



The Concept of Fintech in The Sustainability of MSM's Business in West Kalimantan: Moderated by Ease of Digital Payment

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ABSTRACT

This study examines how financial technology influences the sustainability of MSME's in West Kalimantan, with particular attention to how digital payment convenience acts as a moderating factor in this relationship. The sample in this research consists of 200 MSMEs. The sample technique used in this study was random sampling. The data used in this research is primary data collected through questionnaires. The analytical tool used in this research is SEM (Structural Equation Modeling). The research results show that digital financial inclusion and ease of digital payment have a significant positive effect on the business sustainability of MSMEs, while digital financial innovation and digital financial literacy do not affect MSME business sustainability. Ease of digital payment can moderate the relationship between digital financial literacy and MSME business sustainability. The total effect results also show that Ease of Digital Payment can strengthen the relationship between Digital Financial Literacy and MSME Business Continuity

Keywords: Fintech, Digital, Sustainability, Innovation, Ease of Use

JEL Classifications: G21, G23, G28, G32

1. INTRODUCTION

Indonesia's leadership of the G20 promotes leveraging digital technologies as a practical tool to achieve financial inclusion and sustainability across member nations. This encouragement, among others, is manifested in the preparation of (1) Framework and guidelines for the use of digitalization that focuses on women, youth and MSMEs, (2) Database as a reference for innovation in digital financial products and services from around the world, (3) Policy tools to support MSME access to digital financial services based on best practices in various countries. To strengthen its implementation, regulators play a role in ensuring that the digital ecosystem is available in a safe and healthy manner to be utilized by all levels of society (Bank Indonesia, 2022).

Indonesian MSMEs achieved remarkable economic contributions in 2021, capturing 97% of employment opportunities, producing

over 60% of the nation's GDP, and representing nearly 15% of export activities. This workforce absorption rate positions Indonesia at the forefront among ASEAN countries. As part of efforts to strengthen national MSME capabilities, the government has prioritized digitalization as a key strategic approach for performance enhancement. The President requested that 30 million MSMEs go digital by 2024. Meanwhile, based on the recapitulation report of MSME actors in West Kalimantan in 2019-2023, it shows that the largest total MSMEs are in 2023, namely 225,666 or an increase of 424.5% in the last 5 years. This shows that MSMEs in West Kalimantan Province have experienced a very significant increase and this will have a positive impact on the regional economy.

According to the 2022 National Financial Literacy and Inclusion Survey (SNLIK) findings, Indonesia achieved a national financial literacy rate of 49.68%, while the national financial inclusion

2. LITERATURE REVIEW

rate reached 85.10%. The good news is that for West Kalimantan Province, the financial literacy index is 51.95% and the financial inclusion index is 84.16 percent, which means that the level of financial literacy in West Kalimantan has increased significantly by 15.47 basis points and is above the national average (West Kalimantan Provincial Government, 2023). The Financial Services Authority (OJK) remains dedicated to promoting greater digital financial inclusion and literacy, particularly targeting Micro, Small and Medium Enterprises (MSMEs), with the goal of enhancing their role in bolstering national economic strength and economic stability within the ASEAN region. OJK will continue to support and build a healthy ecosystem for digital financial innovation. OJK will continue to simplify and provide alternative financing for MSMEs, by digitizing various financial activities (Financial Services Authority, 2023).

With the development of technology including technology in the financial sector commonly referred to as Fintech, business people must be more updated with the developments that occur. This is so that business actors, especially MSMEs, can participate in following the Fintech concept. The goal is none other than to help and facilitate the business process. In addition, technological advances can also streamline time so that it is expected to increase business results. In addition, the basis for the survival of a business is from the innovations made and responsiveness to changes that occur. This is also a challenge for MSMEs in their business activities to maintain the sustainability of MSME businesses from time to time. Improving the performance and sustainability of small and medium enterprises requires strategic efforts (Kaplan, R. S. & Norton, D. P, 2005).

The increasing number of MSMEs in West Kalimantan shows that the economy in this region is moving in the same direction. The more MSMEs that develop will certainly help the development of the economy in West Kalimantan. In addition, the government is also very hopeful that MSMEs can run their businesses for a long period of time and can change from a micro scale to a large scale. The goal is to absorb more labour and make a greater contribution to the local economy. Factors that influence financial inclusion in society or entrepreneurs, including financial literacy and fintech services (Sari, A.N & Kautsar, A, 2020).

