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"Entrepreneurship on Global Economics Development in the Era of Society 5.0"

The Influence of Financial Technology and E-commerce on the Success of MSMEs: Literature Review**Rizky Lubis^{1*}, R.Roro Canggih Mukti Permesti¹, Enrico Leonardo¹ Eka Nurmala Sari¹**¹Universitas Muhammadiyah Sumatera Utara

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***Email:** 2120050031@umsu.ac.id**ABSTRACT**

This research is to find out the success of MSMEs by using a systematic type of literature review research on data obtained from Google Scholar published from the 2019-2023 period, findings in consisting of 3.680 articles. research using as many as 8 articles as a source of analysis. The results of a systematic literature review of all publications state that financial technology, e-commerce, social media, product innovation, and financial literacy are factors that influence the success of MSMEs. The main influencing factors are financial technology and e-commerce in the success of MSMEs

Keywords: Financial technology, E-commerce, MSMEs

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INTRODUCTION

The development of information technology in the 4.0 revolution era had a significant impact on the Indonesian economy. Economic digitalization has proven to have brought various changes, with the digital economy at least providing benefits in achieving efficiency, effectiveness, reducing production costs, collaboration, connecting one party to another, therefore, digital economic transformation should be used as an alternative solution as an engine of economic growth.

The term digital economy (digital economy) was introduced by Don Tapscott in 1995 through his book entitled *The Digital Economy: Promise and Peril in the Age of Networked Intelligence*. According to Don Tapscott, the digital economy has 12 attributes. (1) Knowledge. In the digital economy, power of the knowledge is translated into superior innovations through new opportunities to create competitive advantage. (2) Digitization. Business transactions use digital technology and digital information. Customers as digital customers use digital devices to conduct transactions with companies selling goods and services as digital enterprises. (3) Virtualization. In the digital economy it is possible to turn physical goods into virtual goods. Intellectual capital is converted into digital capital. (4) Molecularization. In the digital economy, heavy organizations in traditional organizations have changed to light flexible organizations, M-form organizations (multidivisional organizations) have shifted to become E-form organizations or ecosystem form organizations that are easy to adapt to the environment. (5) Internetworking. Using the internet network to build interconnections form an economic network. (6) Disintermediation. No need for intermediaries, transactions can be done directly peer-to-peer. (7) Convergence. The convergence of computing, communication, and content together forms interactive multimedia which is becoming an essential platform. (8) Innovation. Human imagination and creativity are resource core values shape the innovation economy. (9) Prosumption. In the old economy the key aspect was mass production, while in the digital economy it was mass customization. The distinction between producer and customer is blurred; every customer on the information highway can also be a producer. (10) Immediacy. The time difference between ordering goods and when it is produced and shipped has shrunk drastically due to the speed of the digital technology process. (11) Globalization. According to Peter Drucker "knowledge knows no boundaries." There is no limit for global transactions. (12) Discordance. There will be a gap between those who understand technology and those who do not understand technology. In order to survive, all players in the digital economy must be technologically literate, namely being able to follow technological shifts towards interaction and integration in the form of an internetworked economy.

According to the Governor of Bank Indonesia, Perry Warjiyo, emphasized 5 (five) important steps to digitize Indonesia, namely; i) One-language payment services and financial services through QRIS which has reached 30 million users, Open API National Standard (SNAP) with 87 types of services that will continue to be expanded, and data management which includes public data, contractual data, and private data; ii) One nation through the arrangement of cluster-based payment service industry consolidation so that collaboration is built in the bank and non-bank payment ecosystem to compete globally; iii) One nusa through 3i namely (interconnection, interoperability and integration) among others in money market and monetary operations, BI-FAST with RTGS and GPN; iv) Formation of market conduct and pricing policies for healthy industrial competition; v) Digital rupiah

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which will include issuance, destruction and interbank transfers. Currently, BI is exploring the technology used for Digital Rupiah. In the future Digital Rupiah can be implemented in Monetary Operations (OM) and Money Market.

The ease with which people access the internet and the increasing number of affordable smartphone prices for the middle and lower class of society have made digital technology a wide open market share. Based on DataIndonesia.id, the number of internet users in Indonesia continues to increase every year. Based on the results of a survey by the Association of Indonesian Internet Service Providers (APJII), there are 210.03 million internet users in the country in the 2021-2022 period. That number increased by 6.78% compared to the previous period which amounted to 196.7 million people. This also makes the internet penetration rate in Indonesia to 77.02%.

This is indicated by the increasing number of unicorn startups in Indonesia. The most interesting thing is that this start-up business is pioneered by the younger generation because they have a high spirit of sociopreneurship. The rise of startups in Indonesia has also led to innovations in the world of finance, namely financial technology or what is called fintech. The use of technology also makes it easier for people to access information about a product or service they are looking for, giving rise to e-commerce companies that carry out price competition.

