

UNDERSTANDING FINANCIAL LITERACY: ELECTRONIC MONEY AS A PAYMENT METHOD FOR KKP LIDIA, SURAKARTA

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ABSTRACT

Understanding financial literacy was carried out among members of the Koperasi Konsumen Perempuan (KKP) Lidia, GKJ Manahan in Surakarta, Central Java, Indonesia. KKP Lidia members include church mothers who have various work backgrounds, namely: housewives, private employees, civil servants and entrepreneurs. In this case, women (mothers) indeed play an important role as financial managers of both family finances and healthy business finances. In this digital era, we are required to be modern in terms of payments so that they are more practical and faster. For this reason, it is important for a woman to understand how to carry out purchase and sale transactions using electronic money. The majority of members have carried out transactions manually using cash, so they are not yet familiar with electronic money. This service focuses on continuously improving skills regarding understanding the use of electronic money as a means of payment. Payments using cash carry a higher risk of loss. For this reason, the service wants to provide financial literacy regarding the use of electronic money to help make the transaction process faster and more practical. This service is carried out using a structured training method, namely lectures, information discussions and previews in the form of questions and answers as a reference to assess members' understanding of the material that has been provided. Apart from that, the mothers' mindset changed, shown in response and enthusiasm during the service. The results of the discussion stated that Lidia KKP members gained knowledge about electronic money as payment and wanted to use it as a means of further payment transactions. Members can start something new to follow the trend of digitizing payments using electronic money.

Keywords: Literacy, Financial, E-money, Payment, Digital

INTRODUCTION

Along with the development of an increasingly modern era, technology that continues to develop and grow rapidly has become a huge boost for people's consumer behavior. As we know, people often use social media and tend to get unlimited access to the desired products or services. People become individuals who tend to get everything they want easily and instantly. The ease of electronic access in terms of finance also supports people to have unlimited access to information about the desired products or services so that it is easier. The government also facilitates people to take advantage of digital financial features, one of which is electronic money. Payments do not need to use paper money as a means of payment transactions. People are currently taking advantage of the ease of access to buying and selling goods using electronic money more and more. Digital financial literacy is the ability to use digital tools and electronic platforms to manage personal finances wisely, including the use of electronic money (e-money). Financial literacy regarding household management is a window to a good household (Oktavianti, 2024). However, for some people, they are not yet familiar with and take advantage of electronic money. Based on the results of the third National Survey of Financial Literacy and Inclusion (SNLIK) conducted by the Financial Services Authority (OJK) in 2019, the financial literacy index reached 38.03% and the financial inclusion index was 76.19%. The National Survey of Financial Literacy and Inclusion (SNLIK) is a national-scale survey conducted every three years by the Financial Services Authority (OJK) to map the current state of the level of financial literacy and inclusion of the

Indonesian people. Financial Literacy is the knowledge, skills, and beliefs that influence attitudes and behaviors to improve the quality of decision-making and financial management to achieve the financial welfare of the community. Financial inclusion means efforts to increase public access to various financial services and products, such as credit, savings, insurance, and payments. The Otoritas Jasa Keuangan (OJK) continues to strive to increase financial literacy and is targeted at 65% by 2027. The target can be achieved by improving the mindset of the community to become essential starting from the smallest unit, namely the family. The survey results show that the community's knowledge of skills and finances is 38.03% and community access to various financial product services is 76.19% still considered lacking. This shows that the Indonesian people in general do not fully understand the characteristics of various financial products and services offered by formal financial service institutions, even though financial literacy is an important skill in the context of community empowerment, individual welfare, consumer protection, and increasing financial inclusion. For this reason, there needs to be training on financial literacy that is useful for the sustainability of financial management in the community. So far, the majority of members of the Koperasi Konsumen Perempuan (KKP) Lidia still use cash as a payment instrument. Several members have memberships in commercial or private banks and digital banking on their respective smartphones, but do not fully understand the use of electronic money. E-money is a digital financial product that is used as an alternative non-cash payment tool that is more effective than cash payments (Mengga, 2023). In this community service activity, the author wants to provide an understanding of information on the types of electronic money and their uses for everyday life.

METHOD

This community service was carried out at the Koperasi Konsumen Perempuan (KKP), Surakarta. KKP Lidia members consist of mothers with various work backgrounds, including: housewives, private employees, civil servants and entrepreneurs. KKP Lidia address is GKJ Manahan, Surakarta, Indonesia. Women's Consumer Cooperative Activities (KKP Lidia) has cooperative activities, namely saving and borrowing money.