Given the importance of the sustainability of MSME businesses, there are several factors that are of concern today. One of them is the development of increasingly sophisticated technology. The existence of this technology is already in all lines of people's lives, one of which is finance. The development of financial technology can be called financial technology (fintech). The problem arising from this fintech development is the lack of literacy of its users, including MSMEs. In addition, technological developments also encourage MSMEs to be able to innovate digitally in carrying out their business activities. This is of course an obstacle for MSME players, especially in the West Kalimantan region. This condition occurs due to the lack of access and lack of inclusion of MSME players in using digital applications. Therefore, the concept of fintech is an interesting issue to be discussed in relation to the future sustainability of MSME businesses.

The Resource-Based View (RBV) theory is a theoretical framework that focuses on a firm's internal assets, proposing that organizational expansion depends on available resources while being constrained by management capabilities (Penrose 1959). This approach highlights the significance of internal resource stewardship (Andrews 1971) and stresses the critical need to comprehend and effectively utilize organizational assets to achieve lasting competitive advantages (Barney, 1991; Barney and Clark, 2007). Organizational resources encompass all tangible and intangible elements under a firm's control, including assets, competencies, operational procedures, organizational characteristics, data, expertise, and other factors that enable strategic formulation and execution to enhance operational efficiency and effectiveness (Barney, 1991). Barney further categorizes these organizational resources into three distinct groups: (1) Physical capital resources, which comprise the technological infrastructure, manufacturing facilities, machinery, geographic positioning, and raw material accessibility utilized by the firm; (2) Human capital resources, encompassing the expertise, skills, and intellectual capacity of individuals within the organization; and (3) Organizational capital resources, which include structural hierarchies, strategic planning systems, oversight mechanisms, and both internal and external environmental relationships.

Digital financial literacy refers to an individual's comprehension level regarding electronic transactions, diverse online payment methods, and internet banking platforms (Prasad et al., 2018). Morgan et al. (2019) expanded this definition by proposing four conceptual dimensions: Comprehension of digital financial offerings and services, recognition of associated risks in digital financial products and services, proficiency in digital financial risk management, and familiarity with consumer protection rights and complaint resolution mechanisms. According to Setiawan, et al (2020), Liew et al. (2020), Tony & Desai (2020) an individual's digital financial literacy proficiency is significantly shaped by their social attributes. These social factors, commonly referred to as socioeconomic status, encompass variables such as age, income level, and educational background. For MSMEs, enhancing financial literacy is crucial for comprehending and implementing effective and streamlined financial evaluation strategies. Enterprises with strong financial literacy capabilities typically demonstrate superior financial decision-making and experience fewer administrative mistakes (Fatoki, 2014). Additionally, robust financial literacy enables MSMEs to make strategic financial choices and selections that maximize their outcomes (Okello et al., 2016). Based on research conducted by Astohar, et al (2022), it shows that financial literacy has a significant positive effect on financial inclusion and also influences fintech-based financial services. A different thing was shown by (Natalia, M, et al (2020) financial literacy was not proven to have an effect on financial inclusion.

Digital innovation encompasses advancements facilitated or driven by digital technologies. It can be characterized as the integration of digital and physical components to create novel products. SMEs have achieved significant progress in digital

finance, digital marketing, and various other sectors (including technology, politics, health, and environment) through enhanced digital innovation, enabling improved human interaction with artificial intelligence systems (Maslichah et al., 2023). Given that the economy serves as a nation's foundation, the significance of digitalization within the financial sector becomes paramount. The pandemic has further compelled governments and enterprises to seek more accessible transaction methods, particularly in financial operations. China has emerged as a pioneer in advancing digital finance initiatives. The country has successfully established new manufacturing models supported by green finance through digital finance implementation and sustainable manufacturing development (Chang et al., 2023). Digital financial innovation involves implementing novel instruments for businesses to enhance the effectiveness and efficiency of services provided to their clientele (Al-Dmour et al., 2020). Klapper et al. (2016) explains that digital financial innovation encompasses an extensive range of financial operations, including capital market transactions, interconnected banking networks, credit assessment, asset securitization, risk oversight, and transaction processing. Additionally, it incorporates various financial functions such as middle and back-office documentation, customer support, debt collection and recovery processes, and adherence to anti-money laundering and know-your-customer regulations.

