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MSMEs Interest In Technology-Based Financing (Equity Crowdfunding)

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Abstract: *Indonesia is a country with a high number of Micro, Small and Medium Enterprises (MSMEs) growth and has great potential for development, the development of MSMEs in Indonesia is supported by various government programs whose aim is to increase the quantity and quality of MSMEs in Indonesia. MSMEs are a business line that has a large role and potential in supporting the Indonesian economy and improving people's welfare. MSMEs have a vital role in the Indonesian economy by contributing to the increase in BPD by more than 60% or worth 8,573.89 trillion Rupiah, their ability to absorb a fairly high workforce reaching 97% of the total existing workforce, can collect up to 60.4% of total investment, equal distribution and increase income, to realize a stable, balanced and growing national economic system. This study is a multiple linear regression research that aims to examine the influence of social influence and compatibility on MSMEs' interest in technology-based equity crowdfunding, using the grand theories of UTAUT and the Diffusion of Innovation (DOI) Theory. This research is associative in nature with a quantitative approach. The type of data used is primary data, collected through survey research by distributing questionnaires to respondents both directly and online. The respondents consisted of 140 MSMEs selected through purposive sampling, with the criteria that the respondents were MSMEs located in Makassar City and had been operating for at least two years. The results of the study reveal that the variables of social influence and compatibility have a positive and significant effect on MSMEs' interest in technology-based equity crowdfunding.*
Keywords*: Social Support, Work-Life Balance, Job Satisfaction, Luwu Timur Police Department.*

INTRODUCTION

Indonesia is a country with a high number of Micro, Small and Medium Enterprises (MSMEs) growth and has great potential for development, the development of MSMEs in Indonesia is supported by various government programs whose aim is to increase the quantity and quality of MSMEs in Indonesia (Kartini, 2022). MSMEs are a business line that has a large role and potential in supporting the Indonesian economy and improving people's welfare. MSMEs have a vital role in the Indonesian economy by contributing to the increase in BPD by more than 60% or worth 8,573.89 trillion Rupiah, their ability to absorb a fairly high workforce reaching 97% of the total existing workforce, can collect up to 60.4% of total investment, equal distribution and

increase income, to realize a stable, balanced and growing national economic system (Putri et al., 2023).

This potential is accompanied by the growth of MSMEs which continues to increase every year, where until the end of 2022 the number of MSMEs registered in the Online Single Submission - Risk Based Approach (OSS RBA) has reached 8.71 million units spread throughout Indonesia with the largest distribution being on the island of Java. Not stopping there, in 2023 it is estimated that there will be 10 million MSME units integrated in the OSS system (www.ukmindonesia.go.id). This number will continue to grow every year, in accordance with the national entrepreneurship ratio target in the National Medium-Term Long-Term Development Plan (RPJMN) which is to reach 3.9% and new entrepreneurial growth of 4% in 2024 (www.ekon.go.id).

However, despite their immense potential and rapid growth, MSMEs face numerous challenges to their development. Numerous challenges remain, hindering businesses, especially start -ups , from developing and realizing their business ideas (Kartini, 2022) . In Indonesia, MSMEs still face constraints and limitations in capital or access to funding and partnerships with large businesses, thus hampering their growth (Zia, 2020) . Financial intermediaries face excess demand for funding, particularly from the small and medium enterprise sector. According to a 2017 World Bank Group report, the total funding shortfall for the MSME sector is estimated at approximately USD 5.2 trillion, equivalent to 19% of GDP in 128 developing countries. Addressing these challenges requires funding and financing from various financial institutions, as banking capital is considered to have complicated requirements and procedures for MSMEs in their early stages. For this reason, the technology-based financial services industry is an alternative capital option for MSMEs (Firawati, et al. 2023).

