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Intention model and factors leading to MSMEs falling into the trap of illegal online loans

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Abstract
The micro, small, and medium enterprises (MSMEs) sector in Indonesia plays a vital role in the economy and job creation, but often struggles with limited access to capital. As a result, many MSMEs turn to fintech solutions or online loans, including illegal ones, which usually trap them in high-interest debt. Factors influencing this behaviour include social norms, perceived behavioural control, financial literacy, risk perception, interest rates, social influence, perceived ease of use, perceived usefulness, trust in illegal loans, education level, and social media usage for advertising. At the same time, the Financial Services Authority (OJK) are working to reduce MSMEs' involvement with illegal online loans. This research aims to examine the factors that drive MSMEs to use illegal loans, focusing on how trust in online loans and the intention to use them mediate this behaviour. Additionally, education level and frequency of social media use are examined as moderating factors. The study surveyed 330 MSMEs and analysed the data using structural equation modelling. The findings indicate that subjective norms significantly increase trust in illegal loans but do not significantly impact the intention to use them. Perceived behavioural control influences both trust and the intention to use illicit loans. Interest rates also have a significant positive effect on both trust and intention. Social influence increases trust but decreases the intention to use illegal loans. Lastly, the intention to use illicit loans strongly predicts actual behaviour, with education level reinforcing this link, while frequent social media use weakens it.

Keywords:
behaviour; financial literacy; illegal online loans; intention to use; trust.

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Introduction

MSMEs, as a pillar of Indonesia's economy, create jobs, drive growth, and reduce social inequality. The growth of MSMEs is reflected in increased purchasing power, stimulating innovation, supporting economic resilience, and contributing to diversification, poverty reduction, and community empowerment. Government support, access to finance, and technology are key to optimising the potential of MSMEs.

Researching MSMEs trapped in illegal online loans is crucial because this phenomenon can reveal serious impacts on the sustainability of micro, small, and medium-sized businesses. With the advancement of technology and information, the sustainability of MSMEs presents a significant challenge (Agarwal et al., 2023; Bisht & Singh, 2020). MSMEs tend to fall victim to illegal lending practices, which can harm their finances and damage their reputation (Angkasa et al., 2023; Fitri et al., 2022). This research can provide in-depth insights into the factors that drive MSMEs to take illegal loans, as well as the risks they face. The results can form the basis for policies aimed at protecting MSMEs, enhancing financial literacy, and developing solutions that support the sustainable growth of the MSME sector amidst the challenges of illegal online loans.

To understand the phenomenon of MSMEs being trapped in illegal online loans, this study employs Ajzen's (1991) Theory of Planned Behaviour (TPB) as its conceptual framework. This theory posits that an individual's intention to perform a behaviour is influenced by attitudes, subjective norms, and perceived behavioural control (Ajzen, 2020). In this context, MSMEs' attitudes are reflected in their assessment of the benefits and risks of illegal loans, subjective norms arise from social pressure or common practices in the business environment, while perceived behavioural control relates to their belief in their ability to access and manage such loans. By adopting this approach, the study can explain how the combination of psychological factors, social influences, and risk perceptions drives MSMEs to engage in illegal online lending, while also allowing for the examination of the effects of trust, financial literacy, and technology usage on their decision-making.

Subjective norms, defined as an individual's perception of how acceptable an action is within society, influence the intention to use illegal online loans. The presence of subjective norms can shape either positive or negative perceptions of this practice (Prayusi & Ingriyani, 2023; Rosavina et al., 2019; Ursavaş et al., 2019). The adoption of technology plays a crucial role in explaining the intention to use a particular technology (Venkatesh & Bala, 2008). People who have a strong grasp of financial concepts are generally better equipped to make informed decisions and steer clear of the risks linked to illegal loans (Agarwal et al., 2023; Bisht & Singh, 2020; Fei et al., 2021), as well as individuals' attention to the interest rates being offered (Naysary & Daud, 2021; Rosavina et al., 2019; Soegesty et al., 2020). The significance of social influence arises from the nature of humans as social creatures who are interconnected, which helps shape their identities, norms, cultural values, and perceptions of the surrounding world (Fadhila & Marpaung, 2020; Hakim et al., 2022). The level of trust in illegal loan providers can influence MSMEs' decisions to either engage with or avoid these services (Dwijayanti et al., 2022). Trust may develop from prior experiences, favourable feedback, or confidence in the transparency and integrity of the loan providers (Van et al., 2023). Nonetheless, there has not been a comprehensive study that thoroughly examines these factors. This research aims to further investigate the intentions and reasons why MSMEs fall into the trap of illegal online loans, incorporating trust as a mediating factor, and using education level and frequency of social media use as moderating factors between the intention to use and the actual behaviour of engaging with illegal loans, presenting this as a novel contribution.