Some SMEs that often occur at this time are funding problems that are used to develop the business of SMEs and to increase their investment. In this case it is very important the role of financial inclusion in a country. One of the important instruments of financial inclusion to increase the growth of SMEs is the provision of capital loans through banking institutions. However, in its implementation, lending funds from banks can still be said to require a difficult and lengthy process and spend a lot of time. So that financial inclusion, especially banking institutions, should develop digitally or be able to utilize financial technology (fintech) (Kusdimanto et al., 2022). According to Kusumaningtuti and Setiawan (2018) inclusive finance is all efforts that aim to remove all obstacles in order to utilize the low-cost concept to take advantage of all existing obstacles to community access to financial services. Digital financial inclusion provides room for innovation in many sectors, including finance from digital banking, insurance to financial technology. The increase in public access to various financial products is growing tremendously (Bi Institute, 2022). According to Lyman and Lauer (2015) digital financial inclusion provides access to formal services to people who have not gained access to the financial sector by utilizing digital technology, such as smartphones.

Currently, people need a payment system that is faster, safer and more efficient, so many new payment system technology breakthroughs have emerged, one of which is by utilizing digital media which gives rise to a new digital-based payment system. A payment system is a system that includes a set of rules, institutions and mechanisms used to transfer funds and aims to fulfill obligations arising from economic activities (Hanina, 2021). Changes that occur in the payment system are switching cash payments to digital-based payments or called digital payments. The convenience of using digital payment is that users do not need to carry a wallet with a lot of cash, just by using a smartphone and

internet network so that they can make payments anywhere and anytime, especially during the COVID-19 pandemic, avoiding direct contact with money (cashless) (Puspitasari and Indrarini, 2021). According to Machmudi and Fikriyah (2023) payments made online or through digital technology are referred to as digital payments. Digital payments are electronic payments made through digital payment methods. Currently, the uses of digital payment are very diverse, for example, such as its use in bill payments, for example to pay credit installments, education fees, electricity, water and gas bills, and so on. Ease of use is the extent to which someone believes that using a technology will simplify their business (Rizky et al., 2018). Another finding is an increase in daily revenue for MSMEs due to QRIS. This increase occurred by around 5-20% per day for some merchants (Sihaloho et al., 2020). The ease of using this digital wallet for transactions, a person will find it easier to spend their money, leading to a more productive lifestyle. In carrying out its operational activities. Financial technology (Fintech) offers enhanced service accessibility and convenience. Users can utilize Fintech services exclusively through mobile devices and personal computers. These platforms operate through mobile applications and web-based interfaces to deliver their services. This technological approach enables individuals to conduct financial transactions or request funding more streamlively and efficiently. Such capabilities represent a significant departure from the traditional service models offered by conventional banking institutions. These various conveniences and fast services have in fact succeeded in increasing demand and public interest. No wonder that in November 2019, the amount of loans through Fintech in Indonesia reached Rp60.41 trillion (Asisa et al., 2022).

Business sustainability refers to an organization's capacity to accomplish its objectives and enhance long-term value through consistent and stable performance improvements while equitably implementing economic, social, and environmental advantages. It represents a state where methods exist to preserve, advance, and safeguard resources while fulfilling industry requirements through ongoing business operations, encompassing growth, development, and strategic initiatives that collectively contribute to organizational resilience (Widiyanti et al., 2017).

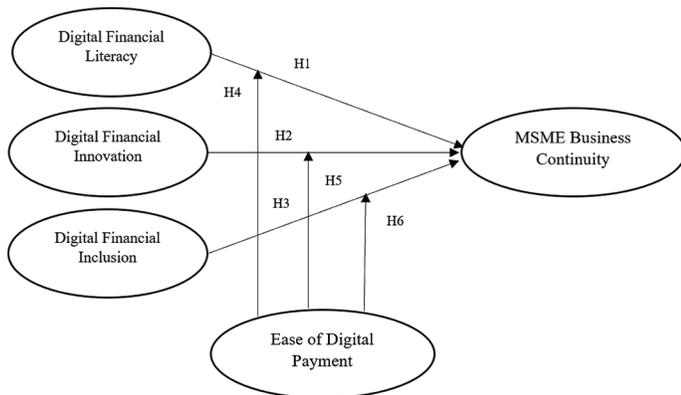
Business sustainability can be measured through various indicators including operational cost reduction, accelerated profit growth rates, expanded market share, enhanced customer satisfaction, faster order processing times, improved responsiveness to market conditions, shortened product or service delivery cycles, profit margins relative to sales, and return on investment performance (Jianmu and Kulathunga, 2019). Additional measures include achieving break-even point (BEP), establishing customer satisfaction monitoring systems, and implementing employee and management satisfaction tracking mechanisms (Aribawa, 2016). Other relevant metrics encompass total assets, revenue turnover, profitability, production capacity, sales expenses, workforce size, and operational location. Based on research conducted by Fitriarsi et al (2021) and Aulia et al (2021), it was stated that business actors really need financial literacy and digital innovation for business performance and sustainability.

