

THE INFLUENCE OF DIGITAL LITERACY AND FINANCIAL SELF EFFICACY ON RISKY CREDIT BEHAVIOR IN USING SHOPEE PAY LATER

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Abstract

Digital Literacy is an important instrument to strengthen customer strength to avoid risky credit behavior. Apart from Digital Literacy, Financial Self Efficacy is also an important instrument to avoid this. Therefore, this research aims to analyze the influence of digital literacy and financial self-efficacy on risky credit behavior. This research is quantitative research with an explantory approach, namely research that uses previous research as a stepping stone for finding new findings. The data used in this research uses primary data collected using the 1-5 questionnaire method which contains agree, strongly agree, disagree and strongly disagree. The data used was analyzed via PLS 3.0. The research results show that the Digital Literacy and Financial Self Efficacy variables each have a positive relationship and a significant influence on Risky Credit Behavior. As Digital Literacy improves and Confidence in managing finances increases, it will further strengthen the potential of employees to avoid Risky Credit Behavior.

Keywords : *Digital Literacy, Financial Self Efficacy, Risky Credit Behavior.*

1. INTRODUCTION

McLuhan in (Littlejohn, 2009) stated that the emergence of instant information began with the availability of the internet. The revolution in the field of electronic media occurred as a result of a change in information media which was usually obtained from broadcasts to be in the form of electronic media networks. New media research is starting to emerge regarding globalization and media convergence, the internet is becoming an alternative media in presenting information without the technical constraints of the broadcast model. McLuhan also added that in the new media era, internet studies and cyberstudies were also developing which shifted the public's attention to digital media which marked the development of new information and communication technology.

The internet is the result of civilization, which should be used by humans to form civilized activities as well. But in reality, the internet not only has positive impacts, but also negative

impacts. Positive impacts arise if the internet is used as a means of learning, innovation, providing inspiration and a marketing tool. Meanwhile, there are negative impacts if the internet is used as a tool for negative propaganda, intimidation, a means of dividing SARA and even terrorism and drug trafficking. This impact depends on the way and purpose of using it. In today's digital era, the amount of information that each person receives on the devices they use is increasing and tends to be uncontrolled. Then what is important is a person's skill in selecting and sorting information. This is something that is urgent, because of the increasing challenges of information technology and new communication styles (Tiffani, 2023).

One of the civilized activities is using the internet to search for information related to finances including investment, credit, savings and loans, and so on in order to avoid fraud and the like which is detrimental to yourself and your family around you. These activities are included in Digital Literacy activities. Digital literacy is closely related to the digital transformation of the banking sector. Digital transformation goes beyond providing mobile banking or online banking. Innovation is needed to combine digital technology and consumer interaction, with the presence of this new technology it is able to provide convenience and ease of access to banking products and services (Mutiasari, 2020). Getting people used to using digital financial or banking products and services requires awareness of digital literacy. One of the challenges of digital literacy is contextual understanding of the risks and benefits. Increasing awareness of financial literacy and digital literacy is important so that people do not fall into the trap of fake digital banking and fake financial services (LPPI, 2021). According to research conducted by (Munari, 2021), digital literacy has a significant influence on the use of e-banking. The results of research conducted by (Dwiningsih, 2020) show that digital financial services literacy influences banking participation. There are a number of studies that discuss Digital Literacy. Such as research conducted by , (Restianty, 2018) which focuses on the function of Digital Literas in protecting the public against digital fraud, including studying potential credit risks.

Apart from the Digital Literacy variable, this research also uses the Financial Self Efficacy variable which researchers believe can have a positive and significant influence on Risky Credit Behavior. Self-efficacy is personal initiative, the belief that a person can complete a given task, and is associated with self-confidence, motivation, optimism, and the ability to overcome life's challenges. Self-efficacy can be expressed through various elements of individual behavior. These factors include how much influence a person has on the information they receive, whether they have an optimistic or pessimistic attitude towards the future, or whether or not they think in ways that strengthen or weaken them (Sari, 2021). Therefore, it is explained that individual involvement in financial behavior is a reflection of how well they manage their finances, are financially responsible and think about the future.

If the concept of self-efficacy is applied in the context of financial management, it can be said that financial self-efficacy is that individuals who have a higher sense of self-control in their financial management capacity will be better able to resolve any financial problems with the view of "problems to be solved, rather than as threats." which must be avoided" (Farrell, 2016). The results of research conducted by Lapp (2010) show that FSE can play a role in enabling someone to make programmed decisions to create economic prosperity for low-income communities. Research conducted by (Farrell, 2016) also shows that women who have good FSE are more likely to have investments, financial security or savings, and are less likely to have credit cards or loans. From this research it was also seen that, the stronger a woman's FSE, the more likely the woman is to have financial products such as investments, guarantees

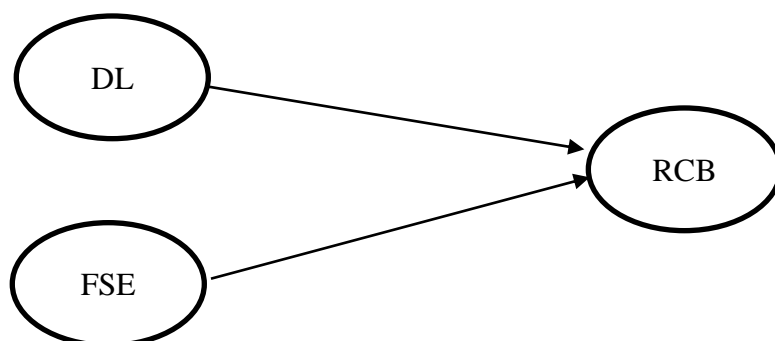
or savings. From this it can be seen that FSE is closely related to a person's behavior in financial matters.