The economic sector in the digital era has made many business actors, the majority of whom in Indonesia are dominated by Micro, Small and Medium Enterprises (MSMEs), begin to learn to understand transactions online or with digital media. So far, those who are not literate in the world of the digital economy are forced to learn so that their business can continue to exist. The emergence of financial technology provides broad opportunities, especially for MSME related to access to financial products and increased financial literacy. In addition, financial technology can be understood as a solution for MSMEs players who have limited access to capital in banking and can help smooth transactions through digital payment, e-money and e-wallet applications in speeding up transactions and facilitating financial records.

The world of E-commerce is wide open for MSME actors, to improve sales, can change the way transactions that were originally offline turned online. E-commerce is believed to be able to increase the sales of MSME actors. E-commerce has enormous advantages over traditional transactions, offers reduced transaction costs and provides convenience for all consumers and is also capable of accelerating business development.

Therefore, this research was carried out using the systematic literature review method or known as a systematic literature review which provides information by reviewing previous studies. The literature review method is used to identify, examine, evaluate and interpret relevant studies. The application of a literature review method can follow the steps that have been defined to conduct a systematic review of journals.

Based on the background of the problems above, the authors are interested in conducting research with the title "Literature Review: The Influence of Financial Technology and E-commerce on the Success of MSMEs.

Financial Technology

According to Bank Indonesia, Financial technology is the result of a combination of financial services and technology which ultimately changes the business model from conventional to moderate, where initially you have to pay face to face and carry a certain

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amount of cash, now you can make long-distance transactions by making simple payments. can be done in seconds. Meanwhile, according to OJK, Fintech is an innovation in the financial services industry that utilizes the use of technology. Fintech products are usually in the form of a system built to carry out a specific financial transaction mechanism.

Quoting from the book *The Future of Fintech*, Bernardo's definition of fintech Nicoletti (2017) is that financial technology as an ecosystem does consisting only of startup companies. The term fintech is often associated with startups because of their use of digital software for financial services which is a modern trend. However, not a few companies long-standing business transformation by providing financial services digital based.

By using a financial system that is faster and more flexible and able to reach all circles, financial technology provides several products of financial transaction activities consisting of payments, investments, loans, transfers, and financial analysis (Rizal, Maulina, & Kostini, 2018). Fintech is a technology used to facilitate financial activities. Fintech is very beneficial for small businesses (Billion, 2016).

In other words, Financial Technology is financial service innovation by using technology to facilitate financial activities. Financial Technology appears in line with changes in people's lifestyles, which are currently dominated by information technology users who demand fast-paced lives. With FinTech, problems in buying and selling transactions and payments such as not having time to look for goods at shopping malls, going to banks/ATMs to transfer funds, reluctance to visit places because of unpleasant services can be minimized. In other words, financial technology helps buying and selling transactions and payment systems to be more efficient and economical but still effective.

The legal basis for implementing financial technology in the payment system in Indonesia:

- Bank Indonesia Regulation No. 18/40/PBI/2016 Implementation of Payment Transaction Processing
- Bank Indonesia Circular No. 18/22/DKSP regarding the Implementation of Digital Financial Services
- Bank Indonesia Regulation No. 18/17/PBI/2016 concerning Electronic Money

In Indonesia, the presence of financial technology has helped people solve various problems. Here are some types financial technology that are currently developing and providing financial solutions for the people of Indonesia :

1. Crowdfunding

Crowdfunding or fundraising is a financial technology model that is currently popular in various countries, including Indonesia. With this technology, people can raise funds or donate to an initiative or social program that they care about.. An example of a financial technology start-up with a crowdfunding model that is currently popular in Indonesia is KitaBisa.com

2. Microfinancing

Microfinancing is a financial technology service that provides financial services for the lower middle class to help with their daily lives and finances. Because most people from this economic group do not have access to banking institutions, they also experience difficulties in obtaining venture capital to develop their businesses or livelihoods. Microfinancing seeks to bridge this problem by channeling business capital directly from lenders to prospective borrowers. The business system is designed so that returns are competitive for lenders, but

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attainable for borrowers. One of the startups engaged in microfinancing is Amarth, which connects rural micro-entrepreneurs with online investors.

3. P2P Lending Service

This type is better known as financial technology for money lending. This financial technology helps people who need access to finance to meet their needs. With this FinTech, consumers can borrow money more easily to meet various life needs without having to go through the convoluted processes that are often found in conventional banks. One example of a financial technology engaged in the field of money lending is AwanTunai, a startup that provides digital installment facilities safely and easily.

4. Market Comparison

With this financial technology, you can compare various types of financial products from various financial service providers. Financial technology can also function as financial planners. With the help of financial technology, users can get several investment options for their future needs

5. Digital Payment Systems

This financial technology is engaged in providing services in the form of paying all bills such as credit & postpaid, credit cards, or PLN electricity tokens. One example of a FinTech engaged in a digital payment system is Payfazz which is agency-based to help Indonesian people, especially those who do not have access to a bank, to pay various kinds of bills every month.

