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THE EFFECT OF BEHAVIOR, TRUST, AND LITERACY ABOUT PEER TO PEER LENDING ON FINANCIAL INCLUSION IN THE JAKARTA COMMUNITY

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ABSTRACT

This study aims to analyze the effect of behavior, trust, and literacy on peer-to-peer lending toward financial inclusion in Jakarta. This research uses the SEM (Structural Equation Modeling) method, which is processed using PLS software. The sample used in this study was 150 respondents with a non-probability sampling method. The results showed that: (1) Behavior and literacy significantly affected financial inclusion, (2) Trust does not significantly affect financial inclusion. It was concluded that the better public behavior in financial matters supported by higher public literacy about peer-to-peer lending services positively influenced financial inclusion in Jakarta.

Keywords*: Peer to Peer Lending, Behavior, Trust, Literacy, Financial Inclusion*

INTRODUCTION

Indonesia was the 9th poorest country globally in 2015. Then in 2019, Indonesia was the 4th poorest country in the world after Russia, India, and Thailand, with a percentage of poor people as of September 2019 of 9.22 percent. Meanwhile, the poverty rate in DKI Jakarta in September 2019 was 3.42 percent, with a total poor population of around 362,300 in September 2019.

Gini ratio (coefficient) is a measuring tool developed by Italian statistician Corrado Gini to measure the degree of inequality in population distribution based on the Lorenz curve with a coefficient range of 0-1 (the closer to 0, the perfect equality). At the same time, the Gini ratio in September 2019 was 0.380 (BPS, 2019). This figure cannot be said to be good, which means that the distribution of the Indonesian population is not good enough. Apart from that, the Indonesian people's financial literacy level is also relatively low. Based on the results of the OJK survey in 2019, Indonesia's financial literacy index was at 38.03% (out of 100 people, there were less than 40 people in the well-literate category).

In general, the development of the national economy still relies on the banking sector. However, there are still obstacles for low-income people to access financial services due to a lack of literacy regarding the functions of financial institutions and the incompatibility of products offered by financial institutions with the needs, which results in a low level of financial inclusion in Indonesia. It is supported by a survey by OJK in 2017, which showed that the financial inclusion index stood at 67.8%.

Therefore, a new program has emerged from expanding and facilitating financial access, namely financial inclusion. The term financial inclusion became a trend after the 2008 crisis, based on the impact of the crisis on society at the bottom of the pyramid (low income, living in remote areas, disabled people, workers without legal identity, and marginalized communities). Financial inclusion is a form of deepening financial services aimed at the community at the bottom of the pyramid to take advantage of formal financial products and services such as safe means of saving money, transfers, savings, loans, or insurance. It is in line with the National Strategy for Financial Inclusion (Strategi Nasional Keuangan Inklusi-SNKI) by the government through Presidential Regulation 82 of 2016 related to financial inclusion, namely the development of financial products and services.

The financial inclusion program is expected to support financial system stability, increase economic efficiency, support financial market expansion, and become a driver of inclusive growth by reducing poverty, reducing inequality, equitable distribution of finance, increasing Indonesia's Human Development Index (HDI), and contributing positively to local and national economic growth. To support this inclusive financial program, in accordance with the conditions of today's modern society, new solutions in the field of financial services have emerged in the form of financial technology innovations with the hope of providing convenience in transactions and managing finances.

The fintech industry is considered promising in supporting financial inclusion. According to OJK (2017), the increasing use of fintech can be one of the drivers of increasing national financial inclusion. It is supported by the OJK report, where the financial literacy and inclusion indexes increased in 2019. The increase reached 38.03% for financial literacy, while it reached 76.19% for inclusion. It is noted that the government's financial inclusion target as of 2019 has been achieved and in the last three years there has been an increase in public literacy by 8.33%, and an increase in financial inclusion by 8.39%. The government has set a financial inclusion target to reach 90% by 2024.

