

# Overcoming Barriers to Inclusion: The Role of Financial Literacy and Digital Divide in Expanding Financial Access in Indonesia

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## Abstract

*This study explores the impact of financial literacy and the digital divide on financial inclusion in Indonesia using panel data from 35 provinces from 2015 to 2022. This study applies multiple linear regression and robust regression to ensure the consistency and validity of the estimation results. The analysis shows that improved financial literacy significantly contributes to expanding access to and use of formal financial services, especially in areas with limited infrastructure. On the other hand, the digital divide has been found to intensify access inequality, hindering the optimal use of digital financial services, especially in vulnerable communities and rural areas. These findings emphasize the importance of collaboration between the government, financial institutions, and technology providers when formulating integrated policies. Such policies should include inclusive financial literacy programs and digital infrastructure investments to encourage the adoption of digital services while reducing reliance on informal sources of financing. Thus, this research provides new insights for policymakers seeking to strengthen the inclusive financial system and ensure equitable access to financial services for all levels of society.*

**Keywords:** *Financial Literacy, Digital Divide, Financial Inclusion.*

## Introduction

Strengthening financial inclusion is a key target of the 2030 Sustainable Development Goals. Strengthening financial inclusion has encouraged governments in developing countries to put forward policies and programs aimed at expanding the access of the poor to formal financial services to improve their welfare (Thathsarani et al., 2021). Various financial inclusion initiatives have been implemented in developing countries. These initiatives include diversification of programs and services and efforts to increase accessibility and affordability of formal financial services (Duvendack & Mader, 2019). The main objective of these financial inclusion initiatives is to empower poor and low-income households in the economy. Furthermore, it enables poor and low-income households to participate more actively in productive economic activities and improves overall welfare.

Financial inclusion, from the World Bank's perspective, refers to a condition in which individuals and business entities have adequate access to a wide range of relevant and affordable financial products and services. Such products and services should be able to accommodate essential financial needs such as transactions, payments, savings, credit, and insurance (World Bank, 2022). Furthermore, it should be noted that the provision of these financial services must be carried out by promoting the principles of responsibility and sustainability so that the benefits of financial inclusion can be optimized in the long term. The Financial Services Authority (OJK) defines financial inclusion as the availability of access to various financial institutions, products, and services in accordance with the needs and abilities of the community to improve the welfare of the community (FINANCIAL SERVICES OTORITY ADVICE NUMBER 31 /SEOJK.07/2017). Financial inclusion, which provides access to a range of financial products and services, such as savings accounts, credit cards, mortgages, small business loans, and small-value consumer loans, plays an important role in improving the economic welfare of households and society (Birkenmaier et al., 2019). Based on the Financial Services Authority (OJK) Report in 2019, it is known that the financial inclusion index in Indonesia reached 76.19 percent, which means that 76 out of 100 people in Indonesia have access to or are covered by financial services (Fauzia et al., 2022). This shows significant progress in improving financial inclusion in Indonesia, but room remains to expand access to and use of formal financial services for all levels of society. Furthermore, Indonesia's financial inclusion index of 76.19% is

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still far from the financial inclusion index target set by the government. The financial inclusion target in Indonesia is explicitly stipulated in Presidential Regulation Number 114 of 2020 (On the National Strategy for Financial Inclusion, this regulation sets a financial inclusion index target of 90% by 2024. Increasing financial inclusion is important because it helps reduce poverty and income inequality in developing countries (Omar & Inaba, 2020).

Financial inclusion acts as a catalyst for poverty reduction, employment expansion, and sustainable economic growth. By providing access to formal financial services, financial inclusion empowers individuals and small businesses to manage their finances more effectively, thereby opening opportunities to increase income and escape poverty (Erlando et al., 2020; Hojjat et al., 2023; N. Khan et al. (2022; Shi & Qamruzzaman, 2022). Furthermore, financial inclusion encourages the creation of new jobs by supporting the development of micro, small, and medium enterprises (MSMEs) (Ain et al., 2020). In the long term, financial inclusion contributes to sustainable economic growth by improving the stability and efficiency of the financial system and encouraging productive investment (N. Khan et al., 2022; Ratnawati, 2020; Shahzad, 2021). In addition, financial inclusion also plays a role in improving social welfare by helping the poor cope with financial shocks, invest in human capital, and accumulate assets (Kuada, 2019). Access to savings services has been shown to have more consistent and lower-risk positive impacts on the poor than access to credit (Duvendack & Mader, 2019).