Changes in the digital era in Indonesia are marked by the emergence of technology-based financial services such as peer to peer (P2P) lending. Cekfintech.id's presence is based on the growth of more and more fintech in Indonesia, which is accompanied by the emergence of illegal fintech. According to data from the Financial Services Authority (OJK) As of January 5 2023, the total number of fintech peer-to-peer lending or fintech lending providers licensed at OJK is 102 companies. Until now, fintech payments and fintech lending are the ones that are most prominently in demand by the people of Indonesia, because the need for funding continues to increase, but not all of these needs are met by financial institutions.

Based on DataIndonesia.id, the Financial Services Authority (OJK) noted that the total distribution of fintech lending was IDR 18.97 trillion in November 2022. This amount grew 1.30% compared to the previous month which amounted to IDR 18.72 trillion. Compared to the previous year, the distribution of fintech lending was 46.16% higher. In November 2021, the total distribution of fintech lending was IDR 12.98 trillion.

National Survey of Financial Literacy and Inclusion 2022 results show index literacy finance Indonesian people at 49.68 percent, an increase compared to in 2019 which is only 38.03 percent. Temporary index inclusion finance year this reached 85.10 percent increase compared the previous National Survey of Financial Literacy and Inclusion period in 2019 namely 76.19 percent . it shows the gap between level literacy and level inclusion the more decreased , from 38.16 percent in 2019 to 35.42 percent in 2022. A high inclusion rate with low literacy indicates a high potential risk. Because, even though the community has access to finance, they do not actually understand its functions and risks.

Increasing literacy is the key so that the level of inclusion that has occurred can have a more productive impact with minimal risk. For optimize the positive impact of fintech for Indonesia, education to increase public literacy remains critical. This is because not all

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members of the public understand whether financial products suit their needs or not, whether they are legal or illegal, how to protect personal data, to understand interest rates and cybersecurity. All parties, both the authorities and the industry must also work together and be serious in enforcing the law.

Financial Technology has the potential to help provide alternative sources of financing for Micro, Small and Medium Enterprises (MSMEs), as well as facilitate stronger and inclusive growth. Fintech also has the potential to increase the inclusiveness of financial services, especially for those who still do not have a banking account and cannot access financial services from banks.

E-commerce

E-commerce is a buying and selling process products in a manner electronics by consumers and from company to company with computer as intermediary transaction business (Laudon & Traver, 2017). The medium used as transmission (telecommunication) in it cover exchange, purchase, and sale something product or services that use transportation, fine in a manner physical as well as digitally from location to location is *e-commerce* (Greenstein & Vasarhelyi, 2002).

In other words, e-commerce is a process occurs transaction sell deep buy the practice conducted in a manner *online* via electronic media. For support climate growth digital economy and fulfillment availability of fast, easy and accurate data/ information, The government issued several regulations related to e-commerce, With discharge regulations the expected availability of more data complete related E-commerce, so that it can help the government know the description of E-commerce in Indonesia.

Data driven policy making and decision making will help governments make better decisions about E-commerce. Package The governing Economic Policy XIV economy based electronics, Regulation President No. 74 of 2017 regarding the System Roadmap Based National Trade Electronic, Regulation Government (PP) Number 80 of 2019 concerning Trading Through Electronic System, Regulation of the Minister of Trade Number 50 of 2020 concerning Provision Business Licensing, Advertising, Coaching, and Supervision Business Actors in Trade.

Types E- commerce**1. Business to Business (B2B)**

A form of e-commerce in which a company will sell services or products to other companies is called a B2B model. An example of the B2B model is a company that buys office supplies directly from manufacturers. Ex: Ralali, Mbiz, and Electronic City

2. Business to Public Administration (B2A)

E-commerce with this model is almost similar to B2B. However, the culprits are government organizations and businesses. An example of B2A e-commerce is website creation services for urban online management systems. For example: Qlue helps the government and companies by providing software, while Accela does public administration in order to help the government with the concept of software as a service

3. Business to Consumer (B2C)

In this type, the company sells its services or products to customers. B2C e-commerce customers are usually retailers. An example is when someone purchases from an online fruit shop to meet needs at home. Ex: Blibli, Lazada

4. Consumer to Business (C2B)

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Unlike B2C, e-commerce with a C2B model is an individual business person who sells products or services to a company. An example of this business model is a graphic designer who offers logo creation services to retail companies and others. Ex: Freelancer, Upwork, and iStock

5. Consumer to Public Administration (C2A)

C2A type of e-commerce works just like C2B. However, the transaction process is carried out by individuals with government agencies. Electronic commerce with this model is rarely seen in Indonesia and usually its activities are carried out in the form of services.

6. Consumer to Consumer (C2C)

E-commerce with a C2C model is transaction happening online between two people. For example is when somebody sell goods used hers in a manner online to buyer. Ex : Tokopedia, OLX, Kaskus, Shopee

System Payment E-Commerce in Indonesia

The increasingly massive development of digitalization also has an impact on the payment system in Indonesia. Currently, digital transactions in Indonesia have experienced significant development. One of the reasons for this is the 2025 BSPI policy from Bank Indonesia. BSPI 2025 stands for Indonesia Payment System Blueprint 2025. This is a payment system policy from Bank Indonesia to navigate the industry's role in the payment system in the digital economy and finance era.