This study aims to analyse the factors that determine MSMEs' behaviour in using illegal online loans, mediated by trust in online loans and the intention to use them, and moderated by education level and frequency of social media use among MSME actors. However, despite the increasing accessibility of digital financial services and the growing number of MSMEs adopting online financial platforms, empirical evidence explaining why MSME actors still engage with illegal online loan services remains limited. Previous studies have predominantly focused on formal financial inclusion or fintech adoption behaviour, overlooking the psychological and social factors that drive the persistent use of unregulated financial services among MSMEs. This gap highlights the need to explore how trust, education level, and social media exposure interact to shape MSMEs' behavioural intentions toward illegal online loans.

The phenomenon of a research gap is evident in studies on illegal online loans that entrap MSMEs, where most research still focuses on financial literacy and financial risk, without thoroughly exploring the psychological, social, and technological factors that also influence MSME behaviour. Some studies do emphasise the importance of financial literacy as a preventive measure, yet few link it to subjective norms, the level of trust in loan providers, or the intensity of social media use. Moreover, the role of moderating variables such as education level and frequency of digital media usage in strengthening or weakening the relationship between intention and actual behaviour has rarely been examined. This research gap forms the critical foundation for this study to investigate the factors that drive MSMEs into illegal online loans in a more comprehensive manner.

Technology adoption is crucial for uncovering opportunities in information technology, especially within the fintech sector, to assist MSMEs in accessing capital. By embracing fintech solutions, MSMEs can optimise their funding processes, broaden their market reach, and improve their competitiveness (Simamora & Muda, 2022). Through the integration of technology, MSMEs can access the necessary financial resources more quickly and efficiently, driving growth and making a positive contribution to overall economic development (Gupta et al., 2022). The adoption of technology is key to providing new opportunities for MSMEs to grow and adapt to the increasingly dynamic business environment. However, illegal online loans continue to proliferate in Indonesia, and many MSMEs find themselves trapped in these loans (Angkasa et al., 2023; Fitri et al., 2022).

Previous studies suggest that the adoption of technology, specifically illegal online loans, can be influenced by the technological acceptance model, including elements like subjective norms (Prayusi & Ingriyani, 2023; Rosavina et al., 2019; Ursavaş et al., 2019), the ease of using illegal online loan applications and the perceived benefits of these applications. (Adamek & Solarz, 2023; Putri et al., 2023). However, this model has limitations, as the phenomenon of technology adoption for illegal online loans has not yet been fully explored from other important aspects, such as financial literacy, social influence, and risk perception.

In line with this, several studies explain that financial literacy influences the intention to use illegal online loans by providing a better understanding of the associated risks and financial consequences (Artavanis & Karra, 2020). Individuals with high financial literacy are more likely to make informed and prudent financial decisions (Morgan et al., 2020). The research highlights a positive effect, as it investigates legal online loans, whereas this study concentrates on illegal online loans, potentially leading to a negative influence. Furthermore, risk perception pertains to the uncertainty consumers experience when they are unable to anticipate the outcomes of their choices (Chauhan et al., 2019). Risk perception influences the intention to use online loans as it shapes individuals' evaluations of potential financial losses and the risks associated with utilising online lending services (Kaur & Arora, 2021). The research is limited to concerns regarding the risks of using online loans. Other studies delve deeper, indicating that attention to interest rates significantly impacts the intention to use illegal online loans. High interest rates raise financial concerns and exacerbate the risk of payment difficulties (Lea, 2021). This affects individuals' decisions to use illegal online loans, with serious consideration of the additional costs and potential long-term financial impacts that may arise from unaffordable interest rates (Iramani & Lutfi, 2021). Although other studies on interest rate attention do not specifically address illegal online loans, several related studies (Iramani & Lutfi, 2021; Lea, 2021) have touched upon the influence of interest rates on borrowing decisions with financial institutions.