The government aims to increase financial inclusion through fintech requires support in the form of positive behavior and appropriate awareness by the public regarding financial management and knowledge of financial needs. Research by Deni Danial (2019) shows that there is a significant and positive impact on attitudes towards financial inclusion. The decision to use a product or service often depends on the level of public trust in the product or service. The higher the public trust, the higher the level of public use of a financial product or service. Apart from that, access to financial services is not only influenced by literacy but also by convenience, risk, and public trust.

P2P Lending services are no longer a new thing in the community. One of the most popular fintech innovations is peer-to-peer lending. P2P lending is also said to be a financial marketplace that brings together parties who need funds with parties who provide funds as capital or investment. The process through P2P lending tends to be more practical because it can be done on one online platform.

P2P lending aims to help local MSMEs (Micro, Small, and Medium Enterprises) who need venture capital to develop their business without collateral. On the other hand, investors or lenders have alternative investments with attractive returns. As of December 2019, 164 P2P Lending companies have registered and are also licensed and supervised by the OJK.

Based on the background that has been described and the research that has been carried out on fintech in general, not much has been discussed further about the partial influence of peer-to-peer lending on financial inclusion. Therefore, to fill the gap, this paper will examine the influence of behavior, trust, and knowledge on P2P lending for financial inclusion in the Jakarta community. There are three research questions that will be employed in this study: (1) Does behavior towards peer-to-peer lending affect financial inclusion in the people of Jakarta? (2) Does the trust of the people of Jakarta to use peer-to-peer lending services affect financial inclusion? (3) Does literacy on peer-to-peer lending affect financial inclusion? The contribution of this paper is to show how P2P can be a solution for financial exclusions in Indonesia.

The intention is a decision to behave in a desired way or a stimulus to carry out an action, whether consciously or not (Corsini, 2002). This intention is the beginning of the formation of a person's behavior. Theory of planned behavior was developed from The Theory of Reasoned Action by Ajzen in 1991. This theory discusses three factors or elements that can influence a person's intentions, which will ultimately influence a person to behave: attitude, subjective norms, and perceived behavioral control. Through these elements, we want to see whether a person's behavior or habits regarding financial matters, social factors, norms and trust embedded in a person's mindset, and community literacy regarding peer-to-peer lending can affect financial inclusion.

Peer-to-peer lending or also called P2P, is a platform that connects lenders (investors) with loan recipients (debtors) through an online platform. This lending system is the right system to provide fast personal loans with much more practicality. The P2P system allows individuals to apply for, receive, and provide loans for various needs.

Peer-to-peer lending business activities in Indonesia are regulated in Article 5, Number 77/POJK.01/2016 concerning Information Technology-Based Borrowing-Lending Services. Here's how the peer-to-peer lending system works:

Debtors (1) Apply for a loan by completing the required information in the loan application; (2) The borrower pays the loan through the application according to the specified schedule and interest.

P2P Providers analyze and approve loan applications before they are offered to investors. *Investors* (1) browse the marketplace and analyze loans based on the information listed; (2) The investor determines the funding amount on the selected loan offer. (3) Investors receive loan repayments along with the interest that can be refinanced on other loan offerings.

Financial inclusion is defined as an effort to reduce all forms of barriers, both price and non-price, to public access to utilizing financial services. Financial inclusion is expected to provide great benefits for the community to be able to take advantage of various services for the efficiency of production, consumption, and distribution activities safely to improve welfare. So that it can be concluded that financial inclusion is a condition where every member of the community has access to various quality, smooth, safe, timely, and affordable financial products, and services according to their individual needs and abilities.