This blueprint consists of 5 Visions of the Indonesian Payment System 2025 which are implemented by five groups, namely Open Banking, Retail Payment Systems, Large Value Payment Systems and Financial Market Infrastructure, Data and Digitalization, and Regulatory Reform, Licensing and Supervision. BSPI Policy 2025 this illustrates the increasingly government-driven digital payment system. There are several non-cash payment instruments in e-commerce that are widely used by Indonesians, including: Direct debit, Virtual Account, Digital Wallet or E-Wallet and E-Money, QRIS

The E-commerce sector in Indonesia has continued to grow in recent years, and its current economic value has even exceeded pre-pandemic levels. According to research by Google, Temasek and Bain & Company, the economic value of the Indonesian e-commerce sector will reach US\$59 billion in 2022, equivalent to 76.62% of the total value of Indonesia's digital economy, which is US\$77 billion. The economic value of the e-commerce sector in 2022 has increased by 22% compared to the previous year (year-on-year/yoy), which was still US\$48 billion. Compared to before the pandemic, Indonesia's e-commerce economic value this year has even increased by 136% from the achievement in 2019 which was only US\$25 billion. Google, Temasek, and Bain & Company also project that Indonesian e-commerce will continue to grow to reach US\$95 billion in 2025.

Technological advances can be used by MSMEs to market and develop their business through e-Commerce so that many product/service innovations are created to attract consumers. Consumers will glance at e-Commerce to buy the desired goods/services. The convenience of electronic payment systems will increase efficiency, costs and time. In this instant and practical era of globalization, electronic payments can make people's habits and at the same time create a less cash society which has many benefits compared to cash transactions.

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MSMEs

MSME is an abbreviation of Micro, Small and Medium Enterprises. There are three types of definitions of MSME namely:

1. Micro Enterprises are productive businesses owned by individuals and/or individual-owned business entities that meet the criteria of having a maximum net worth of IDR 50,000,000, excluding land and buildings or having annual sales of a maximum of IDR 300,000,000.
2. Small business is a productive economic business that stands alone, which is carried out by individuals/business entities that are not subsidiaries/not branches of companies that are owned, controlled, or become part either directly or indirectly of medium-sized businesses or large businesses that meet the criteria of having net worth of more than IDR 50,000,000 up to a maximum of IDR 500,000,000, excluding land and buildings for business premises or having annual sales of more than IDR 300,000,000 up to a maximum of IDR 2.5 billion
3. Medium Enterprises are productive economic enterprises that stand alone, which are carried out by individuals or business entities that are not subsidiaries or branches of companies that are owned, controlled, or become part of either directly or indirectly with small businesses or large businesses that meet the criteria of having wealth. net more than IDR 500,000,000 up to a maximum of IDR 10 billion excluding land and buildings for business premises or having annual sales of more than IDR 2.5 billion up to a maximum of IDR 50 billion.

Types of MSMEs**1. Culinary Business**

Currently, the culinary business is one of the MSME businesses that is most in demand by the public. By innovating in creating delicious food/drinks, this business is considered very profitable. Examples of MSME culinary businesses that are currently busy in the community include modern coffee shop businesses, food stalls, small restaurants, cakes and snacks, and coffee shops.

2. Fashion Business

Not only food, MSMEs in the field of fashion or fashion are also much loved by the public. This is because every year the latest fashion trends will emerge, so that MSMEs that focus on fashion will continue to compete in presenting trendy clothes. Examples of MSME businesses that focus on fashion are women's clothing stores, contemporary hijab clothing, local men's distribution shops, casual bags, local shoes, and mountaineering clothing.

3. Agricultural Business (Agribusiness)

Currently, to open an agricultural business, you don't have to have a large amount of land, you know, detikers, you can take advantage of an empty yard and then turn it into an agribusiness business. So, you can get profitable profit from this business. Some examples of MSMEs in the field of agribusiness are agricultural businesses selling vegetable seeds, fruit seeds, flower seeds, to ornamental planting farms.

4. Electronic Business

MSMEs in the electronics field are now also in great demand by the public. This is because the need for electronics continues to increase along with the times, for example, nowadays everyone certainly needs a smartphone to communicate, so it becomes a

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primary need. Some examples of MSMEs in electronics that you can do are cellphone shops and their accessories, pulse shops, shops that sell equipment. electronics such as refrigerators.

5. Furniture Business

Not only electronics, furniture businesses have also started to emerge. This is because today's society is starting to focus on designing home interiors with a variety of beautiful furniture. Examples of MSMEs in the furniture sector include kitchen equipment, paintings, and living room equipment.

6. Services Business

MSMEs in the service sector are also needed by today's society. This is because not everyone can do everything, so reliable experts are needed in their field. Examples of MSMEs in the service sector include servicing motorcycles, servicing electronic goods.