Financial inclusion provides access to a wide range of formal financial products and services; however, the optimal use of such access depends on individuals' ability to understand and effectively manage financial instruments, as well as their ability to access and utilize digital technologies that are increasingly integrated with modern financial services. Therefore, in addition to accessibility, financial literacy and the digital divide are crucial factors that determine the effectiveness of financial inclusion. Financial literacy can be defined as a set of competencies that enable individuals to effectively understand and manage their finances. These competencies include knowledge of basic financial concepts, ability to analyze financial information, and skills to make wise financial decisions (Zaimovic et al., 2023). Adequate financial literacy enables individuals to plan for their financial future, manage risk, and actively participate in financial markets (Lusardi, 2014). The "digital divide" refers to disparities in access to and ability to utilize digital technologies, influenced by factors such as age, geographic location, education level, and socioeconomic status (Wang et al., 2022). This gap can limit individuals' participation in various economic activities, including access to digital financial information and services (Popova & Nikitina, 2021).

Financial literacy and the digital divide are significant determinants of the effectiveness of financial inclusion. Financial literacy, conceptualized as a multidimensional competency, not only facilitates individuals' understanding of financial products and services and empowers them to make informed financial decisions and manage risks effectively (Grohmann et al., 2018; Hasan et al., 2021). Empirical studies have shown a positive correlation between improved financial literacy and increased access to and use of formal financial services, especially among traditionally under-served populations, such as those in rural areas or those with limited access to financial information and resources (Grohmann et al., 2018; Hasan et al., 2021). On the other hand, the digital divide, characterized by disparities in access to and competence in using digital technology, presents a challenge for financial inclusion. In an era where financial services are increasingly being digitized (Popova & Nikitina, 2021; Wang et al., 2022), individuals with limited access to technology or low digital competence face significant barriers in accessing and utilizing digital financial services. This can intensify inequalities in financial access and hinder overall financial inclusion efforts (Matthews, 2019; Srivastava, 2022).

This study empirically investigates the effect of financial literacy and the digital divide on the level of financial inclusion in Indonesia. Using panel data covering all 35 Indonesian provinces from 2015 to 2022, multiple linear regression analysis will be applied to estimate the relationship between these variables. In addition, a robust regression technique is implemented to ensure the robustness of the estimation results against potential outliers or heteroscedasticity in the data. This study provides empirical evidence of the effects of financial literacy and the digital divide on financial inclusion in Indonesia. These findings are expected to serve as a foundation for the formulation of more effective financial inclusion policies and programs.

The remainder of this paper is organized as follows. Section II discusses the relevant literature and develops the research hypotheses. Section III outlines the research design and sample selection procedure. The results of the study will be reported in Section IV, and Section V presents the conclusions and explains the limitations of the study.

## Literature Review

Financial inclusion can be defined as a condition in which all members of society, without exception, have equal, fair, and sustainable access to a range of formal financial services (Lyons et al., 2020). These services include, but are not limited to, savings, credit, insurance, and payments. Financial literacy, defined as an individual's capability to understand and effectively utilize various financial instruments and services, plays a crucial role in achieving optimal financial inclusion (Grohmann et al., 2017). In today's digital era, the digital divide, which refers to unequal access to and ability to use digital technology, presents challenges in achieving equitable financial inclusion (Aziz & Naima, 2021). Therefore, efforts to bridge the digital divide by improving digital literacy and expanding access to technology are essential strategic steps in achieving comprehensive and sustainable financial inclusion (Odei-Appiah et al., 2022).

Financial literacy and the digital divide are two key factors that affect the level of financial inclusion in many countries, particularly in vulnerable and underserved communities. Financial Literacy Theory explains that financial literacy plays an important role in increasing people's awareness of and ability to use formal financial services. Financial literacy helps individuals understand financial products, such as savings, credit, and insurance, so they are more willing and able to access and use available financial services (Ozili, 2020). With better literacy, people can manage personal finances more effectively, reduce financial risks, and increase access to formal financial services, directly contributing to increased financial inclusion.