The Ministry of National Development Planning (2017) stated that the development of financial technology could support the growth of the financial inclusion index. However, further research has not been carried out on the relationship between financial inclusion and the use of financial technology. Therefore, based on the review and research that has been described, the authors make a conceptual framework for the research as follows:

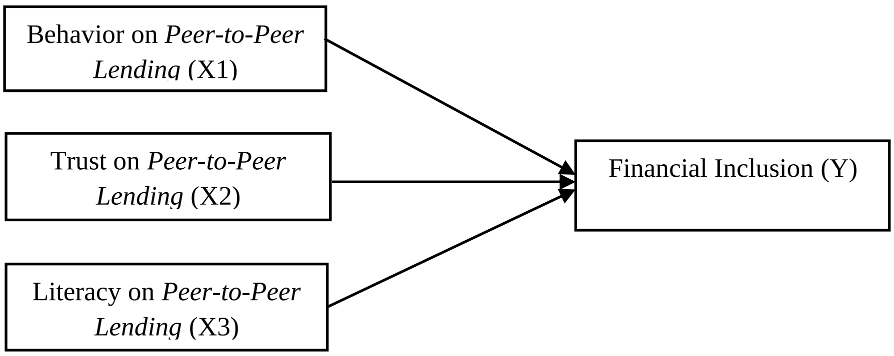

Figure 1. Research Framework

Behavior

Some researchers have explored the relationship between the behavior and intention to use P2P. Septiani et al. (2020) found that farmers' behavior includes performance expectancy, hedonic driven, price value, habit, and values that influence the farmers to use P2P lending in Indonesia. Also, Ichwan & Kasri (2019) stated that attitude variables, perceived ease of use, knowledge, and trust positively correlate with intending to participate in P2P lending. Some research shows the relation between the behavior towards the intention to invest. Deni Danial (2019), where the results of his research show that there is a significant and positive impact on attitudes towards financial inclusion. (Seni and Ratnadi, 2017) obtained the results that attitude toward behavior, subjective norms, and perceived behavioral control have a positive and significant effect on the intention of the younger generation to invest in stocks in the capital market. Hutabarat's research (2018) shows that fintech can affect financial inclusion, so the author wants to see whether the financial behavior of the public to use peer-to-peer lending services can affect financial inclusion or not.

The hypothesis is formulated:

Ho1= People's behavior towards peer-to-peer lending does not affect financial inclusion.
Ha1= People's behavior towards peer-to-peer lending affects financial inclusion.

Trust

Several studies have examined the relationship between trust and investment intention in P2P lending. Sunardi & Purwana (2021) found that factors that influence the adoption of P2P lending are trust, perceived usefulness, and perceived ease of use. Khan (2022) stated that the Privacy of peer-to-peer lending platforms had improved the trust of retail investors toward P2P in Malaysia. This paper wants to see how people trust to use peer-to-peer lending, which in the end, is expected to be a means of expanding access to finance (financial inclusion) for the community.

Suyanto (2019) says that fintech has a positive image, but MSME activists, especially in the Yogyakarta area, are still reluctant to utilize it optimally. It could be due to the lack of socialization of fintech among Yogyakarta MSMEs or because there are still several threats in the use of fintech, such as user data security, to money laundering through fintech.

The following hypothesis is formulated:

Ho2= Public trust in peer-to-peer lending services does not affect financial inclusion.
Ha2= Public trust into use of peer-to-peer lending services affects financial inclusion.

Literacy

Some studies relate the financial literacy factor to investing in P2P lending. Delon and Evelyn (2022) showed that financial literacy significantly affects investment decisions in peer-to-peer lending in the Surabaya community. Significantly and Panjaitan (2021) also found that factors that have a substantial impact on the willingness of the lender to invest in P2P are perceived benefit, perceived ease of use, trust, and financial literacy. Oh and Rosenkranz (2020) revealed that the determinants of P2P development are the efficiency of financial institutions, financial literacy, and lower branch and ATM penetration. This research also showed that P2P lending could address funding gaps in areas where traditional financial institutions are scarce, hence promoting financial inclusion. It has been proved that financial literacy has an impact on financial inclusion. Research by Hutabarat (2018) concludes that financial literacy and fintech affect financial inclusion. Also, Pambudianti et al. (2020) stated that the financial inclusion index is positively influenced by financial literacy, income level, and index of fintech expertise.

Then the hypothesis is formulated:

Ho3: Literacy on peer-to-peer lending does not affect financial inclusion.
Ha3: Literacy on peer-to-peer lending affects financial inclusion.