Based on the press release, M.4.6/610/SET.M.EKON.3/10/2022, Coordinating Ministry For Economic Affairs, the Micro, Small and Medium Enterprises Sector (MSMEs) has contributed 61% to GDP or the equivalent of IDR 8,573 trillion and absorbing 97% of the total national employment. Seeing the large contribution of MSMEs to the economy, the Government continues to pay attention to the development of the MSME sector. MSME development is not only in the form of financial assistance, but also needs to be strengthened with an understanding of digital literacy. also targets 30 million MSMEs to go digital in 2024. However, currently, only 24% of the total MSMEs have utilized digital technology by selling on various e-commerce platforms.

METHOD

The research method used is a descriptive qualitative approach. Qualitative research methods are research used for research on objects that are usually researchers with key instruments, collection techniques, inductive data analysis and results that prioritize goals rather than generalizations (Sugiono, 2007:1). This type of research is systematic library research which is used to synthesize research findings that are descriptive and qualitative in nature with the object of research being the public sector and secondary data collection techniques obtained from several stages, namely observation of library research and documentation. The results of the literature search obtained 3,680 articles which were research from 2019-2023. This study aims to determine the Influence of Financial Technology and E-commerce on the success of MSMEs

RESULT AND DISCUSSION

Table 1. the results of several previous studies discussing the Influence of Financial Technolog and E-Commerce on the Success of MSMEs as material for conducting a literature review

Journal	Author (Year)	Title	Factor	Results
J 01.	Ivan Permana D.Widyaningsih AR Cahyani (2021)	Pengaruh Fintech dan E-commerce Terhadap Kepuasan Keuangan Pada Pelaku UMKM	1. Fintech 2. E-Commerce	1. SPSS Version 23.0, ValidityTest, X1(Financial Technology), X2 (E-Commerce), and Y (Financial Satisfaction) value results from r count >

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r-table so that the data is declared valid

2. SPSS Version 23.0, Reliability Test It is known that the results of this research show that the data results are reliable with parameter values greater than 0.6

3. Multiple Linear Regression Analysis
 $Y = 3245 + 0.339X + 0.501$

4. Hypothesis test
-H1 : X1 (Financial Technology), X2 (E-Commerce) has a positive and significant effect simultaneously on Y (Financial Satisfaction)
-H2 : X1 (Financial Technology), has a positive and significant effect simultaneously on Y (Financial Satisfaction)
-H3 : X2 (E-Commerce) has a positive and significant influence simultaneously on Y (Financial Satisfaction)

5. The t test, X1 on Y has a significance value of 0.00 less than 0.05 which has a positive effect, making H2 accepted, X2 to Y has a significance value of 0.00 less than 0.05 which has a positive effect, making H3 accepted

6. Simultaneous Test, Fcount has a larger number than the Ftable value with a significance value of 0.000 or < 0.05 . As a result, it is known that all independent variables (not bound) have a significant and simultaneous influence on the dependent (dependent) variable, so that the first hypothesis (H1) is accepted.

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J 02.	Tutfrida M. Hasyim Daniel R. Hasibuan (2022)	Analisis Peranan Fintech dan E-commerce Terhadap Perkembangan UMKM	1.Fintech 2.E-commerce	1.distribution of research sample data from 100 samples of micro, small and medium enterprises in 3 regions, namely Depok with 37 samples, Tangerang with 37 samples and Jakarta area with 26 samples, this data distribution is very important to know the situation and conditions that occur in the field
J 03.	Viona Agnesia Agung J.Saputra (2022)	Pengaruh Penggunaan E-commerce, Financial Technology dan Media Sosial Terhadap Pendapatan UMKM Kota Dumai	1.E-commerce 2.F. Technolgy 3.Social Media	1. Validity Test Results, Variable X1(E-commerce) was declared to have passed the validity test because all the r calculated values were > than the r table values, Variable X2 (Financial Technology) was declared to have passed the validity test because all the r calculated values were > than the r table values., Variable X3 (Social Media)) was declared to have passed the validity test because all the r calculated values were > than the r table values, Variable Y (MSME Income) was declared to have passed the validity test because all the r calculated values were > than the r table values. 2. Reliability Test Results Based on the test results above, it shows that all variables passed the reliability test because the Cronbach's alpha value was > 0.6. 3. Normality Test Results. Based on the normality test results using the Kolmogorov-Smirnov test that the Asymp. Sig. (2- tailed) of 0.200 > 0.05. So it can be concluded that all variables passed the normality test

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4. Multicollinearity Test Results Based on the results of the multicollinearity test it shows that the Tolerance value of E-commerce is 0.910, financial technology is 0.918 and social media is 0.929 all of which are greater than 0.10. Likewise with the VIF value from E-commerce of 1.099, Financial Technology of 1.090 and also social media of 1.077 are all less than 10. It can be concluded that all variables pass the multicollinearity test.

5. Heteroscedasticity Test Results, The heteroscedasticity test is declared passed if the sig. > 0.05. Based on the results of the heteroscedasticity test, it shows that the significant value of E-commerce is 0.053, Financial technology is 0.654 and social media is 0.168, all of which are greater than 0.05. So it can be concluded that all the variables in this study passed the heteroscedasticity test.

