THE ROLE OF FINANCIAL LITERACY, GOVERNMENT SUPPORT, AND FINTECH ADOPTION IN IMPROVING ACCESS TO FINANCE AND ECONOMIC PERFORMANCE IN INDONESIA'S TRADITIONAL MARKET

UNDERGRADUATE THESIS

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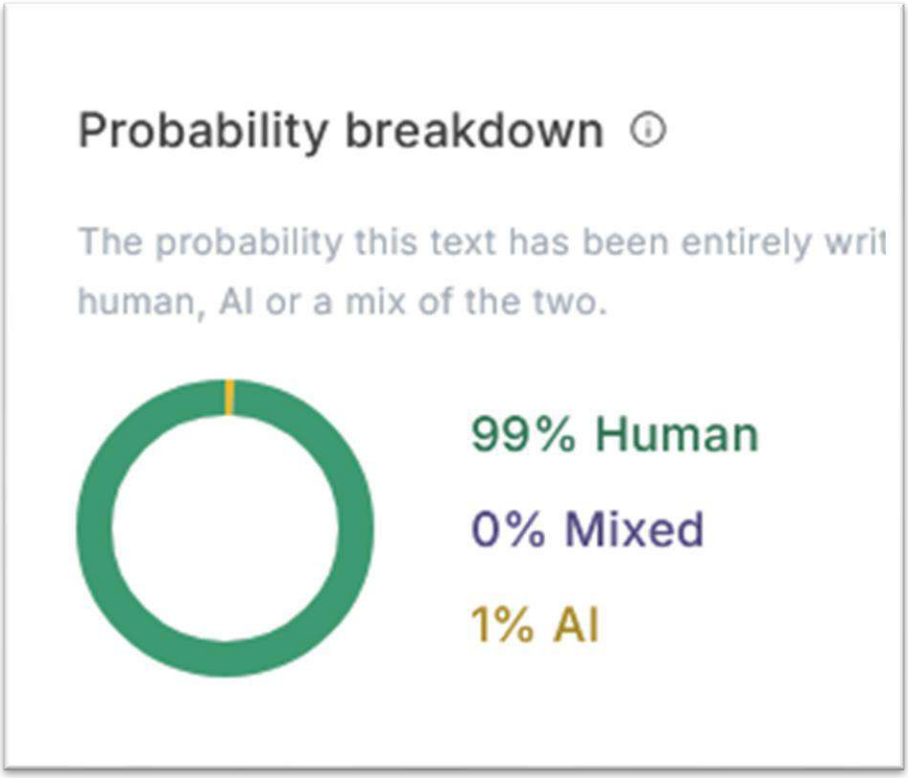

ABSTRACT

This study examines The Role of Financial Literacy, Government Support, and Fintech Adoption in Improving Access to Finance and Economic Performance in Indonesia’s Traditional Markets. Traditional market vendors face unique challenges, including limited financial literacy and difficulty accessing financial services, which impede their business performance. Utilizing a quantitative research method and Partial Least Squares-Structural Equation Modeling (PLS-SEM), this study analyzes data collected from 150 vendors through structured questionnaires. The findings reveal that financial literacy significantly improves access to finance and fintech adoption, which in turn enhances economic performance. Fintech adoption plays a critical mediating role by bridging the gap between financial literacy and financial management behavior. Additionally, government support significantly impacts fintech adoption, emphasizing the importance of regulatory and educational interventions. This study highlights the need for targeted financial literacy programs and the integration of fintech tools to empower vendors, fostering sustainable economic growth. Future research could expand geographical coverage, incorporate longitudinal data, and explore additional variables such as entrepreneurial characteristics and market dynamics.

Keywords: *financial literacy, financial management behavior, fintech, traditional markets, economic performance, government support*

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