MSMEs in Makassar City currently face similar problems. Research shows that the main factors for business failure include a lack of financing and low innovation in MSMEs using digital models in their business activities (Hardi et al., 2022) . While MSME growth shows significant increases every year and has begun to expand into various sectors in recent years, this presents a significant opportunity to support economic growth and development. However, if capital issues remain unaddressed, this will actually hinder their growth. MSMEs are currently faced with

globalization, which requires increased innovation and business expansion if they are to survive (Sedyastuti, 2018) . MSMEs are required to be able to keep up with global developments so that the businesses they start can survive and thrive, including overcoming the main problem faced, namely limited capital.

The digital economy continues to grow globally, including in Indonesia, as evidenced by the increasing number of internet users. This growth necessitates innovation among business owners to enhance their business potential (Aysa, 2021) . This development is inextricably linked to technological advancements. In today's era, technological advancements are accelerating, with innovations emerging in various aspects of life. This has encouraged various sectors to embrace technology, including the financial sector, often referred to as financial technology .

Financial technology has developed rapidly since the COVID-19 pandemic. Due to restrictions imposed on all aspects of life, aimed at curbing the spread of the virus, these restrictions have led to a shift in financial transaction patterns to digital platforms, utilizing technology and the internet. One impact of the pandemic has been the development of digital finance and financial technology in response to the economic shock. financial technology providing easy services to new mechanisms for borrowing funds and obtaining capital (Giovanni et al., 2021) .

The advent of financial technology has brought significant changes to the financial sector, such as in financial products, financial business models, or financial-related software and communications (Zhou et al., 2020) . The business world in the financial sector has also become more accessible to all levels of society, which has also helped the government in increasing economic growth. Financial technology has opened up many modern financing alternatives that have emerged and are available to MSMEs. The emergence of financial technology has overcome the problem of access to financing and enabled business actors to expand their businesses through various capital accesses, such as payment channel loans, digital banking, online digital insurance , Peer-to-Peer (P2P) Lending , and crowdfunding . Current development of financial technology opens up opportunities for MSMEs to obtain funding or capital injections to develop the businesses they have pioneered . Various forms of financial technology have emerged with products designed to make things easier for the public, one of which is crowdfunding services through information technology-based offerings, also known as crowdfunding . Crowdfunding is an internet-based

financial intermediation platform that collects funds from the general public to finance a project or business unit. The role of crowdfunding as a financial intermediary that seeks funding for a business through the internet (Nugroho AY, 2017) .In recent years, developments in financial technology have offered alternative funding for MSMEs through equity crowdfunding schemes. Equity crowdfunding allows MSMEs to raise capital directly from the public by selling a small portion of their business shares. According to data from the Financial Services Authority (OJK), as of 2023, there are more than 20 equity crowdfunding platforms operating in Indonesia, and the total funding raised by MSMEs through these platforms has reached over IDR 500 billion since regulations were introduced in 2019. This demonstrates the significant potential of equity crowdfunding in supporting MSME growth.

However, despite its significant potential, the utilization of equity crowdfunding by MSMEs in Indonesia remains relatively low compared to other funding methods. Most MSMEs do not yet fully understand the benefits of equity crowdfunding , such as the flexibility of funding without the need for collateral, access to a wider range of investors, and the potential for expanding business networks. On the other hand, there are also challenges, such as concerns about transparency, business controls, and regulatory uncertainty. This study aims to identify factors influencing MSMEs' interest in utilizing equity crowdfunding as a technology-based alternative funding source. This research is expected to provide an overview of MSMEs' perceptions of equity crowdfunding , the factors that encourage or hinder their interest, and the opportunities and challenges in developing equity crowdfunding as a sustainable funding solution for MSMEs in Indonesia.

Previous research has revealed a relationship between related variables and their influence on user interest in technology-based funding. However, this study focuses more on determining how much the variables from the Unified Theory of Acceptance and Use of Technology (UTAUT) model represented by social influence modified by combining the Diffusion of Innovation (DOI) model represented by compatibility influence the interest of MSMEs in Makassar City to adopt technology-based equity crowdfunding . Therefore, based on the background described above, the author is interested in researching MSMEs' Interest in Equity Crowdfunding Technology-Based Funding.