6. Simultaneous test results (F test) based on the F test results above show that a significant value is 0.002, which means it is less than 0.05.

So it can be concluded that the variables of E-commerce, Financial Technology and Social Media simultaneously affect the Increasing Income of MSME in the City of Dumai

7. Partial Test Results (t test)

$$Y = 16.323 + 0.062 X_1 + (0.132) X_2 + 0.312 X_3$$

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J 04.	Ade P.Darmika Halim Usman Goso (2020)	Pengaruh Financial Technology Terhadap Perkembangan UMKM di Kota Palopo	1.Financial Technology	1. Validity test, the results of r count from the research questionnaire on the independent variables namely financial technology (x) 8 questions and the dependent variable MSME development (y) 12 questions declared valid because it has a value of r count > r table. 2. Reliability Test, questions in the research questionnaire for the independent variable Financial technology (X) and the dependent variable, namely good corporate governance (Y), are declared reliable. 3. Simple Linear Regression Analysis, $Y = 24,004a + 0.692X$ 4. T test, t value calculated for the Financial technology variable (X) of 4.668 from t table, namely 2.01410 with a significant value of $0.000 < 0.05$, the Financial technology variable partially has an influence on development 5. The coefficient of determination (R^2), the value of R Square is 0.336 which means that Financial technology has an influence of 33.6% on the development of MSME while 66.4% is influenced by other variables not examined MSME
J 05.	Darwin Lie Robert T. Siregar Hery P. Silitonga Ruth T. Sianipar Juan A Putri (2022)	Peran Pemanfaatan E-commerce dan Inovasi Produk Dalam Meningkatkan Kinerja UMKM	1.E-commerce 2.Product Innovation	1.Normality Test, Asym.Sig Value. (2-tailed) the e-commerce variable is 0.493, product innovation is 0.650, and MSME performance is 0.654 and the overall total is 0.533 which is greater than alpha (0.05). Thus it can be stated that the data from each variable is normally distributed

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2. Multiple Linear Regression, $Y = 12.700 + 0.563X_1 + 0.834X_2$, meaning that there is a positive influence between e-commerce and product innovation on the performance of MSME
3. Simultaneous Test (F Test), calculated F value of $14.080 > F_{table}$ with $df = (37-2-1 = 34)$ of 3.28 or a significance of $0.000 < 0.05$, then H_0 is rejected, meaning e-commerce and product innovation has a significant effect on the performance of MSME
4. Partial test (t test), e-commerce t value is $3.382 > table$ with $df = (37-1-1 = 35)$ of 2.03011 or a significance of $0.002 < 0.05$, then H_0 is rejected, it can be concluded that e-commerce has a significant effect on the performance of SMEs. Product innovation of $4.522 > 2.03011$ or a significance of $0.000 < 0.05$ then H_0 rejected, it can be concluded that product innovation has a significant effect on MSME performance
5. Correlation Test and Coefficient of Determination, the value of $r = 0.673$ means that there is a strong and positive relationship between e-commerce and product innovation and the performance of MSME
6. The coefficient of determination (R square) is 0.453, meaning that the high and low performance of MSMEs is 45.3% explained by e-commerce and product innovation while the remaining 54.7% is explained by other
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				factors not discussed in this study
J 06.	Triyani Budyastuti (2021)	Pengaruh Financial Technology dan Literasi Keuangan Terhadap Keberlangsungan Usaha	1. Financial Technology 2. Literacy on Business	1. Convergent Validity Test the value of each indicator is above 0.7 2. The AVE output results show that the AVE value is good for the Fintech construct, Business, Contin- uity Financial Literacy, has an AVE value greater than 0.50. So the AVE value for all constructs is good 3. Reliability test using Composite Reliability and Cronbach Alpha, The output results of the Reliability Test use Composite Reliability and Cronbach Alpha good for constructs The AVE output results show that the AVE value is good for Fintech construct, Business Continuity, Financial Literacy above 0.6 so it can be concluded that all construct indicators are reliable or meet the test reliability 4. R Square test, shows the value of R ² variable of Business Continuity, amounting to 0.137, which means that the value can indicate that the endogenous variable of Business Continuity can be explained by exogenous variables namely Fintech and Financial Literacy. In this study R ² of 13.7% while the remaining 86.3% is influenced by other variables that are not contained in the research model
J 07.	Yulida A.N Rizky P.D (2019)	Analisis Pengaruh Perkembangan Fintech dan E-commerce Terhadap	1. Fintech 2. E-Commerce	1. The research method used in compiling this journal is descriptive qualitative research. The way to obtain data is by

