Factors Affecting the Digital Financial Product Adoption on Batik Smes

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Abstract

Small and Medium Enterprises (SMEs) have a very vital role and even become the backbone of Indonesia's economy. In the regional economy theory, SMEs can create more employment. There are a lot of research on the perception of technology adoption by testing the effect of the perceived ease of use and the perceived usefulness on the attitude towards using. In general, the research conducted on information technology while the research that reviews the technology adoption by Batik SMEs is still rarely conducted, especially the digital finance product adoption by Batik SMEs in Banyumas where the research results will reflect the description of the factors affecting the digital finance adoption of the Batik SMEs in Banyumas.

Keywords: Digital Financial Product; Technology Acceptance Model; Small and Medium Enterprise

Introduction

Small, Micro and Medium Enterprises (SMEs) have a very vital role (Irjayanti, & Azis, 2012; Suliyanto, 2013). Their role and contribution to the economy have been well acknowledged in the existing literature (Beck et al., 2005) and have even become the backbone of Indonesia's economy (Siringoringo et al., 2009). Beck et al., (2005) stated that there is a strong relationship between the development of SMEs and the economy. The significant role of SMEs in Indonesia's economy is caused by some reasons, such as: SMEs being able to withstand the monetary crisis (Irjayanti, & Azis, 2012). There are a lot of SMEs, especially compared to the number of big companies, and they can absorb a lot of workforces (Novandari et al., 2019). In the regional economy theory, SMEs can create more employment (Armstrong & Taylor, 2000). This can be observed from the amount of SMEs in Indonesia (99.99%) and the employment absorption of 97% of the total employment force. SMEs contribution on the national economy (PDB/GDP) amounts to 61.1% (Kemenkraf, 2018). SMEs in Indonesia are various in type and form, one of them is Batik SMEs. Data from the Ministry of Industry of the Republic of Indonesia noted there are a total of 2.951 Batik SMEs in Indonesia (Kemperin, 2022). Central Java is a province with a significant potential for Batik SMEs, which are spread in some cities such as Pekalongan, Surakarta, Klaten, Banyumas, Salatiga, Rembang, and others (Dinkop Jateng, 2022). SMEs is considered to have fairly high endurance in facing various crisis in Indonesia.

SMEs transformation is continuously being conducted as an effort to strengthen SMEs through the use of digital technology as the utilization of digital technology for daily activities. The advancement of digital technology development in Indonesia then brings out various digital platform that offer many innovations in production, consumption, collaboration, and sharing activities, giving many opportunities for SMEs to adapt and transform. Therefore, digital platform utilization can drive SMEs to get stronger by improving their capacity to be more productive, innovative, and also to expand the SMEs' access to marketplaces, industries, and financial institutions (Bank Indonesia, 2020).

In general, SMEs in Indonesia are still facing various problems in both internal and external problems. Irjayanti & Azis (2012) said that there are ten challenges faced by SMEs, such as: competition obstacles; financial access; energy price; technology; inefficient production cost; economic factors; management skill; processes; sales limitations; and raw material. Swierczek & Ha (2003) said that, in general, SMEs face various problems involving capital, tools, and technology.

Digital financial product has changed the traditional financial relationship between SMEs and Bank, which was used by many SMEs practitioner prior (Zhiqiang Lu, 2022). This condition requires SMEs to accelerate and improve their capacity, especially in digitalization utilization. Moreover, the ease of access in accordance with the necessity of the institutions, products, and financial services or financial inclusion services is being promoted continuously by the government. The purpose is to build a strong and inclusive financial sector, and to support sustainable development. Digital financial technology may increase the SMEs' access to finance and simplify the traditional financial process that was developed previously (Alla...
The research of Katadata Insight Center and PT Amartah Mikro Fintek involving 402 microbusiness and ultra-microbusiness practitioners from some regions in Indonesia stated that microbusiness and ultra-microbusiness practitioners already have a good financial inclusion level, with a score of 84.33 based on the Amarta Prosperity Index. However, there are not many SMEs that utilize the digital channel to develop their business. This is shown in the low scoring in the digital product adoption dimension, which is only 22.55. The digital adoption dimension has a bigger role in promoting the business acceleration of micro and ultra-microbusiness practitioners. And then followed by the digital product utilization dimension and financial inclusion dimension. Digital adoption in this segment is fairly good with a score of 66.08. As much as 97 percent of micro and ultra-microbusiness practitioners already have the tools/gadgets, internet access, and social media use. However, the use of e-commerce to expand the market range is still very low, with a score of 20.50.