Other research indicates that education level acts as a moderator that affects the relationship between the intention to use bank credit and actual borrowing behaviour. Individuals with higher levels of education tend to have a better grasp of banking policies, financial risks, and the implications of loan repayments. Consequently, a higher education level can influence the connection between the initial intention to use bank credit and the actual behaviour in utilising that credit (Liébana-Cabanillas et al., 2021). Awareness and knowledge gained through education can foster more informed and prudent behaviour regarding the use of bank credit services (To & Trinh, 2021).

In addition, exposure to social media can trigger a heightened desire to ultimately use illegal online loans. Illegal online loan advertisements are increasingly prevalent on social media, raising serious concerns for the Financial Services Authority (OJK) and various related parties. According to OJK data, by the end of 2023, 1,623 illegal online loan entities had been blocked, a significant number. These ads often use provocative language and images, such as fast cash loans, no collateral, low-interest rates, large limits, and inclusive loan options, to attract public attention (OJK, 2024). Illegal online loan advertisements on social media can stimulate curiosity to try these services. Captivating marketing strategies that are readily accessible on social media motivate individuals to explore further, leading to the potential use of these services. In the realm of digital marketing, the principles of attractiveness and accessibility utilised in social media advertising can arouse consumer interest and curiosity (Sreejesh et al., 2020). Meanwhile, consumer behaviour theory suggests that further exploration occurs when individuals feel attracted and curious (Daume & Hüttl-Maack, 2020; Park et al., 2015), which can trigger the intention to try illegal online loan services.

Although previous studies have identified factors such as technology acceptance. (Prayusi & Ingriyani, 2023; Rosavina et al., 2019; Ursavaş et al., 2019), financial literacy (Iramani & Lutfi, 2021; Lea, 2021), and risk perception (Kaur & Arora, 2021) in the context of online loans, there is a significant gap in comprehensively understanding the dynamics that lead MSMEs to fall into the trap of illegal online lending. Previous studies have tended to focus on isolated factors and have not fully integrated social, psychological, and financial dimensions within a unified intention (behavioural intention) framework. Furthermore, no research has yet examined the role of trust in illegal online lenders as a mediating variable, nor positioned education level and social media usage frequency as moderating variables in the relationship between intention and actual behaviour, particularly in the context of MSMEs in Indonesia. Therefore, this study aims to fill this gap by proposing a model that not only tests the factors shaping intention but also the mediation and moderation mechanisms that can explain this phenomenon in greater depth.

The state of the art of this research involves: 1) exploring potential factors influencing the intention to use illegal online loans, which have only been partially addressed in previous studies; 2) incorporating trust in illegal online loans as a mediator between these factors and the intention to use them; and 3) including education level and frequency of social media use as moderators affecting the relationship between intention and actual usage. This combination of variables and the introduction of mediation and moderation elements provide a unique perspective for understanding the phenomenon of illegal online loans among MSMEs in Indonesia.

Literature review

Subjective norm, perceived behavioural control, financial literacy, risk perception, interest rate, and social influence affect trust in non-legal online loan

Subjective norm and perceived behavioural control play an important role in building trust in non-legal online loans. Subjective norm refers to an individual's perception of social support from family, friends, or their environment that influences their decisions (Jerene & Sharma, 2019). Perceived behavioural control refers to an individual's belief in their ability to access and qualify for loan services (Jiang et al., 2021). Social support from family, friends, or colleagues can influence how individuals perceive these services, even if their legal status is illegal. (Khairunnisa & Syamlan, 2021). When an individual receives encouragement or approval from their social environment, they are more likely to feel comfortable and confident in using such services. Additionally, an individual's belief in the ease of accessing and using the loan services (perceived behavioural control) can strengthen their trust, as a greater sense of control is often associated with a feeling of security in decision-making (Kaur & Arora, 2020). F Financial and social factors, such as financial literacy (Hamidah et al., 2023), risk perception (Khiba & Ady, 2023), interest rate (Suhányiová et al., 2023), and social influence, also impact the level of trust in non-legal online loans. Individuals with low financial literacy may be more easily swayed by claims of these loan services without considering the long-term risks (Rosavina et al., 2019). A low perception of risk towards illegal loans can increase trust in users, as they may be unaware of or dismiss the legal and financial consequences. Additionally, competitive interest rates often serve as an attractive feature that can build trust in illegal loans, even if they are not formal. Social influence from one's surroundings, such as recommendations or experiences of others, can further reinforce the belief that the service is trustworthy. Based on this, the research hypothesis is as follows.