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METHOD

The type of research used in this study is associative quantitative research. This study attempts to find the relationship between the independent variables of social influence and compatibility and their influence on MSMEs' interest in technology-based equity crowdfunding as the dependent variable. This study took place in Makassar City, South Sulawesi Province. In this study, non-probability sampling with purposeful sampling techniques was used . The samples in this study were those that met the criteria of MSMEs in Makassar City and MSMEs that had been operating for at least 2 years. The main type of data in this study was primary data. Which was obtained through distributing questionnaires or surveys to MSMEs in Makassar City. In addition, research information was also obtained through literature studies conducted by searching, reading, and citing information relevant to the research variables.

RESULTS AND DISCUSSION

Results

Data Instrument Testing

The data processing instruments in this study used Excel and the Structural Equation Modeling program . Equation Modeling (SEM) with the Partial Least Squares (PLS-SEM) approach. PLS-SEM is a data processing method specifically designed to handle complex models and focuses on establishing relationships between variables in a system through several stages of measurement models, including:

Outer Model Testing

Outer model or measurement model testing is conducted to determine the quality of the data in the study. Outer model testing in the context of PLS-SEM (Partial Least Squares Structural Equation Modeling) is a reflective measurement where the measurement model is assessed using the reliability and validity of the indicators. Outer model analysis aims to evaluate the extent to which these indicators correspond to the latent variables they measure. The outer model can be analyzed through the following indicators:

a. Convergent Validity (Convergent Validity Test)

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Testing is conducted to assess the validity of the instrument in measuring a particular concept. Typically, in a research context, the commonly used loading factor limit is 0.70 (Ghozali & Latan, 2014) . However, according to Chin (1998) , an outer loading value between 0.5 and 0.6 is considered sufficient, meaning that one latent variable is able to explain more than half of the variance of its indicators on average. The following are the results of data processing for outer loading:

Indicators	Social Influence (X1)	Compatibility (X2)	Behavioral Intention (Y)
X 1.1	0.807		
X 1.2	0.816		
X 1.3	0.768		
X 1.4	0.759		
X 1.5	0.768		
X 1.6	0.774		
X 2.1		0.817	
X 2.2		0.844	
X 2.3		0.789	
X 2.4		0.732	
Y1			0.821
Y2			0.802
Y3			0.825

***Table 1**. Outer Loading (Measurement Model)*
Source: Data processed by SmartPLS, 2024

Based on the results of the data testing conducted, all indicators in the study have values above 0.70, indicating that all indicators are valid and meet convergent validity without any being eliminated so that no further modification is needed. The outer loading value ranges from 0.7 to 0.80, indicating that the indicators have quite good and strong convergent validity. This indicates that the indicators used have a fairly strong correlation with the latent constructs they measure and are considered adequate to state that the indicators are a good representation of the latent constructs.

Furthermore, convergent validity can also be measured using the Average Variance Extracted (AVE) value for each construct. An AVE value greater than 0.50 indicates a high level of convergent validity. The following are the results of the AVE test:

Indicators	Average variance extracted (AVE)
Social Influence (X1)	0.666
Compatibility (X2)	0.634
Behavioral Intention (Y)	0.666

***Table 2**. Average Variance Extracted (AVE)*

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Source: Data processed by SmartPLS, 2024

Based on the table above, the model shows that each configuration has an AVE value >0.50, meaning that the variable is able to explain more than 50% of the variance of its indicators. Thus, this study has met two requirements for convergent validity. The combination of outer loading and Average Variance Extracted (AVE) tests indicates that this research model has strong convergent validity and meets the requirements to proceed to the discriminant validity test stage .