Anggraeni (2020) states the importance of examining several variables in research in the field of information technology to find solutions to increase the effectiveness of technology adoption in order to improve organizational performance. Technology-related problems are also faced by Batik SMEs in Banyumas (Naufalin et al., 2021), such as in digital financial products adoption. Only 73.3% or 11 out of 15 batik SMEs in Banyumas are using digital finance products such as M-Banking, GoPay, SMS Banking, OVO, DANA, and ShopeePay. It means that not all SMEs have adopted the digital finance products. Some factors that are stated to affect more on the information technology adoption by the SMEs based on the literature review conducted prior are: profit expected by the SMEs on the Information System Application, peak management support, the organization’s readiness, and their knowledge of the innovation and information technology (Efendti et al., 2020).

Technology adoption depends on the information technology acceptance by the SME’s leaders. If the leaders cannot view the technology as a useful tool or fail to understand its potential, then the SME’s leaders will be reluctant to adopt it. Problems affecting technology adoption are also related to the organization itself. The technology used in the organization may ease or hinder the adoption process. Challenges usually emerge in relation to the ambiguity of technology investments and the adoption process into SMEs. On a more critical note is the challenge to invest and adopt the technology for the organization to reduce the perception of control, confidence, and SMEs manager (Pavlov & Hygenson, 2006).

There are a lot of research on the perception of technology adoption by testing the effect of the perceived ease of use (PEU) and the perceived usefulness (PU) on the attitude towards using. In general, PEoU has a positive effect on the attitude toward using (Agarwal & Prasad, 1999; Davis, 1989; Venkatesh et al., 2000) and the perceived usefulness also has a positive impact on the attitude toward using (Venkatesh et al., 2000). In general, research is conducted on information technology (Rani et al., 2014), while the research that reviews the technology adoption by Batik SMEs is still rarely conducted, especially the digital finance product adoption by Batik SMEs in Banyumas where the research results will reflect the description of the factors affecting the digital finance adoption of the Batik SMEs in Banyumas.

2. Literature Review And Hypotheses

2.1 Technology Acceptance Model (TAM) Theory

This research adopts the Technology Acceptance Model (TAM) theory, which is a behavior theory that explains the information technology utilization approach. Technology Acceptance Model (TAM) theory has been developed for the interest in utilizing the information technology based on its usefulness and the ease of use perceived. Technology Acceptance Model (TAM) has been widely used to test the user’s behavioral intention, acceptance and adoption of the new technology by considering two important construction that is considered useful and the ease of use that is perceived (Li dan Yeh, 2010). TAM that was developed by Davis (1989), has been mostly used in explaining the utilization and information technology utilization behavior (Kim dan Lee, 2014). Aside from using the benefit and convenience perceived factors for technology utilization’s interest, this research adds the perceived risk factor in the Technology Acceptance Model (TAM) framework to learn the impact of perceived risk on the interest to keep using digital financial products.

2.2 Digital Financial User Satisfaction (DFUS)

User satisfaction is a difficult concept, intangible and hard to be understood and defined, but the definition of user satisfaction is really necessary for research on system performance and user experience (Griffiths, 2007). At first, Tesser et al. (1977) said that satisfaction is ‘ultimately a state experienced in user’s head’. User satisfaction is an important criterion to measure the success of technology adoption. Some prior researchers have defined satisfaction, such as Seddon (1997), who defines satisfaction as a subjective evaluation from various consequences (individual, organization, social consequence from IS utilization) that is evaluated using the continuum pleasant-unpleasant evaluation line, while Fornell (1992) said that customer satisfaction is a mental state from the comparison between pre-buying expectation and post-buying performance experienced. Crosby et al. (1990) said that satisfaction is ‘an emotional state as the response toward this interactive experience evaluation. Previous researchers has defined user satisfaction related to information technology and information system utilization (Doll dan Torkzadeh, 1988; Seddon dan Kiew; 1994). In this research, Digital Financial User Satisfaction (DFUS) is defined as a pleasant or unpleasant feeling to digital finance after comparing the expectation and the performance of the digital financial product.

Satisfaction is the function of expectation and reality (Zhang dan Prybutok, 2005). Some research used one item to measure overall satisfaction (Selnes & Hansen, 2001), while others use some items to measure satisfaction (Kim, 2002; Oliver, 1980). Research showed that satisfaction with buying decisions is related to customer’s behavior and attitude.