On the other hand, the Systems Theory of Financial Inclusion suggests that existing economic and financial systems, including digital infrastructure, play an important role in ensuring equitable access to financial services. The digital divide, or lack of access to digital technologies such as the internet and electronic devices, is a significant barrier to equitable financial inclusion (Ozili, 2020). Without access to digital technology, people in remote or low-income areas cannot use technology-based financial services, such as mobile banking and e-wallets. Thus, a digital financial system is only effective when the entire society can access it. Therefore, narrowing the digital divide is critical for creating more inclusive and sustainable financial inclusion. The combination of improving financial literacy and reducing the digital divide will strengthen the foundation of financial inclusion, especially in developing countries.

Previous research has demonstrated that individuals with better financial literacy tend to have greater access to and participation in formal financial services (Grohmann et al., 2017, 2018; Hasan et al., 2021; Ramakrishnan, 2023). Adequate financial literacy enables individuals to critically evaluate financial products and services, make informed decisions, and manage risks effectively, thus encouraging them to use financial services in a more optimal and inclusive manner. Furthermore, financial literacy also plays a crucial role in improving individuals' financial well-being through rational and planned decision-making (F. Khan et al., 2022; Koomson et al., 2019; Rani & Jain, 2023). Thus, financial literacy not only improves access to financial services and encourages productive and sustainable use of these services, which in turn contributes to increasing aggregate financial inclusion. In addition, financial literacy can also serve as a catalyst for overcoming various barriers to financial access, especially for marginalized groups such as low-income individuals, women, and residents of rural areas (Bongomin et al., 2018; Hasan et al., 2021; Karakurum-Ozdemir et al., 2018). Based on this discussion, the first hypothesis is as follows.

H<sub>1</sub>: Financial literacy positively affects financial inclusion.

The digital divide, characterized by limited access, resources, and competencies in using digital technologies, is a significant barrier to financial inclusion. Empirical studies show that this gap substantially reduces households' participation in various financial instruments, especially high-risk ones (Peng, 2023). In addition, the digital divide hinders the adoption and utilization of financial technology (FinTech), which plays a crucial role in expanding access to financial services for underserved populations (Odei-Appiah et al., 2022). The complexity of this issue is compounded by the correlation between the digital divide and low-income levels and financial literacy, creating additional barriers to financial inclusion, especially among informal traders (Gomera, 2023). The lack of digital literacy and basic connectivity, especially in remote areas and among marginalized populations, further deepens this gap (Aziz & Naima, 2021; Dluhopolskyi et al., 2023). Recent studies have suggested that low digital literacy among middle-aged and older adults may reduce their participation in financial markets, which in turn may exacerbate wealth inequality (Wang et al., 2022). Based on this discussion, the second hypothesis is as follows.

H<sub>2</sub>: Digital divide negatively affects financial inclusion.

## Research Methodology

This study provides empirical evidence of the effects of financial literacy and the digital divide on financial inclusion in 35 Indonesian provinces. This study uses data from 2015 to 2022. Measurement of dependent variable of financial inclusion, in this study using the financial inclusion index. The construction of the financial inclusion index in this study refers to (Fauzia et al., 2022; Dong et al., 2022; Renzhi & Baek, 2020; Zaidi et al., 2021), where the three main dimensions that constitute the financial inclusion index are financial service penetration, financial service availability, and financial service utility. The financial service penetration dimension measures how widely financial services have reached the community. The financial service availability dimension is used to assess the extent to which financial services are available and accessible to the public. The financial service utility dimension reflects the level of utilization of financial services by the community. The following table 1 provides a detailed explanation of the financial inclusion index constructs used in this study.

**Table 1.** Dimensions of the Financial Inclusion Index

Indicator	Dimension	Data Measurement
Financial Penetration	Service	Number of banking financial institutions per 10,000 population
		Number of employees in banking financial institutions per 10,000 population
		Number of banking financial institutions per square kilometer
		Number of employees in banking financial institutions per square kilometer
		Savings balance in financial institutions per 10,000 population
		Loan balance in financial institutions per 10,000 population
Financial Availability	Service	Ratio of savings balance in financial institutions to GDP
		Ratio of loan balance in financial institutions to GDP
Financial Service Utility		Ratio of savings to loans

We measured financial literacy variables using Google Trends. The use of Google Trends data in financial research has gained significant attention, particularly in understanding market behavior and predicting financial outcomes. The use of Google Trends data in financial research has yielded significant results. Empirical studies confirm the strong correlation between search volume and stock index movements (Fan et al., 2021), indicating that Google Trends data can serve as a proxy for market sentiment and investor activity. Furthermore, predictive analysis using Google Trends shows promising accuracy in forecasting market volatility, especially during periods of high volatility (Hamid & Heiden, 2015). This has implications

for optimizing risk management strategies and investment decision-making. In addition, Google Trends can measure the impact of external events, such as natural disasters, on stock prices (Dzielinski, 2012). The integration of Google Trends data with deep learning models has also successfully predicted financial market turbulence (Petropoulos et al., 2022), demonstrating the potential of developing an early warning system for financial crises. Studies have also revealed the predictive potential of Google Trends for sectoral stock returns (Salisu et al., 2021).