There are a number of studies that (Surya & Evelyn, 2023) & (Heriyantho & Leon, 2022) state that Digital Literacy and Financial Self Efficacy on Risky Credit Behavior have a positive relationship and a significant influence. Therefore, this research aims to analyze the influence of Digital and Financial Literacy on Risky Credit Behavior.

2. RESEARCH METHODS

This research is quantitative research with an exploratory approach, namely research that uses previous research as the main source for finding new developments in the research to be studied. In this research, 2 independent variables are used, namely Digital Literacy and Financial Self Efficacy and 1 dependent variable, namely Risky Credit Behavior (Sugiyono, 2019). This research uses secondary data collected from observations of 300 students using Shopee Pay Later (Jonathan Sarwono, 2016). Data was collected using a 1-5 questionnaire method containing agree, strongly agree, disagree, strongly disagree and normal (Tiffani, 2023). The criteria used in this research are users who order at least 3 times to see the consistency of the data algorithm. The collected data was analyzed with Smart PLS 3.0 software.

Figure 1
Model



Note:

DL : Digital Literacy
FSE : Financial Self Efficacy
RCB: Risky Credit Behavior

Hypothesis:

1. The Influence of Digital Literacy on Risky Credit Behavior
2. The Influence of Financial Self Efficacy on Risky Credit Behavior

3. RESULT

Convergen Validity

Convergent Validity is an instrument to measure each existing question item. In this research, there are 2 independent variables and 1 dependent variable. Therefore, this research consists of 22 question items that need to be validated as follows:

Table 1
Convergen Validity

Variable	Question Item	Loading Factor
Digital Literacy (X1)	The level of frequency of using the internet	0.852
	The need for digital tools	0.843
	Knowledge of digital product updates	0.860
	Benefits of digital technology for office work	0.821
	The benefits of digital technology for daily and non-office work	0.815
	Coworkers are also using digital tools	0.867
	Employee dependency on digital tools	0.842
	Frequency level of digital training	0.856
Financial Self Efficacy (X2)	Successful financial management for something you want	0.821
	Appreciate and enjoy when you get something you want because you are able to manage your finances well	0.833
	Motivated by a successful person because of his success in starting a business	0.839
	Confidence in yourself to be able to face all problems	0.845
	Confidence in yourself in achieving company targets	0.841
	Confidence in yourself to achieve the title of best employee in the company	0.808
	Confidence in yourself because you are able to adapt to co-workers	0.872
	Confidence in yourself because you are able to adapt to increasingly developing technology	0.866

Risky Credit Behavior (Y)	Knowledge of personal money	0.851
	Knowledge of career potential	0.876
	Knowledge of the ability to pay credit	0.879
	Knowledge of finance company profiles	0.888
	Desire to complete credit	0.854
	Need for goods	0.890
	Ability to pay	0.877

Data processed by researcher 2023

Valid: > 70%

Based on the statistical results above, a perfect conclusion can be drawn, all questionnaire items in this research are valid and can be continued at the next stage, namely Composite Realibilitas and Path Coefficient(Ghozali, 2016).

Realibility Test

In PLS, the Reliability Test is used to find out how much the lower value and true value of a construct is by using two instruments which include Composite Reliability which functions to measure the true value of a construct and Cronbach Alfa which functions to measure the lower value of a construct(Sarstedt et al., 2014).

Table 2
Realibility Test

Variable	Cronbach Alfa	Composite Realibility	Note
Digital Literacy	0.810	8.850	Acceptable
Financial Self-Efficacy	0.825	0.865	Acceptable
Risky Credit Behavior	0.815	0.855	Acceptable

Data processed by researcher 2023

Valid > 0,70

Based on the results of the table above, it can be concluded that the Digital Literacy, Financial Self Efficacy and Risky Credit Behavior variables are above the minimum validity figure of 0.70, namely the average is above 0.810. With these results it can be concluded that the Digital Literacy, Financial Self-Efficacy and Risky Credit Behavior variables are valid and can be continued at the next stages(Ghozali, 2016).

4. DISCUSSION

Path Coefisien

The path coefficient is intended to find out whether the independent variable has a positive or negative relationship and has an effect or no effect on the independent variable(Sarstedt et al., 2014).

Table 3
Path Coefisien

	Variable	T-Table	Note
Direct Influence	DL-)RCB	0.016	Acceptable
	FSE-)RCB	0.014	Acceptable

Data processed by researcher 2023

H1: The Influence of Digital Literacy on Risky Credit Behavior

Based on the analysis results from the table above, it can be concluded that the Digital Literacy variable has a positive relationship and a significant influence on Risky Credit Behavior. By having good digital literacy, customers will become smarter and be more protected from credit risks. Thus the first hypothesis in this research can be **accepted**.

H2: The Influence of Financial Self Efficacy on Risky Credit Behavior

Based on the results from the table above, it can be concluded that the Financial Self Efficacy variable has a positive relationship and a significant influence on Risky Credit Behavior. These results are in line with research (Surya & Evelyn, 2023) & (Heriyantho & Leon, 2022) because increasing self-confidence in managing students' finances by using Shopee Pay Later will strengthen students to avoid the potential for failed credit and risky credit behavior.

5. CONCLUSION

Based on the results of the explanation above, it can be concluded that the Digital Literacy and Financial Self Efficacy variables each have a positive relationship and a significant influence on Risky Credit Behavior. As Digital Literacy improves and Confidence in managing finances increases, it will further strengthen the potential of employees to avoid Risky Credit Behavior.

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