2.3 Digital Financial Perceived Usefulness (DFPU)

Perceived usefulness (PU) is the trust in the usefulness or how far the user believe that technology/system utilization will improve their performance at work (Davis et al., 1989; Ajzen, 1991; Venkatesh et al, 2003; Chen et al., 2007). In this research, Digital Financial Perceived Usefulness (DFPU) is defined as the Batik SMEs’ practitioner’s trust in the benefit obtained from
digital financial product utilization.

In the TAM theory, perceived usefulness is hypothesized as a direct predictor of behavioral intention to use (BI) the technology of interest (Park et al., 2014). Previous research result showed that perceived usefulness has a positive impact on the continuity intention in various contexts, such as: (Chou, Min, Chang, & Lin, 2009) on knowledge creation, (Wang, Ngai, & Wei, 2011) on instant messages; (Lin & Wang, 2012) on e-learning, (Li & Liu, 2014) on online travel service, Baker-Eveleth & Stone, 2015; Stone & Baker-Eveleth, 2013) on electronic textbooks; and Hamid, et al. (2016) on e-government.

Previous research has proven the association between perceived usefulness and user satisfaction. Mawhinney and Lederer (1990) said that user satisfaction has a strong association with perceived usefulness. Seddon and Kiew (1994) mentioned that perceived usefulness has a positive impact on user satisfaction. Rai et al. (2002) prove that perceived usefulness is positively related to user satisfaction. Hsu and Chiu (2004) said that perceived usefulness is the determinant factor for user satisfaction in their research. Calisir & Calisir (2004) found that those who significantly perceive the usefulness have an impact on user satisfaction in the context of the company’s resource planning.

If SMEs practitioners believe that digital finance is beneficial, they will keep adopting it. On the other hand, if they feel that digital financial product is useless, then they will stop adopting them. Based on the previous research results, the first and second hypotheses can be formulated as follows:

H1: Perceived Usefulness has a positive effect on user satisfaction of the digital financial product

H2: Perceived Usefulness has a positive effect on the Continuance Intention to Adopt Digital Financial

### 2.4 Digital Financial Perceived ease of use (DFPEU)

Digital Financial Perceived Ease of Use (DFPEU) is a level where someone believes that using technology is easy and does not need a lot of effort from the user (Davis, 1989), while Saade & Bahl (2005) said that Perceived Ease of Use (PEU) is how far someone believes that innovation is free of effort. In this research, Digital Financial Perceived Ease of Use (DFPEU) is the trust level of Batik SMEs practitioner that utilizing digital financial product is easy and do not need hard work.

Some of the research results have proven that perceived ease of use has a positive effect on user satisfaction in some contexts: on online shopping (Rezaei & Amin, 2013), on cellphone user (Amin et al, 2014), on mobile commerce (Lee and Jun, 2007), and on Learning Management System (Rani et al., 2014).

Based on previous research, the third and fourth hypotheses can be formulated as follows:

H3: Digital Financial Perceived ease of use has a positive effect on user satisfaction with the digital financial products

H4: Digital Financial Perceived ease of use has a positive effect on Continuance Intention to Adopt Digital Financial

### 2.5 Digital Financial Perceived Risk (DFPR)

Aside from the perceived benefit and ease of use that affects the interest in utilizing technology, there is also perceived risk. Since around 1960, perceived risk theory has been used to explain user behavior (Lee, 2009). Perceived risk is defined as risk decision-making in a situation (Sitkin and Pablo, 1992). Another understanding of the perceived risk is the perceived uncertainty and consequences that will be faced after performing certain activities (Hsu and Chiu, 2004: 362). Perceived risk is the perceived uncertainty and unwanted consequences in conducting an activity (Hsu and Chiu 2004: 362). Perceived risk is used as the substitute for risk, because the risk is hard to catch as a definite target. In this research, Digital Financial Perceived Risk (DFPR) is defined as the perceived behavior of Batik SMEs practitioners on the uncertainty and unwanted consequences of digital financial product utilization.

According to Sjoberg et al. (2004), perceived risk is a subjective assessment of type probability that determines the accident that happened and the worries about the consequences it caused. Perceived risk involves consequences probability evaluation of negative results. Perceived risk lead to the belief on the probability of profit or loss outside the consideration including the association with belief in particular (Mayer et al., 1995).