Discriminant Validity

A test used to measure and determine how different one construct is from another. Discriminant validity analysis is a method for assessing the extent to which one construct differs from another. Discriminant validity can be assessed through cross-loading , where each indicator within a construct shows a difference from indicators in another construct, reflected by a higher loading value on that construct. The following are the results of the cross-loading test.

Indicators	Social Influence (X1)	Compatibility (X2)	Behavioral Intention (Y)
X 1.1	0.807	0.512	0.576
X 1.2	0.816	0.545	0.572
X 1.3	0.768	0.524	0.527
X 1.4	0.759	0.495	0.521
X 1.5	0.768	0.499	0.519
X 1.6	0.744	0.563	0.555
X 2.1	0.478	0.817	0.593
X 2.2	0.634	0.844	0.641
X 2.3	0.433	0.789	0.507
X 2.4	0.569	0.732	0.552
Y1	0.556	0.624	0.821
Y2	0.550	0.626	0.802
Y3	0.603	0.518	0.825

***Table 3**. Cross Loading*

Source: Data processed by SmartPLS, 2024

Based on the table above, the cross-loading value for each item is higher on its main construct compared to the cross-loading value on other constructs. Each indicator has a higher correlation coefficient with its respective construct than the coefficients of other construct indicators. This indicates that the indicator is more precise and accurate in measuring the intended construct.

The next step is to measure the Fornell Larcker Criterion to determine whether discriminant validity is good or not. The Fornell Larcker Criterion is determined by comparing the square root

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of a construct's AVE with its correlation with other constructs. The following are the results of the Fornell Larcker Criterion test:

Indicators	Social Influence	Compatibility	Behavioral Intention
X1	0.782	0.669	0.698
X2		0.797	0.724
Y			0.816

***Table 4**. Fornell Larcker Criterion*
Source: Data processed by SmartPLS, 2024

Based on the table above, it can be seen that each variable has a higher value when explaining its own variable compared to other variables in the same column. Therefore, it can be concluded that there is good discriminant validity and no problems occurred.

Composite Reliability and Cronbach's Alpha

Composite reliability is a metric that measures the extent to which indicators in a construct are reliable or consistent in measuring the same construct. Cronbach's alpha itself is a metric that is also used to measure construct reliability by examining the consistency between indicators and measuring the lowest value or lower limit of a variable's reliability value. Cronbach's alpha measures the extent to which a number of items or questions in a questionnaire instrument are consistent or interrelated. To achieve good reliability, the composite reliability value Cronbach alpha and must be greater than > 0.70.

Indicators	Cronbach's Alpha	Composite Reliability
X1	0.873	0.874
X2	0.807	0.814
Y	0.749	0.749

***Table 5**. Cronbach's Alpha and Composite Reliability*
Source: Data processed by SmartPLS, 2024

After reviewing the data above, it can be concluded that all constructs demonstrated good reliability, as each had a Cronbach's alpha and composite reliability value of >0.70 . Therefore , these indicators consistently and reliably measure the constructs.

Based on the various test results above, it can be concluded that this research model has good convergent validity , good discriminant validity , and good internal consistency reliability. The following is a summary of the validity and reliability test results:

Variables	Indicators	Loading Factor	Composite Reliability	AVE	Discriminant Validity

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Social Influence (X1)	X 1.1	0.807	0.874	0.612	Valid
	X 1.2	0.816			
	X 1.3	0.768			
	X 1.4	0.759			
	X 1.5	0.768			
	X 1.6	0.774			
Compatibility (X2)	X 2.1	0.817	0.814	0.634	Valid
	X 2.2	0.844			
	X 2.3	0.789			
	X 2.4	0.732			
Behavioral Intention (Y)	Y 1	0.821	0.749	0.666	Valid
	Y 2	0.802			
	Y 3	0.825			