RESEARCH METHOD

This research uses a quantitative approach. According to Hermawan and Yusran (2017), a quantitative approach is an objective research approach that includes the collection and analysis of quantitative data in the form of numbers and uses statistical testing methods. To understand the concept of the influence between variables with the SEM model, the following is the construct of the model:

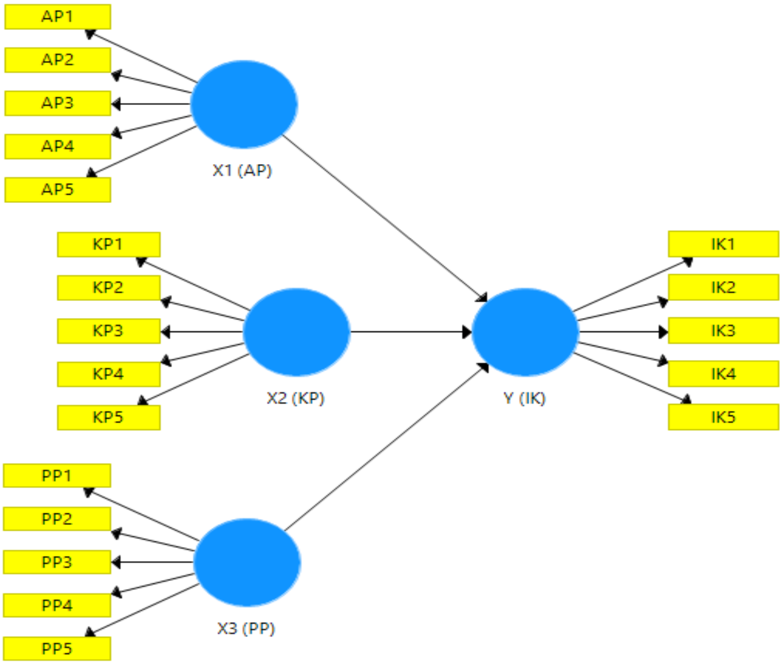

Figure 2. SEM-PLS Research Model Construct

The picture above shows the model construct for this research with the information that the yellow box is an indicator of each blue latent variable, while the latent variable with the initials X is an exogenous latent variable where X1 is behavior (AP), X2 is trust (KP), and X3 is literacy (PP) that will affect the endogenous latent variable Y, namely financial inclusion (IK).

In this study, the sample is the people of Jakarta, both those who have or have never used the P2P lending platform. Dominated by students at the undergraduate level with an age range of 17-27 years. In this study, the author uses Non-Probability Sampling (Quota Sampling), where the author will take a few samples as many as the number that the author has determined, namely as many as 150 respondents. The determination of a sample of 150 respondents follows the theory by Roscoe (1975), which provides some guidelines that the appropriate sample size for most studies is more than 30 and less than 500. The sample size of 100 respondents can be said to be suitable for use in a quantitative study. The number of the population is not known exactly, and too much, so the sample is determined by the researchers as many as 150 respondents. In addition, for analysis using SmartPLS, it is also sufficient to require a sample of 100 and with a calculation of 5 times the number of indicator variables used. In this study, the author uses 20 indicators (each latent variable has five indicators) so that if 20x5 = at least 100 samples are used.

Before the questionnaire is used in research, it needs to be tested first. The questionnaire was tested on 30 respondents first to determine the validity of the questionnaire for distribution. The analytical method used in this study is the measurement of the model construction and the relationship between variables using the multivariate Structural Equation Modeling analysis technique using Partial Least Square (PLS) software, which is often referred to as the second generation of multivariate analysis (Fornell, 1987). Partial Least Square is a powerful method of analysis because it lacks reliance on a measurement scale. Indicators in PLS can be formed with a reflective or formative type.