Previous research on the association between perceived risk and user satisfaction found that there is a negative correlation between perceived risk and perceived quality in e-commerce and also quality, causes the customer satisfaction ..... Zhang and Prybutok (2005). Meanwhile, Tzavlopoulos (2019) said that perceived risk has a negative effect on user satisfaction. Zhang and Prybutok (2005) said that there is a negative relationship between perceived risk and customer satisfaction in e-commerce.

Even though technology gives a lot of benefits and ease of use for its user, it turns out there are still some users that refuse to use technology because of its uncertainty and safety problems (Kuisma et al., 2007; Little and Melanthiou, 2006). Perceived risk theory said that customer tends to minimize the perceived risk than maximize the benefit (Mitchell, 1999).

Previous research said that perceived risk affects buying decision and behavior (Chaudhuri, 1997; Mitchell, 1992). Their perception of risk (perceived risk) also affects their adoption behavior. The bigger their perceived risk, the lesser their perceived benefit for technology adoption (Gefen et al., 2003). According to Padel (2001), low risk is one of the necessary characteristics of innovation to be easily adopted. Lower perceived risk tends to increase the chance of buying and buying interest, so the perceived risk has a negative effect on the interest (Wood dan Scheer, 1996; Mitchell, 1999; Chang dan Chen, 2008).

Risk is one of the main components that determine whether someone will buy a product or not (Cox, 1967) and technology creates a unique risk for the consumer. Some research give empirical evidence that perceived risk bring a systematic and significant effect on belief, attitude, and interest of the user’s behavior (Jarvenpaa, 1996; Pavlou, 2003)

H5: Digital Financial Perceived Risk has a negative effect on user satisfaction with digital financial product

H6: Digital Financial Perceived Risk has a negative effect on Continuance Intention to Adopt Digital Financial
2.6 Continuance Intention to Adopt Digital Financial

Continuance Intention (CI) is part of buying behavior where in the context of repurchase interest, there is a loyalty concept (Souderlund and Vilgon, 1999). Interest or behavioral interest is defined as the level of how strong someone’s urge or desire to conduct a certain behavior is (Davis et al., 1989). In this research, Continuance Intention to Adopt Digital Financial is defined as a desire or urge of Batik SMEs practitioners to keep adopting digital financial products for their business.

Several previous research have stated that satisfaction has a positive effect on the continuance interest to adoption in various different contexts. Thong, Hong, and Tam (2006) said that continuance intention on e-government service is affected by satisfaction. Research by Wen, Prybutok and Xu (2011) disclosed that satisfaction has a positive effect on online repurchase intention. Lee and Kwon (2011) also found that satisfaction has a positive effect on continuance intention on web-based services. Zhao & Cao (2010) said that continuance intention is directly affected by satisfaction. Rani et al. (2014) disclosed that e-satisfaction has a positive effect on e-retention on Learning Management Systems (LMS), and Mouakket (2015) stated that satisfaction has positive effect on continuance intention on Facebook. Wixom and Todd (2005) found that user satisfaction and the intention to utilize technology..... Based on the previous research result, the seventh hypothesis can be formulated as follows:

H7: Satisfaction of digital financial product users has a positive effect on Continuance Intention to Adopt Digital Financial

Method

Research method

This research was conducted using mix methods of quantitative and qualitative methods. The quantitative method was used to test the variable affecting the use continuity of digital financial product, while the qualitative method was used to dig further into the reason why Batik SMEs practitioners are utilizing and keep using digital financial products.

Data collection

The population of this research is Batik SMEs practitioners in Banyumas. Samples in this research were obtained using random sampling technique with a total sample of 52 respondents.

Measurement

Variables used in this research is adopted from previous research to measure the benefit of digital financial product use developed by Davis et al. (1989), the use/utilization of digital financial product (developed from Wang and Liao (2007) and Davis et al. (1989)), product utilization risk by Tzavlopoutus et al (2019), product utilization satisfaction by Wang and Liao (2007), while the continuity was developed from Bhattacherjee (2001) and Kim (2010). Research variable indicator development is also adopted from previous research, which is from Suliyanto et al. (2021). The instrument used is a questionnaire with a likert scale of 1 to 5 where 1 means strongly disagree and 5 means strongly agree.