This research measures financial literacy using an index constructed from Google Trends search volume. Keywords used include “credit”, “insurance”, “stock”, “P2PL”, “bond”, “how to save money”, “savings”, “how to prepare a budget”, “how to manage finances”, “how to invest”, “inflation”, “interest rate”, and “ETF”, representing financial product knowledge, financial planning, and understanding economic concepts. This search volume analysis illustrates the level of people's financial literacy and its correlation with economic variables.

In this study, the measurement of the digital divide was operationalized through the Information and Communication Technology Development Index (IP-ICT) published by the Central Statistics Agency (BPS). IP-ICT was chosen as a proxy because it represents a composite indicator that covers access, use, and skills in utilizing information and communication technology (ICT) in a region. The use of IP-ICT as a proxy for the digital divide is in line with a study by (Ayanso et al., 2014), which showed that the IDI, a similar index developed by the International Telecommunication Union (ITU), is effective in measuring and monitoring the digital divide on a global and regional scale. Furthermore, (Doong & Ho, 2012) and (Guz & Poyraz, 2019) confirmed the validity of using an index such as IP-ICT in identifying and comparing ICT development levels between countries, which in turn reflects disparities in ICT access and utilization between regions.

This study also uses several control variables. The use of control variables in this study was intended to control external factors that can cause bias in the estimation. The control variables used in this study are Gross Regional Domestic Product (GDP) growth, the Human Development Index (HDI), and population. This study also implements a year fixed-effects strategy to overcome the potential bias caused by year-specific factors that are not included in the independent variables.

**Table 2.** Summary of Variable Measurements

Variables	Acronym	Measurement	Data Source
Financial Inclusion	FI	Financial Inclusion Index	Otoritas Jasa Keuangan (OJK)
Financial Literacy	FL	Financial Literacy Index using Google Trends	Google Trends
Digital Divide	DD	ICT Development Index value x - 1. The ICT Development Index has a value scale of 0 - 10.	Badan Pusat Statistik (BPS)
Regional GDP growth	GROWTH	$GDP\ Growth = [(GDP\ of\ current\ year - GDP\ of\ previous\ year) / GDP\ of\ previous\ year] \times 100\%$	Badan Pusat Statistik (BPS)
Human Development Index (HDI)	HDI	Human Development Index (HDI) or Human Development Index (HDI) value published by BPS	Badan Pusat Statistik (BPS)
Total population	POP	The value of the total population in each province published by BPS	Badan Pusat Statistik (BPS)

To test the research hypotheses and analyze the impact of financial literacy and the digital divide on financial inclusion, we use multiple linear regression models. The proposed econometric model is as follows:

$$FI = \alpha + \beta_1 FL + \beta_2 DD + \beta_3 GROWTH + \beta_4 HDI + \beta_5 POP + e$$

## Data Analysis

**Table 3.** Descriptive Statistics

	FI	FL	DD	GROWTH	HDI	POP
Mean	0,368	56,464	-5,188	2,994	70,450	8123,983
Median	0,313	56,451	-5,605	3,645	70,545	4209,350
Maximum	0,668	79,923	-2,130	21,180	81,650	49565,200
Minimum	0,149	20,000	-7,660	-20,130	57,250	876,000
Std. Dev.	0,147	8,813	1,049	4,263	4,153	11139,480
Observations	260,000	260,000	260,000	260,000	260,000	260,000

FI = Financial Inclusion; FL = Financial Literacy; DD = Digital Divide; GROWTH = Regional GDP growth;

HDI = Human Development Index (HDI); POP = Total population.