***Table 6**. Outer Loading (Measurement Model) Summary*
Source: Data processed by SmartPLS, 2024

Inner Model Testing

The inner model aims to assess and understand the structural relationships between latent constructs in a research model. This helps researchers see the extent to which the model can explain the relationships between latent variables observed in a phenomenon. The inner model can be tested by examining the relationship between the structure, significance, and R-squared of the research model. This model is evaluated using R-square for the dependent construct and a t-test to assess the significance of the structural parameter coefficients, starting with examining the R-square value of the dependent latent construct. The following are the results of the R-squared test:

Indicators	R-Square	R-Square Adjusted
Behavioral Intention	0.606	0.601

***Table** 7. R-Square*
Source: Data processed by SmartPLS, 2024

R-squared is a statistical measure used in the context of regression analysis to determine how well a regression model explains variation in observed data. It is also known as the coefficient of determination. The correlation coefficient is a value used to measure the strength or closeness of a relationship between variables. The closeness of the correlation can be grouped as follows:

1. 0.00 to 0.20 means the correlation has a very weak closeness.
2. 0.21 to 0.40 means the correlation has a weak closeness.
3. 0.41 to 0.70 means the correlation has a strong closeness.

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4. 0.71 to 0.90 means the correlation has a very strong closeness.

Based on the table above, it was found that the correlation value shows a figure of 0.6 06 with the R-Squared value of the Interest variable. (Y) is 0.601. This shows that the relationship between the independent variables, namely Social Influence and Compatibility, strongly influences the dependent variable, namely Interest. because it is in the correlation interval between 0.71-0.90.

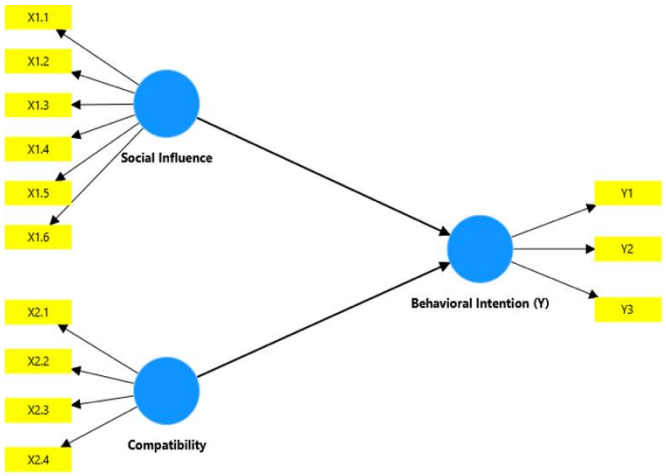

***Figure 1**. Structural Model*

Hypothesis Testing

The basis for hypothesis testing in this study is the value contained in the path coefficient through the Bootstrapping test in Smart PLS. The statistical value with hypothesis testing, for alpha 10%, the statistical value used is 1.96. So the criterion for acceptance/rejection of the hypothesis is if the t-statistic used is > 1.96, meaning Ha is accepted and H0 is rejected. Rejection/acceptance of the hypothesis with probability, then Ha is accepted if the p-value < 0.05. The estimated output table for testing the structural model in this study is as follows:

Hypothesis	Original Sample (O)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	Significance Levels (P<5%)
Social Influence _(X1) -> Behavioral Intention _(Y)	0.386	0.074	5,207	0.000	S

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Compatibility _(X2) -> Behavioral Intention _(Y)	0.465	0.072	6,460	0.000	S

Table 8. *Hypothesis Test Results*
Source: Data processed by SmartPLS, 2024

Information:

S = Significant

TS = Not Significant

The following are the results of the research hypothesis testing:

1. **Hypothesis Testing 1** (The effect of social influence on the interest of MSMEs in using financial technology equity crowdfunding)

Hypothesis two (H1), which states that social influence has a positive effect on MSMEs' interest in technology-based equity crowdfunding funding, shows a path coefficient value of 0.386 with a t-statistic value of 5.207, indicating that this value is greater than the standard of 1.96. Likewise, the p- value of 0.000 indicates a figure less than 5% or 0.05. This means that social influence has a significant positive effect on MSMEs' interest in using financial technology equity crowdfunding . Thus, it can be concluded that hypothesis two (H1) is accepted.