According to Sugiyono (2017), the object of research is a scientific target to obtain data with certain purposes and uses about an object, is valid and reliable (certain variables). The object of this research is peer to peer lending which is discussed in the form of three exogenous variable factors, namely behavior, trust, and literacy. The object of this research is the people of Jakarta. The object of research is the behavior of the community to use peer to peer lending (X1), public trust regarding peer to peer lending services (X2), literacy about peer to peer lending services (X3), and financial inclusion (Y).

ANALYSIS

Respondent Characteristics are shown:

1. Gender: The majority of respondents are female. This is indicated by a total of 77 female respondents, or 51% of the total respondents, while the total number of male respondents was 73 people or 49%. Here's a gender percentage chart
2. Age: Respondents aged 17-27 years are 124 people or 83%, respondents aged 28-38 years is 20 people or 13%, respondents 39-49 years old were one person or 1%, respondents 50-60 years old were five people or 3%. The majority of respondents aged 17-27 years is equal to 83%.
3. Education: Respondents with the last education level of high school degree were 30 people (20%), and respondents with the last education level of Bachelor's degree were 120 people (80%). The majority of respondents have the last educational level at the Bachelor's level.
4. Occupation: Respondents who work as students are 62 people (41%), respondents who work as private employees are 60 people or 40%, respondents who work as civil servants are one person or 1%, and respondents who are entrepreneurs are totaled 18 people or 12%, respondents who have not/not working are nine people or 6%. The majority of respondents work as students or college students, which is 41%.
5. Income: Respondents with income < IDR 3,000,000 per month are 48 people or 32%, respondents with income IDR 3,000,000 – IDR 5,000,001 per month are 34 people or 23%, respondents with income IDR 5,000,001 – IDR 10,000,000 per month month are 41 people or 27%, respondents with income of IDR 10,000,001 – IDR 20,000,000 per month are 20 people or 13%, respondents with income > IDR 20,000,000 per month are 7 people or 5%. The majority of respondents have a monthly income level below IDR 3,000,000, which is 32%.m Persentase Tingkat Pendapatan Responden
6. Respondents who have made loans to peer-to-peer lending are 24 people or 16%, while those who have never made loans to peer-to-peer lending are 126 people or 84%. This shows that the majority of people in Jakarta have never borrowed from a peer-to-peer lending platform.

Before further predictions are made, it is necessary to evaluate the measurement model to verify indicators and latent variables with the condition that the loading factor value of all indicators must be above the validity requirement of 0.7. For indicators with a loading factor value of <0.7, it must be removed so that it does not affect the validity and reliability.

In the results of the analysis of the outer loading, it is shown that several indicators must be eliminated from the measurement model because the loading factor value is < 0.7.

Table 1. Loading Factor Value (Before Elimination)

	X1 (Behavior)	X2 (Trust)	X3 (Literacy)	Y (Financial Inclusion)
AP1	0,670			
AP2	0,781			
AP3	0,757			
AP4	0,696			
AP5	0,202			
KP1		0,404		
KP2		0,320		
KP4		0,841		
KP5		0,802		
PP1			0,876	
PP2			0,792	

PP3			-0,101	
PP4			0,558	
PP5			0,785	
IK1				0,804
IK2				0,799
IK3				0,858
IK4				0,866
IK5				0,743

Source: Results of data processing

Based on table 1 there are indicators that are red which indicate that the loading factor value is < 0.7. It can be seen that the behavior indicators AP1, AP4, and AP5 on the X1 variable have a loading factor value of <0.7, as well as the confidence indicators KP1, KP2, and KP3 on the X2 variable, as well as the PP3 and PP4 literacy indicators on the X3 variable. The indicator must be eliminated from the model because the loading factor value does not meet the minimum requirement of 0.7. So the authors eliminate the red indicators so that they can proceed to the next stage of the analysis process.