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		Perekonomian Masyarakat		conducting interviews, namely by go to someone and ask for opinions on the questions we ask, Interviewing is a technique data collection was carried out through face to face and direct debriefing between researchers and resource persons. The results obtained depend on the perspective of each source towards the use of fintech as a means of payment transactions and in the use of e- trading
J 08.	Wicaksono F (2018)	Kajian dan Strategi Pendukung Perkembangan E-commerce Bagi UMKM di Indonesia	1.E-Commerce	1. This study uses a mix of qualitative and quantitative methods. Descriptive qualitative method with an inductive approach begins by collecting specific data. Descriptive qualitative method is used in order to provide a complete and clear picture of the research objectives (identification of existing conditions, potential, supporting and inhibiting factors as well as strategies to support the development of e-commerce). Quantitative methods are used as validation in order to obtain clear and measurable results through a quantitative SWOT analysis, data collection used in this study used literature studies from journal that examines the development of e-commerce in Indonesia in the period 2010-2017 and is complemented by survey data from APJII and wearesocial on user development internet and e-commerce in Indonesia 2012-2018. In addition to journals, data is also

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obtained through
regulatory studies related
to e-commerce policies in
Indonesia from the
Ministry of Trade,
Ministry Finance and the
Ministry of
Communication and
Information Technology

DISCUSSION

From the literature review analyzed by researchers, it was found that what influences the success of MSMEs consists of several factors, namely, Financial Technology, E-commerce, Social Media, Product Innovation financial literacy, and other factors that have not been reviewed by researchers in understanding MSMEs

1. Pengaruh Fintech dan E-commerce Terhadap Kepuasan Keuangan Pada Pelaku UMKM, Ivan Permana, D. Widyaningsih, A. R. Cahyani (2021), it is examined if the financial technology variable has a significant effect on financial satisfaction. These results can be proven by the partial test. It is known that the financial technology t count is 3.801, which is greater than the t table with a significance value of 0.000 which is less than 0.05. And if the e-commerce variable has a significant effect on financial satisfaction. These results can be proven by the partial test known that the e-commerce t count is 4.545 greater than t table with a significance value of 0.000 which is less than 0.05. Financial technology greatly influences the financial satisfaction of respondents and it has been proven that the use of various digital payment models with a financial technology system facilitates business transactions for MSME players. Likewise with e-commerce variables which also get a good response as a digital sales medium that is able to increase sales turnover and have an impact on financial satisfaction
2. Analisis Peranan Fintech dan E-commerce Terhadap Perkembangan UMKM, Tutfrida M. Hasyim, Daniel R. Hasibuan (2022), Fintech and e-commerce are the spearhead of companies in developing their business in the midst of the development of the world of technology and amidst the current pandemic conditions, based on the results From the research above, it can be concluded that of the 100 small and medium micro business actors who were the sample of this study, it resulted in an illustration that more than 90% of business actors use financial technology (financial technology) and marketing technology (e-commerce). The advantages that technology has in reaching all levels of society in various locations and situations are the prima donna of business actors in using fintech and e-commerce applications.
3. Pengaruh Penggunaan E-commerce, Financial Technology dan Media Sosial Terhadap Pendapatan UMKM Kota Dumai, Viona Agnesia, Agung J. Saputra (2022) the results of this study indicate that the lack of knowledge and ability to use technology is one of the consequences of this research being no effect. In addition, business actors in Dumai City still predominantly use cash payment transactions compared to using fintech. But not all MSMEs have implemented payments through Fintech. The results of this study prove that the majority of business actors in Dumai City have promoted through social media

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- because in addition to reducing promotion costs, the target market has become wider which can increase their income.
4. Pengaruh Financial Technology Terhadap Perkembangan UMKM di Kota Palopo, Ade P.Darmika, Halim Usman, Goso (2020) based on the results of research analysis and discussion of the influence of financial technology on the development of MSME by distributing questionnaires to MSME actors in Palopo City who have been selected based on predetermined criteria. So it can be concluded that the financial technology variable has a partial and simultaneous influence on the development of MSMEs in Palopo City. This indicates that the hypothesis is accepted. Financial technology variable (X) has an effect on the development of MSMEs in Palopo City, meaning that H_a is accepted. Based on the T test, the results of the analysis stated that simultaneously the independent variables had an influence on the Y variable.
 5. Peran Pemanfaatan E-commerce dan Inovasi Produk Dalam Meningkatkan Kinerja UMKM, Darwin Lie, Robert T. Siregar, Hery P. Silitonga, Ruth T. Sianipar, Juan A. Putri (2022), That there are other factors to improve e-commerce, namely: internet penetration, creative marketing, logistics, payment methods, services, and website design. The t value for e-commerce is $3.382 >$ table with $df = (37-1-1=35)$ of 2.03011 or a significance of $0.002 < 0.05$, then H_0 is rejected, it can be concluded that e-commerce has a significant effect on the performance of MSMEs. The results of the t test obtained t count product innovation variable of $4.522 > 2.03011$ or a significance of $0.000 < 0.05$ then H_0 is rejected, it can be concluded that product innovation has a significant effect on MSME performance
 6. Pengaruh Financial Technology dan Literasi Keuangan Terhadap Keberlangsungan Usaha, Triyani Budyastuti (2021) with a P value of 0.673 which is above the significance level = 0.05 (5%). These results indicate that there is no positive effect of FinTech on business continuity. Therefore, the first hypothesis (H_1) that Fintech has a positive effect on business continuity is rejected. MSME actors, most of whom are housewives, prefer traditional transactions, respondents prefer to trade at various events such as markets and others. The effect of financial literacy on business continuity with a P value of 0.942, above the significance level = 0.05 (5%). These results indicate that there is no positive effect between financial literacy on business continuity. Therefore, the first hypothesis (H_1) that financial literacy has a positive effect on business continuity is rejected. This is due to the lack of understanding of respondents or business actors on how to manage assets, liabilities and capital
 7. Analisis Pengaruh Perkembangan Fintech dan E-commerce Terhadap Perekonomian Masyarakat, Yulida A.N, Rizky P.D (2019) From the above data collection, the majority of people have used e-commerce services, but consumers sometimes feel disappointed if the goods do not match what is displayed. But this can open up new jobs as a reseller, for example. The use of fintech is still in doubt.
 8. Kajian dan Strategi Pendukung Perkembangan E-commerce Bagi UMKM di Indonesia, Wicaksono F (2018), it can be seen that the x-axis is positive, meaning strength $>$ weakness. The large number of e-commerce business models and the increasing variety of products that can be sold through e-commerce are expected to overcome various existing weaknesses (transaction security factors, etc.) through synergy and program integration from stakeholders to support the development of e-commerce adoption for