Result And Discussion

Result

Data obtained from a questionnaire on the respondent’s profile showed that the oldest Batik SMEs practitioner in Banyumas is 62 years old, while the youngest is 15 years old. The average age of respondents is 37 years old. The length of their business has the means of 2,5 years long. On average, Batik SMEs practitioner have known digital financial product for 23 months or 1,9 years. The average amount of fabric production per day is 3,9 sheets of fabric and the majority of practitioners are high school graduates. The type of digital financial product used is e-money and most of the practitioners learned about digital financial products from social media.

<table>
<thead>
<tr>
<th>Respondent’s profile</th>
<th>Median</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>37.86</td>
<td>15</td>
<td>62</td>
</tr>
<tr>
<td>Length of time of business</td>
<td>2.5</td>
<td>0.25</td>
<td>12</td>
</tr>
<tr>
<td>Length of time of knowing digital financial product</td>
<td>1.9</td>
<td>0,167</td>
<td>7</td>
</tr>
<tr>
<td>Average fabric production per day</td>
<td>3.9</td>
<td>1</td>
<td>50</td>
</tr>
<tr>
<td>Family members</td>
<td>3.8</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education background</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uneducated</td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Elementary school</td>
<td>3</td>
<td>5.8</td>
<td></td>
</tr>
<tr>
<td>Junior high school</td>
<td>13</td>
<td>23.1</td>
<td></td>
</tr>
<tr>
<td>Senior high school</td>
<td>28</td>
<td>51.9</td>
<td></td>
</tr>
<tr>
<td>College graduates/student</td>
<td>10</td>
<td>19.2</td>
<td></td>
</tr>
<tr>
<td>Digital Financial Product used</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-money (DANA, OVO, Shopeepay, Gopay, etc)</td>
<td>43</td>
<td>82.7</td>
<td></td>
</tr>
<tr>
<td>Asset management application</td>
<td>4</td>
<td>7.7</td>
<td></td>
</tr>
<tr>
<td>(application to pay bills)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online loan</td>
<td>2</td>
<td>3.8</td>
<td></td>
</tr>
<tr>
<td>Doku, Midtrans, Faspay, Finpay, Xendit, etc</td>
<td>1</td>
<td>1.9</td>
<td></td>
</tr>
</tbody>
</table>
Validity and realibility of instrument

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicator</th>
<th>Loading factor</th>
<th>Loading factor</th>
<th>Cornbach Alpha</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Financial Perceived Usefulness (DFPU)</td>
<td>X1.1</td>
<td>0.962</td>
<td>0.963</td>
<td>0.954</td>
<td>0.970</td>
<td>0.915</td>
</tr>
<tr>
<td></td>
<td>X1.2</td>
<td>0.967</td>
<td>0.958</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.3</td>
<td>0.316</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>X1.4</td>
<td>0.946</td>
<td>0.949</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>X2.1</td>
<td>0.934</td>
<td>0.934</td>
<td>0.961</td>
<td>0.971</td>
<td>0.894</td>
</tr>
<tr>
<td></td>
<td>X2.2</td>
<td>0.964</td>
<td>0.964</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>X2.3</td>
<td>0.930</td>
<td>0.930</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>X2.4</td>
<td>0.954</td>
<td>0.954</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>X3.1</td>
<td>0.796</td>
<td>0.796</td>
<td>0.886</td>
<td>0.914</td>
<td>0.681</td>
</tr>
<tr>
<td></td>
<td>X3.2</td>
<td>0.867</td>
<td>0.867</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>X3.3</td>
<td>0.817</td>
<td>0.817</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>X3.4</td>
<td>0.811</td>
<td>0.811</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>X3.5</td>
<td>0.833</td>
<td>0.833</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Digital Financial Perceived ease of use (DFPEU)</td>
<td>Y1.1</td>
<td>0.943</td>
<td>0.943</td>
<td>0.957</td>
<td>0.969</td>
<td>0.887</td>
</tr>
<tr>
<td></td>
<td>Y1.2</td>
<td>0.943</td>
<td>0.944</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Y1.3</td>
<td>0.962</td>
<td>0.962</td>
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<tr>
<td></td>
<td>Y1.4</td>
<td>0.919</td>
<td>0.917</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Y2.1</td>
<td>0.935</td>
<td>0.936</td>
<td>0.955</td>
<td>0.971</td>
<td>0.917</td>
</tr>
<tr>
<td></td>
<td>Y2.2</td>
<td>0.966</td>
<td>0.965</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Y2.3</td>
<td>0.972</td>
<td>0.971</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Table 2. Result of validity and reliability testing of instruments
Convergent validity loading factor > 0.05 is valid.