Table 2. Convergent Validity (Loading Factor)

	X1 (Behavior)	X2 (Trust)	X3 (Literacy)	Y (Financial Inclusion)
AP2	0,838			
AP3	0,858			
KP4		0,928		
KP5		0,936		
PP1			0,895	
PP2			0,784	
PP5			0,810	
IK1				0,805
IK2				0,801
IK3				0,862
IK4				0,871
IK5				0,729

Source: Results of data processing

Based on table 2 above, each indicator in each variable has a value above 0.7 (in green) which means that all indicators in each variable are declared valid (after deleting several invalid indicators, namely the X1 variable (behavior) deleted AP1, AP4, and In AP5, KP1, KP2, and KP3 were removed in the X2 (trust) variable, and PP3 and PP4 were removed in the X3 (literacy) variable, while all reflective indicators of financial inclusion were valid > 0.7.

Table 3. Convergent Validity (Average Variance Extracted)

	Average Variance Extracted (AVE)	Keterangan
X1 (Behavior)	0,719	Valid
X2 (Trust)	0,869	Valid
X3 (Literacy)	0,690	Valid
Y (Financial Inclusion)	0,665	Valid

Source: Results of data processing

Based on table 3 above, all latent variables X1, X2, X3, and Y have AVE (Average Variance Extracted) values of 0.719; 0.869; 0.690; 0.665 which is greater than 0.5, then all variables are declared valid.

Table 4. Discriminant Validity (Fornell-Larcker Criterion or HTMT)

	X1	X2	X3	Y
X1 (Behavior)	0,848			
X2 (Trust)	0,119	0,932		
X3 (Literacy)	0,417	0,374	0,831	
Y (Financial Inclusion)	0,570	0,260	0,426	0,815

Source: Results of data processing

Based on the results in table 4, each variable that is correlated with the variable itself has a higher correlation value when compared to the correlation value between variables and other variables. This shows that all the variables used in this study are declared valid (meet the conditions).

Table 5. Discriminant Validity X1 Behavior (Cross Loading)

	X1 (Behavior)	X2 (Trust)	X3 (Literacy)	Y (Financial Inclusion)
AP2	0,838	0,023	0,457	0,468
AP3	0,858	0,175	0,257	0,498

Source: Results of data processing

Based on the table 5 above, it is found that the correlation value between each indicator in the behavioral variable X1 (AP2 and AP3) and its own latent variable, namely behavior, has a higher correlation value than the correlation between each indicator and other research variables (X2, X3, and Y).

Table 6. Discriminant Validity X2 Trust (Cross Loading)

	X1 (Behavior)	X2 (Trust)	X3 (Literacy)	Y (Financial Inclusion)
KP4	0,082	0,928	0,345	0,235
KP5	0,139	0,936	0,352	0,249

Source: Results of data processing

Based on the table 6 above, it is found that the correlation value between each indicator in the X2 trust variable (KP4 and KP5) with its own latent variable, namely trust has a greater correlation value than the correlation between each indicator and the latent variable (X1, X3, and Y).

Table 7. Discriminant Validity X3 Literasi (Cross Loading)

	X1 (Behavior)	X2 (Trust)	X3 (Literacy)	Y (Financial Inclusion)
PP1	0,426	0,284	0,895	0,440
PP2	0,305	0,358	0,784	0,219
PP5	0,284	0,327	0,810	0,344

Source: Results of data processing

Based on table 7 above, it is found that the correlation value between each indicator in the literacy variable X3 (PP1, PP2, and PP5) and its own latent variable, namely literacy, has a greater correlation value than the correlation between each indicator and other the latent variables (X1, X2, and Y)

Table 8. Discriminant Validity Y *Inklusi Keuangan* (Cross Loading)

	X1 (Behavior)	X2 (Trust)	X3 (Literacy)	Y (Financial Inclusion)
IK1	0,474	0,270	0,328	0,805
IK2	0,435	0,203	0,288	0,801
IK3	0,449	0,223	0,423	0,862
IK4	0,536	0,202	0,401	0,871
IK5	0,420	0,158	0,282	0,729

Source: Results of data processing

Based on table 8. above, it is found that the correlation value between each indicator in the financial inclusion variable Y (IK1, IK2, IK3, IK4, and IK5) with its own latent variable, namely financial inclusion, has a greater correlation value than the correlation between each indicator and the other variables (X1, X2, and X3).