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MSMEs. If we look at it from the y axis which is also positive, it means opportunity > threat, the opportunities that exist are in the form of a large market share both in Indonesia and in ASEAN as well as the increasing urban life style that prioritizes comfort, convenience and speed must be optimized through various MSMEs capacity strengthening programs in Indonesia. The final result is expected to increase the competitiveness of Indonesian MSME products so that they are ready to compete with MSMEs in ASEAN through the e-commerce platform

From the results of the discussion, it can be concluded that many studies have revealed that financial technology and e-commerce are factors that have the most potential for the success of MSMEs. Financial technology can provide assistance in the type of fintech to make loans where MSMEs have not been touched by banks or other financial institutions and e-commerce also provides opportunities for MSMEs to develop their business in marketing, selling, their products because MSME products are domestic products so they can survive and provide contribution to the Indonesian economy

IMPLICATIONS

The results of the study show that the most dominating factors are Financial Technology and E-commerce on the success of MSMEs. One of the problems with MSMEs is that the database is still not integrated between several ministries, agencies and local governments. For this reason, the government designed the development of an integrated MSME database last year by involving various ministries and agencies as well as local governments. one of the efforts made by Bank Indonesia is to provide information on the profile data of MSMEs that are not currently receiving bank financing, but need credit/financing in order to develop their business. With the availability of MSME profile data in question, it is hoped that it can provide benefits for parties, especially for MSMEs in order to accelerate access to financing from banks. MSME profile data presents entrepreneur information data (company name, length of business, address, etc.) as well as business data which includes information on business activities, level of business competition, total assets, average annual sales, projected growth, financing needs, estimates assets for credit guarantees as well as the number of credit requirements documents. But only a few MSMEs receive financing from banks, so an alternative solution arises in the form of financial technology in this type of loan for MSMEs who have not had access to financing through banks. Fintech (Financial Technology) has a very important role in the development of MSMEs in Indonesia. Fintech can provide convenience and efficiency in terms of technology-based financial management including digitalization of financial reports, payment technology and online-based loans. It is hoped that MSME actors will also have financial literacy so they can understand whether financial products suit their needs or not, whether they are legal or illegal, how to protect personal data, to understand interest rates and cybersecurity.

Likewise with E-commerce for MSME actors must carry out various innovations in creating quality products and can be marketed through e-Commerce. Automatically if a quality product will encourage consumer buying interest through e-Commerce so that electronic payments from time to time will become a habit and can create a cashless society that was previously with a cash payment system which had efficiency constraints, because procurement and management costs are classified as expensive, has the risk of being easily

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lost, stolen or counterfeited. It is also hoped that domestic products can keep up with competition in e-commerce, which is controlled by many foreign products. This literature review research can also be reference material for subsequent researchers and many researchers hope for the success of MSMEs that make a major contribution to the Indonesian economy

CONCLUSION

Research This literature review aims to determine the effect of Financial Technology and E-commerce on the success of MSMEs. After reviewing several studies, it was found that the most dominating factors were Financial Technology and E-commerce on the success of MSMEs. The digital economy provides many opportunities for MSMEs both in terms of financial financing and marketing products/services. Various benefits of the presence of financial technology in the form of Easier Financial Transactions, faster access to funding, increasing people's living standards and supporting financial inclusion. For MSMEs that are not yet included in the government database to obtain bank financing. Financial technology provides alternative solutions for the success of MSMEs. E-commerce also has a major influence on MSME in marketing and selling products/services. Many E-commerce are dominated by outside products. MSMEs must also be able to maintain product quality according to what is being sold even through virtual marketing. MSMEs must also know financial inclusion well in the digital economy. It is hoped that the benefits of the digital economy will have a good influence on the success of MSMEs. MSMEs must be able to upgrade to go public through e-commerce in the digital economy with financing that is also provided or digital finance provided by financial technology.

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