	126.024	.000 ^a
	Residual	980.080	97	10.104		
	Total	3526.760	99			

a. Predictors: (Constant), Financial Technology, Financial Education

b. Dependent Variable: Financial Inclusion

Source: SPSS Processed Data, 2022

Based on the data in Table F Table 6, Tested by the above criteria, F_{count} value $126.024 > F_{\text{table}}$ value 3.089 or significant $0.000 < 0.05$. This concludes that a significant effect between the returns of the independent variable (X).

To test the above statistical hypotheses (see Table 6), an F-test was performed at the level of = 5%. The F_{count} values for $n = 100$ are:

$$F_{\text{table}} = k : n - k = 2 : 98$$

$$F_{\text{count}} = 126.024 \text{ and } F_{\text{table}} = 3.089$$

The hypothetical study criteria are:

1. H_0 is accepted if: $F_{\text{count}} \leq F_{\text{table}}$ or $-F_{\text{count}} \geq -F_{\text{table}}$

2. H_0 is rejected if: $F_{\text{count}} \geq F_{\text{table}}$ or $-F_{\text{count}} \leq -F_{\text{table}}$

Coefficient of Determination

A decision test is performed to see how the coefficient values indicate the variation magnitude in the dependent variable by the independent variables. The coefficient determination measures how the independent variables explain the dependent variable. The R-square value is shown in Table 7.

Table 7. Coefficient of Determination

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.850 ^{al}	.722	.716	3.179

³ Predictors: (Constant), Financial Technology, Financial Education

^b Dependent Variable: Financial Inclusion

Source: SPSS Processed Data, 2022.

As in Table 7 Regression Certainty Model Summary, we find that the coefficient of determination (R-square) is 0.722. This indicates that 72.2% of variables correspond to X1 and X2. In addition, 27.8% is explained by other variables outside this study.

DISCUSSION

The Impact of Financial Literacy on Financial Inclusion

The results of the test calculations performed above conclude that financial literacy positively and significantly impact community financial inclusion among young people in Tebing Tinggi city, North Sumatra. This can be seen from the significant t effect of the financial literacy on financial inclusion with tcount greater than ttable (13.061 > 1.98) and having a significant value of 0.000, where t is significantly less than 0.05. In part, there are significant positive impacts on financial inclusion among financial literacy variables. This implies that the higher the public financial literacy, the more financial inclusion will increase in the development of Tebing Tinggi City. This is also reflected in the financial literacy responses of young respondents from Tebing Tinggi, specifically, managing good personal finances, saving money for future needs, and knowing that good financial literacy can reduce financial risk, and good knowledge of credit/credit to avoid financial suspicion. From the respondents' responses to financial literacy in Table 4, we conclude that the majority of the 46 respondents (46%) agreed with the first statement regarding savings, the most promising financial instrument.

The Impact of Fintech on Financial Inclusion

The test calculations conclude that FinTech has a positive and significant effect on community financial inclusion among young people in Tebing Tinggi City, North Sumatra. This can be seen from the significant t effect of financial technology variables on financial inclusion being significant (sig 0.000) and tcount is greater than ttable with (2.570 > 1.98) and significant t is less than 0.05. This underlines significant impact among FinTech variables (X2) on financial inclusion (Y). This indicates that the more public confidence in FinTech, the more financial inclusion will develop in the city of Tebing Tinggi.

The Impact of Financial Literacy and Financial Technology on Financial Inclusion

Our findings highlight that financial literacy and financial technology positively and significantly impact community financial inclusion among young people in Tebing Tinggi City, North Sumatra. The important F effects indicate that Fcount is larger than Ftable (126.024 > 3.089) and sig (0.000 < 0.05) rejects H0 and accepts Ha. In short, this indicates that the higher the financial literacy and financial skills, the higher the community financial inclusion among young people in Tebing Tinggi City. Besides, the results of the hypothesis test, the effect of financial literacy is greater than that of financial technology, $1.106 > 0.112$, and an S value of 0.000 indicates that the level of financial technology needs to be further improved by the Tebing Tinggi youth community. It means that cities can grow and increase public confidence in developing financial inclusion.

CONCLUSION

Financial literacy partially influences the financial inclusion of young people in Tebing Tinggi city. This is because financial literacy includes financial education and infrastructure development. This includes financial management, financial service industry types, products, and financial services. This type of relationship means that the higher the variable 'financial literacy', the higher the development of the variable 'financial inclusion' of people in Tebing Tinggi city.

Financial technology is partly impacting the financial inclusion of young people in Tebing Tinggi City. Fintech also has a role to play in using technology to accelerate all aspects of financial services, as it can facilitate access to financial products and improve financial literacy. Such a relationship means that the more advanced financial technology, the higher the development of financial inclusion in the community among young people in Tebing Tinggi City. Also, financial literacy and financial technology simultaneously impact the financial inclusion of young people in Tebing Tinggi City. This indicates that closer distances to financial institutions reduce transaction costs due to easier access. This relationship means that the higher the financial literacy and financial skills, the higher the development of financial inclusion in the community among young people in Tebing Tinggi.

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DECLARATION OF CONFLICTING INTERESTS

We declare that we have no conflict of interest concerning the study, authorship, and/or publication of this article.

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