Table 9. Reliability (Construct Reliability and Validity)

	Composite Reliability	Cronbach's Alpha
X1 (Behavior)	0,837	0,610
X2 (Trust)	0,930	0,849
X3 (Literacy)	0,870	0,783
Y (Financial Inclusion)	0,908	0,873

Source: Results of data processing

Based on the test results in table 9, it can be seen that all latent variables X1 (behavior), X2 (trust), X3 (literacy), and Y (financial inclusion) have Composite Reliability values > 0.7 with each value of 0.837; 0.930; 0.870 ; and 0.908. Indeed, it can be seen in the Cronbach's alpha column that the exogenous variable X3 has an alpha value that is smaller than 0.7, which is 0.610 (still acceptable). However, in this study, the authors rely on the value of composite reliability. Therefore, all the variables studied in this study were declared reliable or reliable.

Table 10. R-Square

	R Square	R Square Adjusted
Y (Financial Inclusion)	0,384	0,372

Source: Results of data processing

Based on table 10., the R-square value is 0.384 or 38.4%. This means that exogenous variables, namely behavior, trust, and literacy regarding peer-to-peer lending affect financial inclusion by 38.4%. The rest (100% - 38.4%) 61.6% is influenced by other variables not examined in this study.

Table 11. Path Coefficient

	X1	X2	X3	Y	Hubungan
X1 (Behavior)				0,481	Positive
X2 (Trust)				0,137	Positive
X3 (Literacy)				0,174	Positive
Y (Financial Inclusion)					

Source: Results of data processing

Based on table 11. above, it can be seen that the relationship value of each exogenous variable of behavior, trust, and literacy (X1, X2, and X3) partially to the endogenous financial inclusion variable (Y) has a value > 0 which means that each exogenous variable chooses a positive relationship direction. to endogenous variables

Table 12. T-Statistic (Bootstrapping)

	Original Sample (O)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	T-Table	P Values
X1 (AP) => Y (IK)	0,481	0,083	5,808	1,96	0,000
X2 (KP) => Y (IK)	0,140	0,074	1,854	1,96	0,064
X3 (PP) => Y (IK)	0,180	0,076	2,287	1,96	0,000

Source: Results of data processing

It is interpreted that the variables X1 (behavior) and X3 (literacy) have a significant effect on the Y variable (financial inclusion). While the variable X2 (trust) does not have a significant effect even though it has a positive relationship direction.

Table 13. Predictive Relevance

	SSO	SSE	Q^2 (=1-SSE/SSO)
X1 (Behavior)	300,000	300,000	
X2 (Trust)	300,000	300,000	
X3 (Literacy)	450,000	450,000	
Y (Financial Inclusion)	750,000	568,274	0,242

Source: Results of data processing

Based on the results of the predictive relevance test, the observed value (Q2) is 0.242, which is > 0. This indicates that this study has predictive relevance or parameter estimation, and the observed value is declared good or good.

Table 14. Model Fit

	Saturated Model	Estimated Model
SRMR	0,075	0,075
d_ULS	0,441	0,441
d_G	0,234	0,234
Chi-Square	219,292	219,292
NFI	0,736	0,736

Source: Results of data processing

Based on the results in the table above, the NFI value is 0.736 or 73.6%. This means that the model in this study is stated to be 73.6% fit (high GoF).

Behavior on Financial Inclusion

The behavioral variable has a T-Statistic value of 5.808, which is greater than 1.96, then Ho is rejected, and Ha is accepted. This means that people's behavior towards peer-to-peer lending platforms has a significant effect on financial inclusion. Based on the path coefficient test results, which obtained a value of 0.481 > 0, it is stated that people's behavior in using peer-to-peer lending has a significant influence as well as a positive direction on financial inclusion.

The results of this study are in line with previous research by Septiani et al. (2020) that the behavior includes performance expectancy, price value, hedonic motivation, habits, and value; Ichwan & Kasri (2019) that attitudes variables include perceived ease of use, knowledge, and trust have a relation with the intention to invest in P2P. Moreover, Hutabarat (2018) stated that the financial behavior of the public in using peer-to-peer lending services could affect financial inclusion.