Service members carry out community service using lecture methods, question and answer and interactive discussions. The servant gave a lecture on financial literacy using electronic money as a means of payment guaranteed by the OJK. After that, it was continued with questions and answers regarding understanding the delivery of information and participants answered questions about electronic money. Finally, Pengandi held a discussion regarding obstacles and future plans for using electronic money as a more practical and faster means of payment.

RESULTS

Community service was conducted in the hall of GKJ Manahan, Surakarta, Indonesia. The members who attended were members of the Lidia Women's Consumer Cooperative (KKP). There were approximately 40 participants who attended. The community service was conducted using lecture, Q&A and interactive discussion methods. The community service gave a lecture on financial literacy in the use of electronic money as a means of payment guaranteed by the OJK. The community service gave a lecture by delivering material on financial literacy, especially the use of electronic money as a legal means of payment.

Digital payment is a payment method that is carried out electronically through digital devices such as mobile phones, computers, or credit, debit, or prepaid cards. Digital payment is also known as electronic payment (e-payment). Electronic money (e-money) is a payment instrument in digital or electronic form and is stored on certain media. The use of electronic money can make transactions easier because you don't need to carry cash. Some of the advantages of using electronic money are: Save transaction time, No need to carry cash, Suitable for various types of transactions, No need to count change, Practical and save space in your bag. However, the use of electronic money also has several disadvantages, such as the risk of cybercrime and lost balances if the card is lost. In Indonesia, electronic money is supervised by the Financial Services Authority (OJK) and regulated by Bank Indonesia.

So far, KKP members have made transactions using cash as a means of payment. With the delivery of this material, members are considered capable of implementing digital payments using electronic money. The presentation provides information on the types of emoney and how to use them. After that, it was continued with a question and answer session about understanding the delivery of information and the servant answered questions about electronic money. Finally, the servant discussed the obstacles and future plans for the use of electronic money as a more practical and faster means of payment.



Picture 1. Financial Literacy Socialization



Picture 2. Photo with all members

DISCUSSION

The presentation on understanding financial literacy in the use of electronic money as a means of payment implemented at the Lidia Women's Consumer Cooperative (KKP) has been carried out. Group members received information about the types of electronic money and how to use it. So far, group members have only made payments with cash. The use of electronic money minimizes the risk of losing cash. The use of electronic money makes it easier to pay or purchase goods/services practically and in a short time. It's just that you need to use the internet to access the application that will be used.

Electronic money (e-money) is a payment instrument in digital or electronic form and is stored on certain media. The media for storing electronics is divided into two, digitally via mobile phones, computers, or credit, debit, or prepaid cards and physically using cards.

1. Digital electronic money:

- ✓ Electronic wallet or digital wallet, in the form of an application that can be downloaded on a smartphone
 - ✓ QR Code Payment, a payment system that is carried out by scanning the QR code listed on the merchant
 - ✓ Mobile banking, a banking service that allows users to make transactions via smartphone
 - ✓ Internet banking, a banking service that allows users to make transactions via smartphone
2. Card electronic money:
- Prepaid card, electronic money that can be filled with money to make payments at registered merchants

The increase is seen from the use of applications via electronic wallets that have been downloaded on smartphones such as gopay, shopeepay, funds, linkaja, etc. In addition, members are introduced to the use of electronic cards (e-money) as a substitute for cash. Group members know the various types of e-money card products from each issuing bank. E-money cards can be used for payments such as: (1) toll payments at manual toll booths, automatic toll booths, and automatic booths marked e-Tollpass; (2) parking and TPE payments (Manual Parking, Electronic Parking); (3) train payments, such as Commuter Line, MRT Jakarta, LRT, Transjakarta, Transjogja, Batik Solo Trans, Tap on Bus, Teman Bus; (4) payments at Pertamina gas stations with the e-money logo.



Picture 3. Example of E-money Card

CONCLUSION AND SUGGESTION

This community service aims to provide financial literacy regarding the use of electronic money as a means of payment. So far, members have made purchases and payments in cash or using paper money. In today's digital era, people are required to adopt and use electronic payment instruments to make payments easier. The results of this community service are that cooperative members understand payments using electronic money. Payments using electronic money use digital electronic money or card electronic money. Members obtain information on the types of electronic money, how to top up and how to use it. For further service suggestions, the service provider can provide in-depth material on financial literacy regarding digital banking. Digital banking services can include attributes and types of transactions that can be carried out.

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