The selection of business sustainability indicators varies based on specific requirements, research purposes, and contextual factors, including data accessibility from MSME operators. Consequently, this research employs indicators such as profit growth, customer satisfaction tracking, break-even point achievement, operational cost reduction, and total asset evaluation (Jati et al., 2021).

This research will investigate the concept of fintech in the sustainability of MSME's business in west Kalimantan: Moderated by ease of digital payment. The hypotheses in this research are:

- H₁: Digital financial literacy has a significant positive effect on MSME business sustainability
- H₂: Digital financial innovation has a positive and significant effect on the sustainability of MSME businesses
- H₃: Digital financial inclusion has a positive and significant effect on the sustainability of MSME businesses
- H₄: The ease of digital payment can moderate the relationship between digital financial literacy and MSME business continuity
- H₅: The ease of digital payment can moderate the relationship between digital innovation and MSME business continuity
- H₆: Ease of digital payment can moderate the relationship between digital financial inclusion and MSME business continuity.

Figure 1: Research model



3. METHODS AND DATA

3.1. Data Collection Techniques and Research Samples

This study employs a quantitative research approach utilizing survey methodology. Data collection was conducted through questionnaires completed by study participants. The research focused on MSMEs located in Pontianak and Singkawang, which are the two most populous cities in West Kalimantan Province. A random sampling method was applied to select participants. The study sample comprised MSMEs that had experience using digital payment platforms and various other financial technology applications, totaling 200 MSME participants. The questionnaire employed a 5-point Likert scale format, with response options ranging from (1) Strongly disagree, (2) Disagree, (3) Moderately agree, (4) Agree, to (5) Strongly agree.

3.2. Variable Measurement

For examining the research model, this study employs Partial Least Squares Structural Equation Modeling (PLS-SEM) methodology utilizing Smart PLS software. The PLS-SEM approach represents a variance-based analytical technique designed to simultaneously examine relationships among multiple variables. The analytical process begins with assessing the reflective measurement model to determine sample reliability and validity. Subsequently, correlation analysis and structural equation modeling are performed. The models used in this study is presented in Figure 1.

To answer the model that has been designed, this research developed the following questionnaire (Table 1).

4. RESULTS

4.1. Indicator Reliability and Coherent Validity

Outer loadings indicate the factor loading for each indicator, with a value above 0.7 signifying high validity and suitability (Ghozali & Latan, 2015). Validity is also confirmed if the Average Variance Extracted (AVE) is greater than 0.5. Internal Consistency Reliability is evaluated using composite reliability, where a value exceeding 0.7 indicates reliability. Although 0.7 is the minimum threshold, values of 0.8 or 0.9 are considered optimal (Abdillah

Table 1: Variables and indicators

Variables	Indicator
Digital financial literacy (Rahayu et al., 2022)	<ol style="list-style-type: none"> 1. Knowledge of electronic financial products and services 2. Understanding of dangers linked to digital financial platform usage 3. Expertise in digital financial risk mitigation 4. Awareness of customer rights and grievance procedures
Digital financial innovation (Al-Dmour et al., 2020)	<ol style="list-style-type: none"> 1. Conduct new digital financial innovations (products or services) on a regular basis 2. Adapting existing digital financial innovations to meet customer needs 3. Investing in digital finance 4. Monitor technology development trends
Digital financial inclusion (Lyman and Lauer, 2015)	<ol style="list-style-type: none"> 1. Digital transactional platform 2. Retail agents armed with a digital device 3. The device used can be digital
Ease of digital payment (Atriani et al., 2020)	<ol style="list-style-type: none"> 1. Easy to learn and understand for use 2. Simple application 3. Easy to apply
MSME business continuity (Jati et al., 2021)	<ol style="list-style-type: none"> 1. Profit growth 2. Reducing Operating Cost 3. Total Assets