The higher awareness and need for peer-to-peer lending financial products and services can affect financial inclusion in Jakarta. In the end, if more access can be provided to the public, the level of financial inclusion in Jakarta can increase even more.

Trust on Financial Inclusion

The Trust variable (X2) has a t-statistic value of 1.854, which is smaller than 1.96, then Ho is not rejected accepted, and Ha is rejected. This means that users' trust in the use of peer-to-peer lending financial services does not have a significant effect on financial inclusion. However, in the path coefficient test, the trust value in financial inclusion is 0.137, which is greater than 0, which means that trust has a positive relationship direction towards financial inclusion.

People feel that peer-to-peer lending services can be useful for them because it is more practical, cheap, fast, and efficient. However, statistically, trust still does not have a significant effect on inclusion. This can be caused by the desire to use only a wish; people have not really tried and taken advantage of existing peer-to-peer lending services, especially during the Covid-19 pandemic in 2020. The scope of access to financial services still needs to be improved, especially for middle-low communities, so that they know that there are services that can be a solution to their capital problems.

This result is not in line with the study of Sunardi & Purwana (2021) and Khan (2022), which suggested that P2P service providers should pay special attention to the characteristics of their investors to build confidence and attract investors to their platforms. To gain the trust of potential investors, service providers must secure the privacy of their investor's personal privacy.

Literacy on Financial Inclusion

It is found that the literacy variable has a significance value (t-statistic value) of 2.287 > 1.96, then Ho is rejected, and Ha is accepted, which means that literacy about peer-to-peer lending has a significant effect on financial inclusion. In addition, the results of the Path Coefficients test show that literacy has a positive influence on financial inclusion with a value of 0.174, which is greater than 0.

An adequate level of education helps people to understand and know better about financial products and services. People who know well the terms of products, services, interests, risks, terms, and others will be better able to use and make better decisions about the use of financial products and services. This supports the results of this study where when the community has received sufficient education related to finance and is sufficiently knowledgeable about peer-to-peer services; the community can easily reach access to financial services, especially peer to peer lending platforms, according to their needs, so that financial inclusion will increase.

These results are in accordance with the research by Putri and Hamidi (2019) in the Scientific Journal of Management Economics Students, which showed that financial literacy had a positive and significant effect on investment decision-making. This means that the higher the public's knowledge of finance, the higher the decision to use investment facilities. This study is also in accordance with the result of Oh and Rosenkranz (2020), who stated that P2P lending could address funding gaps in areas where traditional financial institutions are scarce, hence promoting financial inclusion. However, this study contradicts Deni Danial (2019), which shows that knowledge, behavior, and skills are insignificant predictors of financial inclusion in rural Indonesia.

It is concluded that the higher the literacy rate of the people of Jakarta regarding peer-to-peer lending will help the community to choose the right financial products and services according to their needs. if financial needs are managed properly, this will have a positive impact and influence financial inclusion in Jakarta.

CONCLUSION

Based on the results of the analysis and statistical tests that have been carried out in this study, the following conclusions were obtained (1) The behavior of peer-to-peer lending services has a significant influence as well as a positive direction toward financial inclusion. The higher awareness about peer-to-peer lending financial products and services gives more access to people. So, it will affect the level of financial inclusion in Jakarta. The results of this study are in line with previous research by Deni Danial (2019); (Seni and Ratnadi, 2017). (2) Public trust regarding peer-to-peer lending does not have a significant effect, but there is a positive direction toward financial inclusion. This research is supported by Suyanto (2019) (3). Literacy on peer-to-peer lending has a significant influence and a positive direction on financial inclusion. The higher the literacy rate of the people of Jakarta regarding peer-to-peer lending will help the community to choose the right financial products and services according to their needs. This will have a positive impact on financial inclusion in Jakarta. These results are in accordance with the research by Putri and Hamidi (2019).

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