<table>
<thead>
<tr>
<th>Variable</th>
<th>R Square</th>
<th>R Adjusted</th>
<th>Q-Square=1-(1-SSE/SSO)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Financial User Satisfaction (DFUS)</td>
<td>0.814</td>
<td>0.802</td>
<td>0.688</td>
</tr>
<tr>
<td>Continuance Intention to Adopt Digital Financial</td>
<td>0.758</td>
<td>0.737</td>
<td>0.662</td>
</tr>
</tbody>
</table>

Table 3. Criteria according to Dahlan et al. (2014)

Interpretasi:
X1 = 0.954 = Very Reliable
X2 = 0.961 = Very Reliable
X3 = 0.886 = Very Reliable
Y1 = 0.957 = Very Reliable
Y2 = 0.955 = Very Reliable

Table 4. Data Analysis Result
<table>
<thead>
<tr>
<th>Hypotesis</th>
<th>Independen</th>
<th>Dependen</th>
<th>Original Sampel (O)</th>
<th>T Statistic</th>
<th>P Value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Digital Financial Perceived Usefulness (DFPU)</td>
<td>Digital Financial User Satisfaction (DFUS)</td>
<td>0.654</td>
<td>4.880</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2</td>
<td>Digital Financial Perceived Usefulness (DFPU)</td>
<td>Continuance Intention to Adopt Digital Financial</td>
<td>0.162</td>
<td>1.126</td>
<td>0.210</td>
<td>Not accepted</td>
</tr>
<tr>
<td>H3</td>
<td>Digital Financial Perceived ease of use (DFPEU)</td>
<td>Digital Financial User Satisfaction (DFUS)</td>
<td>0.295</td>
<td>2.346</td>
<td>0.019</td>
<td>Accepted</td>
</tr>
<tr>
<td>H4</td>
<td>Digital Financial Perceived ease of use (DFPEU)</td>
<td>Continuance Intention to Adopt Digital Financial</td>
<td>0.207</td>
<td>1.118</td>
<td>0.264</td>
<td>Not accepted</td>
</tr>
<tr>
<td>H5</td>
<td>Digital Financial Perceived Risk (DFPR)</td>
<td>Digital Financial User Satisfaction (DFUS)</td>
<td>-0.029</td>
<td>0.327</td>
<td>0.744</td>
<td>Not accepted</td>
</tr>
<tr>
<td>H6</td>
<td>Digital Financial Perceived Risk (DFPR)</td>
<td>Continuance Intention to Adopt Digital Financial</td>
<td>-0.154</td>
<td>1.144</td>
<td>0.253</td>
<td>Not accepted</td>
</tr>
<tr>
<td>H7</td>
<td>Digital Financial User Satisfaction (DFUS)</td>
<td>Continuance Intention to Adopt Digital Financial</td>
<td>0.480</td>
<td>2.631</td>
<td>0.009</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Table 6. Research findings

Based on the test conducted using t table value of 1.96 and P 0.05, we can view from the table that not all of research hypothesis are accepted. H1, H3, H7 are accepted but H2, H4, H5, H6 are not accepted.

Discussion

Research findings for the first hypothesis showed a positive result, which means that digital financial product use affects user satisfaction, which means that digital financial product use makes Batik SMEs practitioners feel satisfied in utilizing the service as necessary. Batik SMEs in Banyumas at the moment have used digital financial product services in their selling transaction and capital procurement. This is in line with previous
research conducted by (Yogi and Pramudana, 2021; Amartya, 2021; Ghazali et al., 2017; Kim & Lee, 2014) which stated that product use positively affects user satisfaction. This is also in line with the theory stating that product utilization refers to potential users that assume that new technology is useful for work performance and they can obtain profit in the future (Bulan & Kim, 2001; Venkatesh & Davis, 2000). Moreover, based on the interview on the Batik SMEs that have utilized the digital financial product, respondents use digital financial products to assist the sales activities and purchasing raw materials. In this case, the financial product that is mostly being used by Batik SMEs in Banyumas is e-money, with the total number of respondents who use them is 43 SMEs. They consider the financial product used to be very helpful and satisfying in their aim to reinforce transaction, easy to use, save time, and more cost-efficient compared to the cost of accessing an ATM machine or going directly to the bank.