2. **Hypothesis Testing 2** (The effect of compatibility on the interest of MSMEs in using financial technology equity crowdfunding)

Hypothesis four (H2) which states that compatibility has a positive effect on the interest of MSMEs in using financial technology equity crowdfunding shows a path coefficient value of 0.465 with a t-statistic value of 6.460 which indicates that this value is greater than the standard of 1.96. Likewise, the p- value of 0.000 indicates a figure less than 5% or 0.05. This means that compatibility has a significant positive effect on the interest of MSMEs in using financial technology equity crowdfunding . Thus, it can be concluded that hypothesis four (H2) is accepted.

Discussion

Based on the various test results and analysis stages that have been carried out, the following discussion will outline the results of the data processing in the study. The goal is to provide a more comprehensive picture and explanation of the models and variables used in the

study. This study uses four variables (X) including performance expectancy, social influence, trialability, and compatibility, and Interest or Behavioral Intention as the variable (Y).

1. The influence of social influence on the interest of MSMEs in using financial technology equity crowdfunding.

Social influence in this study was measured through three indicators: subjective norms, group norms, and social identity. The results revealed that social influence has a significant positive effect on MSMEs' interest in adopting equity crowdfunding. This finding is supported by research conducted by Islam & Khan (2021), which found that social influence significantly influences the intention of budding entrepreneurs in Bangladesh to adopt crowdfunding . This construct also has a significant impact on MSMEs' willingness to adopt crowdfunding . Their research stated that budding entrepreneurs' interest in adopting is significantly influenced by the opinions, 5. recommendations, and motivations of external parties in the social environment.

In line with this research, Alshebami (2022) found a positive relationship between social influence and the interest of young Saudi entrepreneurs in using crowdfunding platforms . He also emphasized that preferences, friends, family, social groups, and other individuals play a significant role in the decision-making process related to using crowdfunding platforms . Furthermore, research by Sulaeman & Ninglasari (2020) also found a positive and significant relationship between social influence and Muslim crowdfunders' interest in using zakat-based crowdfunding models.

Based on empirical data obtained from respondents, it appears that the social influence variable also has an influence and plays a major role in influencing the interest of MSMEs in Makassar City to use equity crowdfunding . As explained in the Unified Theory of Acceptance and Use of Technology (UTAUT), individual acceptance of the presence of new technology is influenced by four factors, one of which is social influence. (Handayani & Sudiana, 2017) . This is because the surrounding environment such as other people, family, friends, business partners to social groups play a big role for individuals or MSMEs in influencing their interest in making decisions regarding the use of equity crowdfunding platforms . Social influence can influence the thoughts, attitudes, and behavior of individuals or others in the social environment both directly

and indirectly to do something or in making decisions. So the greater the social influence obtained, the greater the possibility of these MSME actors being accepted and using equity crowdfunding.

The findings of this study indicate that the interest of MSMEs or business actors in Makassar city in using equity crowdfunding is also influenced by the social influence variable . This can be seen from the subjective norm indicator in the social influence variable which plays a large role with the highest value. Social support from others, family and friends as well as positive experiences from other users have provided motivation and inspiration for business actors to use equity crowdfunding. Then, the group norm indicator reflects that the use of equity crowdfunding by business partners in social groups that form views and recommendations encourages MSMEs' interest in using it. Then the final indicator reflects how the social identity indicator is able to shape the perception of some MSMEs that the use of equity crowdfunding can strengthen their position and reputation as part of a business group. The social identity indicator is able to make MSMEs feel that using equity crowdfunding can reflect their values and identity as part of a business group.