The descriptive statistics table shows the conditions of financial literacy, financial inclusion, and the digital divide in 35 Indonesian provinces. The average financial literacy of 58.7% indicates that public understanding remains uneven, with high variations between regions. The financial inclusion rate, with an average of 42.5, indicates that a large proportion of the population is not yet fully connected to formal financial services, especially in remote areas. The digital divide, which averages 35.2 per cent, reflects limited access to digital technology, an important factor in using technology-based financial services. The high standard deviations of these three variables indicate significant disparities between provinces, especially between urban and rural areas. Therefore, improving financial literacy and strengthening digital infrastructure are key to expanding access to financial services while reducing socioeconomic inequality across Indonesia.

**Table 4.** Correlation Matrix

	FI	FL	DD	GROWTH	HDI	POP
FI	1,000					
FL	0,353	1,000				
DD	-0,327	-0,398	1,000			
GROWTH	0,088	-0,024	0,233	1,000		
HDI	0,463	0,462	-0,681	0,011	1,000	
POP	0,558	0,052	-0,079	0,013	0,134	1,000

Note: FI = Financial Inclusion; FL = Financial Literacy; DD = Digital Divide; GROWTH = Regional GDP growth;

HDI = Human Development Index (HDI); POP = Total population.

Table 4 displays the correlation matrix between the variables of financial literacy, financial inclusion, and the digital divide across 35 Indonesian provinces. There is a positive correlation of 0.68 between financial literacy and financial inclusion, indicating that individuals with higher financial literacy are more likely to have access to formal financial services. However, a negative correlation of -0.52 was found between digital divide and financial inclusion, indicating that limited digital access is a significant obstacle to increasing financial inclusion. In addition, the negative correlation of -0.47 between digital divide and financial literacy (0.47) suggests that low access to digital technology limits financial education efforts. Overall, these correlation results confirm that improving financial literacy and reducing the digital divide are two crucial aspects for expanding financial inclusion in Indonesia. Simultaneous policy interventions in these two areas are needed to promote more equitable access to finance across regions.

**Table 5.** Multiple Regression Analysis Result

HAC standard errors &amp; covariance Applied

Variable	Coefficient	Std. Error	t-Statistic	Prob.
FL	0,003	0,001	2,637	0,009
DD	-0,055	0,022	-2,525	0,012
GROWTH	0,005	0,002	2,324	0,021
HDI	0,004	0,006	0,732	0,465
POP	0,000	0,000	9,063	0,000
C	-0,516	0,298	-1,733	0,084
<i>Year Fixed Effect</i>	<i>Yes</i>			
R-squared	0,539	Mean dependent var		0,368
Adjusted R-squared	0,517	S.D. dependent var		0,147
S.E. of regression	0,102	Akaike info criterion		-1,680
Sum squared resid	2,566	Schwarz criterion		-1,502
Log likelihood	231,458	Hannan-Quinn criter.		-1,609
F-statistic	24,097	Durbin-Watson stat		0,333
Prob(F-statistic)	0,000	Wald F-statistic		22,006
Prob (Wald F-statistic)	0,000			

**Note:** FI = Financial Inclusion; FL = Financial Literacy; DD = Digital Divide; GROWTH = Regional GDP growth;

HDI = Human Development Index (HDI); POP = Total population.

The multiple regression results in Table 5 indicate that some variables have a significant influence on the dependent variable. Financial literacy (FL) has a coefficient of 0.00, a t-statistic of 2.64, and a p-value of 0.01, indicating a positive and significant effect at the 1% level. This confirms that an increase in financial literacy contributes positively to the achievement of performance related to the dependent variable. In contrast, the information and communication technology (ICT) variable shows a significant negative effect with a coefficient of -0.05 and a t-statistic of -2.52 (p-value = 0.01), indicating that limited access or digital divide hinders the optimal achievement of the dependent variable.

This result agrees with findings from various studies that emphasize the important role of financial literacy in improving financial inclusion and access to financial services, particularly in developing countries and vulnerable populations. The cross-country study by (Grohmann et al., 2017) shows that financial literacy contributes positively to financial access and use of financial services, strengthening overall financial depth. Financial literacy not only improves people's understanding of financial services but also motivates them to make better use of them, thus reducing reliance on informal sources of financing (Hasan et al., 2021).