Digital financial product use negatively impacts the continuance intention of digital financial product users, which means that Batik SMEs, even though they experience the use of digital financial products, their intention to keep using digital financial product services is low. The causative factor is the limitation of human resources who are able to adopt the means of digital financial product utilization in the SMEs management and the regeneration of Batik SMEs practitioners has yet to function as needed. This finding is different from (Davis et al., 1989; Eltayeb dan Dowsons, 2016), that stated that product use strongly affects the intention to keep using the product. Alford and Page (2015) found that the main motivation of SMEs to adopt new technology is the expected benefit.

The product’s ease of use positively impacts batik SMEs’ satisfaction in using digital financial products. Batik SMEs are usually managed by a business founder who is older than 30 years old. All business activities, from raw material procurement, business management, and finance management are performed by the business manager, so with this digital financial product's ease of use, it certainly really helps to ease the money transaction so the user feels satisfied. This is in line with previous research conducted by (Viehland & Leong, 2007; Lee and Jun, 2007; Yu et al., 2005; Charisma and Suprapti, 2020; Yogi and Pramudana, 2021). Furthermore, the educational background of Batik SMEs practitioners in Banyumas is, on average, junior and senior high school graduates at minimum, which then become the supporting factor to the features on the reasons why financial products are easier to be accepted and understood.

The product’s ease of use negatively impacts the intention to keep using digital financial products. This is not in line with the opinion of (Davis et al., 1989; Amin et al., 2014; Rani et al., 2014) that stated that, albeit small, the ease of use of IT products significantly increases the user’s intention to keep using the product. The digital financial product’s ease of use that was experienced by Batik SMEs practitioners did not necessarily make batik SMEs practitioners keep wanting to use digital financial products. This is because, in digital financial service utilization, it is necessary to have the support of internet access, which according to Batik SMEs practitioner, give them an additional cost for their batik business. Furthermore, the change in payment methods and financial transactions also enables Batik SMEs practitioners to change their options in payment methods in the future.

Perceived risk of the product’s use negatively impacts the digital financial product’s user satisfaction. This is because Batik SMEs feel that digital financial product use has higher risks, such as additional costs, the product being hard for them to use, and needing a good signal to use the product. This research result is in line with (Suliyanto, 2021). The unstable business condition causes the Batik SMEs to choose the business-supporting facilities that have the least risk. The finding in this research is not in line with Zhang and Prybutok (2005; Tzavlopoulos (2019; Zhang and Prybutok (2005),)) which stated that risk perception has a positive effect on technology user satisfaction.

Perceived risk of the product’s use negatively impacts the continuance intention of digital financial products. It means that the higher the risk of digital financial product use, the lower the batik SMEs’ interest in their intention to adopt digital financial product. This research result supports the research conducted by (Perides et al., 2020; Jufrizen, 2021; Siregar and Raiyani, 2019). This research is also in line with (Zhang and Prybutok (2005; Tzavlopoulos (2019; Zhang and Prybutok (2005),)),) who stated that if a technology is considered to have a lot of uncertainties and higher risk than the conventional method, then the user will stop to adopt that certain technology.

Satisfaction of the product’s use positively impacts digital financial products’ continuance intention. This is because if Batik SMEs have already been satisfied with utilizing digital financial products because of their benefit and convenience, then the SMEs practitioners will keep utilizing digital financial products. This research result is in line with the research of Suliyanto, 2021; Oliver, 1980; Thong, Hong, and Tam 2006; Wen, Prybutok, and Xu, 2011; Lee and Kwon 2011; Zhao & Cao, 2012; Rani et al., 2014; Mouakket, S. 2015, that stated that user satisfaction has a positive effect on the continuance intention.

Conclusion

Based on the data analysis result, we can conclude that the use of digital financial products has a positive effect on user satisfaction, the use of digital financial products has a negative effect on the continuity intention of digital financial product users, the use of digital financial products has a positive effect on the satisfaction of Batik SMEs in using digital financial products, the ease of use has a negative effect to the intention to keep using digital financial products and the risk perception of the products use has a negative effect on the digital financial products’ user satisfaction. Risk perception of the products’ use has a negative effect on the digital financial continuance intention, and the satisfaction of products’ use has a positive effect on the digital financial continuance intention. Therefore, a training model that supports Batik SMEs in Banyumas is necessary to learn in-depth about digital finance to optimize the utilization of digital financial products and services for their business development.

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