2. The influence of compatibility on the interest of MSMEs in using financial technology equity crowdfunding.

Compatibility in this study was measured through two indicators: compatibility with needs and compatibility with lifestyle. The results revealed that compatibility has a significant positive influence on MSMEs' interest in adopting equity crowdfunding. The compatibility variable is one of the major driving factors in the adoption of an innovation, as the results of this study are supported by research conducted by Ramadhani & Azizah (2022), which showed a positive and significant relationship between compatibility and behavioral intention to adopt the GoFood food delivery service . In another study conducted by Oktania & Indarwati (2022), they attempted to link compatibility with lifestyle because if a technology is present in accordance with lifestyle , the likelihood of its acceptance is greater. The results of this study explain that compatibility with lifestyle has a positive and significant influence on consumer purchase intention through social commerce . Another study conducted by Tanakinjal (2011) again found that compatibility has a significant influence on the intention to adopt mobile marketing in Malaysia.

Similar research found a positive relationship between compatibility and the intention to adopt internet banking services in Thailand and India (Chaipoopirutana et al., 2009) . With the

interest in using financial technology services , compatibility was also found to have a positive relationship, this is because the emergence of financial technology increases convenience and is in accordance with people's needs in conducting transactions compared to the previously existing conventional system (Indriyati & Aisyah, 2019) .

Based on empirical data obtained from respondents, it appears that the compatibility variable also has a high value and plays a major role in influencing the interest of MSMEs in Makassar City to use equity crowdfunding . As in the Diffusion of Innovation (DOI) Theory , five main attributes of an innovation can be identified, one of which is compatibility (Rogers, 1995) . Compatibility is an important part of innovation because its suitability with the lifestyle and needs of users can encourage rapid adoption rates. The presence of a technology can influence opinions, beliefs, values, views, and even the interests of MSMEs. If the innovation is in accordance with needs and lifestyles, uncertainty will be reduced and the rate of innovation adoption will increase. (Al-Jabri & Sohail, 2012) .

This is because an individual must first compare the benefits and performance of a system to attract their interest and ultimately decide to use equity crowdfunding in their business. The more a financial technology delivers the desired benefits and results and performs well, the greater its likelihood of user acceptance or adoption.

The findings of this study indicate that the interest of MSMEs or business actors in Makassar city in using equity crowdfunding is also significantly influenced by the compatibility variable . This is evident from the compatibility with needs indicator , which plays a significant role with a high value. Business actors feel that the presence of equity crowdfunding provides the right solution to the capital needs that most of them experience. Furthermore, the answers from MSME respondents also reflect that equity crowdfunding is in line with their expectations as business actors who want to easily obtain additional funds for business development. Furthermore, the compatibility with lifestyle indicator shows that MSMEs' interest in using equity crowdfunding is partly due to equity crowdfunding's suitability and compatibility with today's lifestyles that utilize technology and are in line with existing values and habits, so business actors feel comfortable and are encouraged to use equity crowdfunding services.

CONCLUSION

Based on the results of the study entitled "MSME Interest in Technology-Based Funding Equity Crowdfunding " involving 140 respondents from MSME actors in Makassar City, it can be concluded that social influence and compatibility factors have a positive and significant influence on MSME interest in using equity crowdfunding as a technology-based funding source. Social influence, or social influence, shows that positive views from close people, such as business partners and family, play an important role in encouraging MSMEs to consider equity crowdfunding as a funding option. Meanwhile, compatibility or suitability shows that the more relevant and suitable the features of equity crowdfunding technology are to the needs and characteristics of MSME businesses, the greater the interest of MSMEs in using it.

This study underscores the importance of social factors and technological suitability in increasing fintech adoption among MSMEs. These results indicate that increasing MSME interest in equity crowdfunding can be achieved through an educational approach that involves the community and through optimizing technology platforms that align with MSME preferences. It is hoped that these findings can form the basis for developing more effective equity crowdfunding promotion and education strategies , thereby helping MSMEs more easily access innovative alternative funding sources and supporting their business growth.

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