Table 2: Outer loadings, construct reliability and validity

Variable/Item	Loading	Cronbach's α	CR	AVE
Digital financial inclusion		0.826	0.878	0.594
DFINC1	0.804			
DFINC2	0.603			
DFINC3	0.800			
DFINC4	0.825			
DFINC5	0.798			
Digital financial innovation		0.808	0.859	0.553
DFINN1	0.865			
DFINN2	0.784			
DFINN3	0.715			
DFINN4	0.580			
DFINN5	0.744			
Digital financial literacy		0.866	0.896	0.634
DFL1	0.761			
DFL2	0.876			
DFL3	0.726			
DFL4	0.814			
DFL5	0.796			
Ease of digital payment		0.834	0.883	0.603
EDP1	0.695			
EDP2	0.847			
EDP3	0.827			
EDP4	0.824			
EDP5	0.672			
MSME business continuity		0.936	0.952	0.797
BC1	0.908			
BC2	0.900			
BC3	0.872			
BC4	0.936			
BC5	0.846			

Table 3: Coefficient of determination (R²)

Variable/Item	R-square	R-square adjusted
MSME business continuity	0.605	0.592

& Jogiyanto, 2009). The results for outer loading, construct reliability, and validity are provided in Table 2.

Based on the validity and reliability test results, it can be concluded that all constructs, for both independent and dependent variables, demonstrate adequate reliability. This is evidenced by Cronbach's Alpha values exceeding 0.6 and composite reliability values above 0.7. Meanwhile, the validity tests also show satisfactory results. The AVE (Average Variance Extracted) values for all variables are above the 0.5 threshold. Thus, it can be stated that all variables used in this study meet the discriminant validity criteria, indicating that the measurement instruments can adequately differentiate between constructs. The outer loading results show no loading factor values below 0.5, with the highest outer loading at 0.936 and the lowest at 0.580. This means that all indicators in this study are suitable for use in the research questionnaire.

4.2. Coefficient of Determination (R²)

Based on Chin's classification framework, R² values of 0.67 are categorized as demonstrating robust construct strength, values of 0.33 reflect moderate construct strength, and values of 0.19 indicate weak construct performance. The coefficient of determination results are displayed in the subsequent Table 3.

Based on the R-square results for the moderation model, it is known that the R-square value for MSME Business Continuity

is 0.605. This indicates that the endogenous variable, MSME Business Continuity, can be explained by the variables Digital Financial Inclusion, Digital Financial Innovation, and Digital Financial Literacy, moderated by Ease of Digital Payment. Additionally, the endogenous and exogenous variables in this model have a strong relationship.

4.3. Direct Effect

The path coefficient analysis results serve to assess the connections between exogenous and endogenous variables. The criterion for establishing statistical significance of these relationships is a P-value below 0.05 (Hair et al., 2017). The path coefficient findings are presented in the Table 4 that follows:

The study findings reveal that digital financial inclusion has a direct significant impact on MSME business sustainability, as demonstrated by a P = 0.000 (<0.05). Similarly, the convenience of digital payment systems also shows a direct significant effect on MSME business continuity, supported by a P = 0.005 (<0.05). However, the research indicates that digital financial innovation and digital financial literacy variables do not have a statistically significant influence on MSME business sustainability.

4.4. Moderating Effect

In statistical analysis, we interpret the relationship between variables based on the P-value and a predetermined significance level, typically 5% ($\alpha = 0.05$). When the $P \leq 0.05$, it can be concluded that the moderating variable can strengthen the relationship between the independent variable and the dependent