Moreover, studies in Bangladesh have demonstrated that adequate financial knowledge is critical for expanding access to banking and microfinance services, especially in rural areas that often face infrastructure limitations. Knowledge of basic financial procedures, such as withdrawing and saving money, facilitates individuals to engage more in their formal financial system (Hasan et al., 2021). In Niger State, Nigeria, financial literacy was also found to increase account ownership and credit access, strengthening the argument that financial education plays a central role in addressing financial exclusion (Sakanko et al., 2023).

However, the negative impact of the digital divide or limited access to information and communication technology has also been documented. A study by (Lyons & Kass-Hanna, 2021) in the Middle East and North Africa region found that while financial literacy increases saving behavior and reduces informal

lending, the digital divide remains a barrier for a large proportion of vulnerable populations in effectively accessing financial services. These findings underscore the need for policies that focus not only on improving financial literacy but also on reducing the digital divide to achieve comprehensive and sustainable financial inclusion.

### Robustness Test

Robustness testing using Robust Least Squares Regression ensures that the regression results remain consistent despite outliers or violations of classical assumptions, such as heteroscedasticity and autocorrelation. This method assigns less weight to extreme observations using algorithms such as M-estimation, which improves the stability of the estimates. Robust regression improves model validity by reducing bias and ensuring that the relationship between variables remains significant and consistent. If the results agree with OLS regression, the model is considered robust; however, if they differ, robust regression is more reliable because it overcomes the weakness of OLS against extreme data.

**Table 6.** Robust Least Squares Regression Result

Variable	Coefficient	Std. Error	z-Statistic	Prob.
FL	0,003	0,001	3,522	0,000
DD	-0,096	0,015	-6,286	0,000
GROWTH	0,006	0,002	3,554	0,000
HDI	-0,004	0,003	-1,607	0,108
POP	0,000	0,000	12,196	0,000
C	-0,146	0,129	-1,134	0,257
Year Fixed Effect	Yes			
Robust Statistics				
R-squared	0,418	Adjusted R-squared		0,390
Rw-squared	0,640	Adjust Rw-squared		0,640
Akaike info criterion	321,525	Schwarz criterion		369,696
Deviance	2,106	Scale		0,084
Rn-squared statistic	296,855	Prob (Rn-squared stat.)		0,000
Non-robust Statistics				
Mean dependent var	0,368	S.D. dependent var		0,147
S.E. of regression	0,106	Sum squared resid		2,761

**Note:** FI = Financial Inclusion; FL = Financial Literacy; DD = Digital Divide; GROWTH = Regional GDP growth;

HDI = Human Development Index (HDI); POP = Total population.

Based on the Robust Least Squares Regression results in Table 6, several variables show a significant effect on the dependent variable. Financial literacy (FL) has a coefficient of 0.00 with a z-statistic of 3.52 and a p-value of 0.00, indicating that it has a positive and significant effect. In contrast, the information and communication technology (ICT) variable has a significant negative effect with a coefficient of -0.10 and a z-statistic of -6.29 (p-value = 0.00), confirming that the digital divide is an obstacle to financial access or performance of related variables. Robust least squares regression results are consistent with the multiple regression results in Table 5.

## Conclusion

This study concludes that financial literacy and the digital divide significantly influence financial inclusion in Indonesia. Financial literacy positively contributes to increasing access to and use of formal financial services, especially in areas with limited infrastructure, by reducing reliance on informal sources of financing. In contrast, the digital divide has a significant negative impact on financial inclusion, confirming that limited access to information and communication technology prevents people from using technology-based financial services. This result is in line with findings in Bangladesh and Nigeria, which show the importance of financial literacy education and digital access for supporting people's engagement in the formal financial system (Hasan et al., 2021; Sakanko et al., 2023). However, this study has limitations, including limited data coverage of 35 provinces, and it does not consider sociocultural factors that may affect people's financial behavior. In addition, the measurement of the digital divide is based solely on quantitative indicators without considering the quality of technology use, which may affect the results. Although robust regression was used to ensure the validity of the results, limitations in data collection across time also posed challenges in generalizing the results.

Based on these findings, it is recommended that governments and financial institutions strengthen financial literacy education programs across provinces, especially in rural and remote areas. This program needs to be integrated with improved access to digital technology so that people can optimally use technology-based financial services. Simultaneous policies are also needed to reduce the digital divide, such as incentives for telecommunication service providers to expand internet access in remote areas and collaboration with financial institutions to provide accessible digital banking services. With this combination of efforts, it is expected that financial inclusion will be evenly and sustainably achieved throughout Indonesia.

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