Table 4: Path coefficient

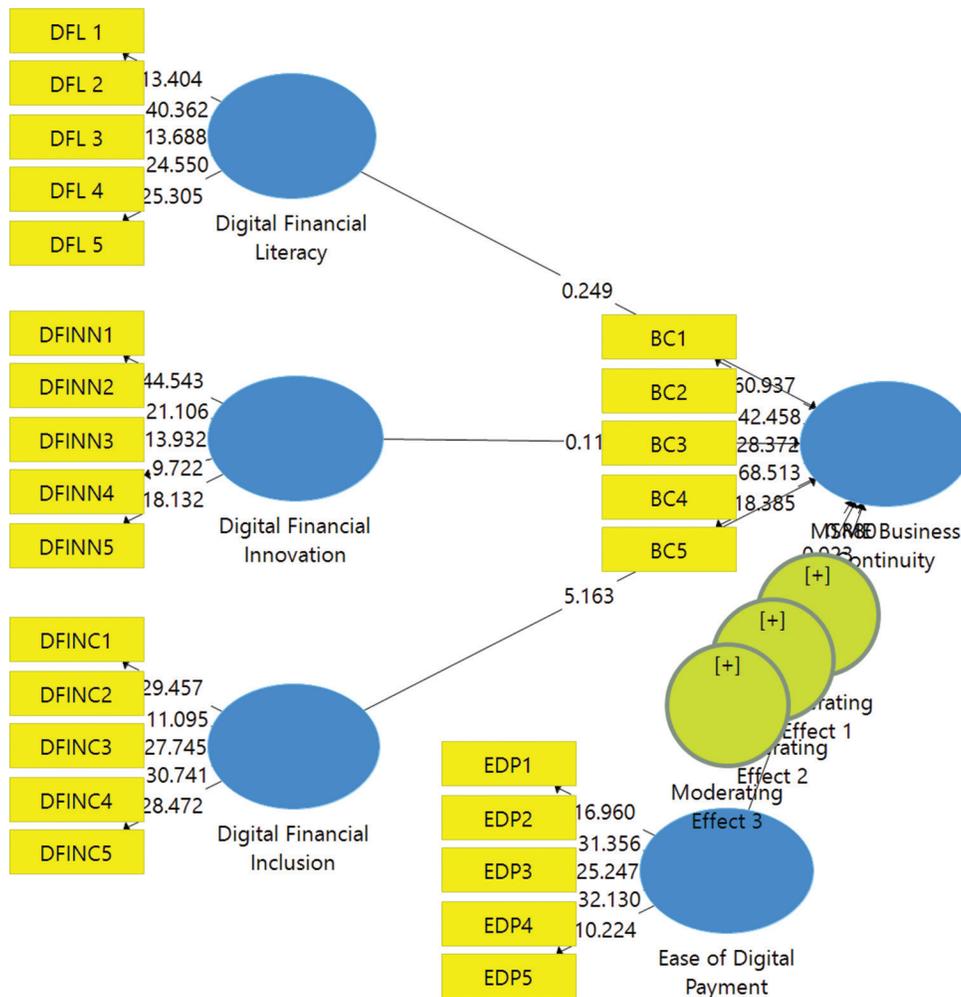
Variable/Item	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P-values
Digital financial inclusion -> MSME business continuity	0.488	0.484	0.095	5.165	0.000
Digital financial innovation -> MSME business continuity	-0.011	-0.008	0.092	0.114	0.909
Digital financial literacy -> MSME business continuity	0.021	0.018	0.083	0.247	0.805
Ease of digital payment -> MSME business continuity	0.305	0.308	0.108	2.823	0.005

Note: *Significant at 0.01

Table 5: Moderating effect

Variable/Item	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P-values
Moderating effect 1 -> MSME business continuity	0.065	0.062	0.071	0.914	0.361
Moderating effect 2 -> MSME business continuity	0.085	0.079	0.098	0.870	0.385
Moderating effect 3 -> MSME business continuity	-0.256	-0.254	0.114	2.253	0.025

Note: **Significant at 0.05



variable. The results of the moderating effect can be seen in the following Table 5:

The moderation analysis results demonstrate that the ease of digital payment serves as a significant moderating factor that enhances the relationship between digital financial inclusion and MSME business continuity, as evidenced by a P = 0.005 (<0.05). Conversely, the moderation variable does not effectively moderate the relationships between digital financial literacy and MSME

business continuity, nor between digital financial innovation and MSME business continuity.

The research model in this study can be described as follows:

5. DISCUSSION

The test results show that Digital Financial Inclusion directly influences MSME Business Continuity with a P = 0.000. This

finding aligns with Sun and Zhang (2024), which states that digital financial inclusion has a stronger effect in promoting MSME innovation for business continuity. However, Digital Financial Innovation and Digital Financial Literacy do not influence MSME Business Continuity, with $P > 0.05$. Additionally, Ease of Digital Payment also directly affects MSME Business Continuity with a $P = 0.005$. This is consistent with Kilay et al. (2022), who found that Ease of Digital Payment enhances operational efficiency, expands market reach, and increases customer trust, thereby supporting MSME Business Continuity.

The results of the total effect test indicate that Digital Financial Inclusion significantly influences MSME Business Continuity with a $P = 0.000$. Digital financial inclusion has a profound impact on the sustainability of MSME businesses. Research by Du et al. (2023) suggests that increased digital financial inclusion positively correlates with economic resilience by providing more efficient financial services to consumers and business entities. By offering broader access to financial services, digital technology has transformed how MSMEs operate and grow. Through digital platforms, MSMEs can now easily access loans, savings, and insurance products that were previously difficult to obtain. This enables them to manage cash flow more effectively and secure the capital needed for business expansion. Furthermore, the transaction efficiency provided by digital payments and electronic money transfers has significantly reduced MSMEs' operational costs, allowing them to allocate resources more wisely.

Additionally, Ease of Digital Payment also affects MSME Business Continuity with a $P = 0.005$. This can be explained by the fact that digital payment systems accelerate and streamline transactions, enabling MSMEs to receive payments more quickly and efficiently. This improves cash flow, which is critical for daily operational sustainability. Moreover, digital payments reduce risks associated with handling cash, such as miscalculations or theft, thereby enhancing MSMEs' financial security. Digital payments also expand MSMEs' market reach. By accepting various digital payment methods, MSMEs can serve customers from diverse backgrounds and geographic locations, including broader online markets. This opens new growth opportunities and revenue diversification. Additionally, digital payment systems are often integrated with financial management tools, allowing MSMEs to track transactions, manage inventory, and analyze sales patterns more accurately. This information is invaluable for better business decision-making and long-term strategic planning. The ease of digital payments also enhances MSMEs' professionalism and credibility in the eyes of customers and business partners. This can strengthen relationships with suppliers and facilitate access to credit or other financial services, as digital transaction records can serve as evidence of business performance. In an increasingly digital global context, the ability to accept and process digital payments is becoming ever more critical to remaining competitive and relevant in the market. Thus, the ease of digital payments not only facilitates MSMEs' daily operations but also supports their long-term growth, adaptability, and sustainability in an ever-evolving business landscape.

The total effect results also show that Ease of Digital Payment can strengthen the relationship between Digital Financial Literacy

and MSME Business Continuity with a $P = 0.025$. When MSME owners have good financial literacy, they can more effectively utilize digital payment features to manage their business finances. For example, they can easily track cash flow, categorize expenses, and analyze sales trends through available digital reports. This enables them to make more informed and strategic business decisions. The use of digital payment systems encourages MSME owners to continuously improve their financial literacy. As they interact with financial technology, they are naturally motivated to understand concepts such as digital cash flow management, account reconciliation, and financial data analysis. This learning process strengthens their understanding of financial principles essential for business continuity. MSME owners with strong financial literacy can leverage these opportunities to expand their business reach, diversify revenue streams, and build resilience against economic shocks. They can make smarter decisions about digital marketing strategies, dynamic pricing, or even expansion into new markets.

6. CONCLUSION

These findings highlight the importance of prioritizing digital financial inclusion and ease of digital payment in policies and interventions aimed at enhancing MSME sustainability, while suggesting that further research may be needed to better understand how digital financial innovation and literacy can be effectively leveraged for business continuity. Based on these findings, we recommend that policymakers and financial institutions prioritize expanding digital financial inclusion and simplifying digital payment systems specifically tailored for MSMEs. Government agencies should develop regulations that facilitate easier access to digital financial services while providing incentives for financial technology companies to create more user-friendly payment interfaces. Educational programs should be redesigned to focus on practical applications of financial knowledge through digital payment systems, demonstrating clear connections to business outcomes. Financial institutions should consider collaborative approaches with MSME associations to create integrated digital ecosystems that address specific operational challenges faced by small businesses. Additionally, further research should explore why digital financial innovation and literacy did not directly impact business continuity, potentially examining implementation barriers or identifying mediating factors that might enhance their effectiveness. By addressing these aspects comprehensively, stakeholders can better support MSME sustainability in an increasingly digital economic landscape.

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