H1: Subjective norm, perceived behavioural control, financial literacy, risk perception, interest rate, and social influence affect on trust in non-legal online loan

Subjective norm, perceived behavioural control, financial literacy, risk perception, interest rate, social influence, perceived ease of use, and perceived usefulness influence the intention to use non-legal online loans.

Subjective norm, perceived behavioural control, financial literacy, risk perception, interest rate, social influence, perceived ease of use, and perceived usefulness play crucial roles in shaping the intention to use non-legal online loans. Subjective norm, which encompasses the social influence from family, friends, or other social groups, can strengthen an individual's intention to use illegal online loans (Irawan & Hurriyati, 2021). Furthermore, perceived behavioural control, which reflects an individual's belief in their ability to access and meet the loan requirements, can enhance the intention to use such services (Khairunnisa &

Syamlan, 2021). On the other hand, low financial literacy can encourage individuals to fall into the trap of using illegal online loans, while low risk perception makes individuals more likely to ignore the potential risks associated with using such loans (Khiba & Ady, 2023).

A more competitive interest rate becomes a highly attractive factor for individuals seeking alternative loans, even if the loan is illegal (Rosavina et al., 2019). Social influence, whether from family, friends, or coworkers, also strengthens an individual's intention to use illegal online loan services, as social influence can encourage individuals to follow the habits or behaviours of those around them (Arruda Filho et al., 2022). Other factors, such as perceived ease of use and perceived usefulness, also significantly influence the intention to use illegal online loans (Pengnate & Riggins, 2020). When individuals perceive that the loan is easily accessible and provides the financial benefits they desire, their intention to use the loan increases (Liu & Zhang, 2021). Thus, the combination of social, psychological, and financial factors shapes an individual's intention to use illegal online loans. Based on this, the research hypothesis is as follows.

H2: Subjective norm, perceived behavioural control, financial literacy, risk perception, interest rate, social influence, perceived ease of use, and perceived of usefulness affect on intention to use non-legal online loan.

Trust in non-legal online loans influences the intention to use non-legal online loans.

When individuals feel confident that illegal online loans can meet their financial needs with an acceptable level of risk, they are more likely to plan to use them (Prajogo & Rusno, 2022). This trust is derived from personal experience, social recommendations, or perceptions of the safety and ease of using the service (Liu & Zhang, 2021). If the level of trust in the provider of illegal online loans is high, individuals are more likely to engage in the transaction, even if the legal status is questionable (Hasan et al., 2020). Conversely, if individuals feel concerned about security or the potential for fraud, they will be more reluctant to use the service. Therefore, trust in non-legal online loans becomes a determining factor in shaping the intention to use illegal online loans. Thus, the research hypothesis is as follows.

H3: Trust in non-legal online loan affect on intention to use non-legal online loan.

Intention to use non-legal online loans affects usage behaviour, moderated by education and social media usage frequency.

Individuals with higher education levels may be more likely to consider the legal consequences or risks associated with illegal online loans (To & Trinh, 2021), which could weaken the relationship between intention and actual usage behaviour (Liébana-Cabanillas et al., 2021). On the other hand, individuals with a high frequency of social media usage are likely to be more exposed to information and social influences that can strengthen their intention to use these services. Social media often serves as a platform for sharing experiences and recommendations about financial services, which can motivate individuals to follow trends or decisions observed within their social circles (Sreejesh et al., 2020). Therefore, education level and social media usage frequency may moderate the strength of the intention to use illegal online loans, impacting actual usage behaviour.

H4: Intention to use non-legal online loan affect on usage behaviour with education and social media usage frequency as moderation variable.

Research method

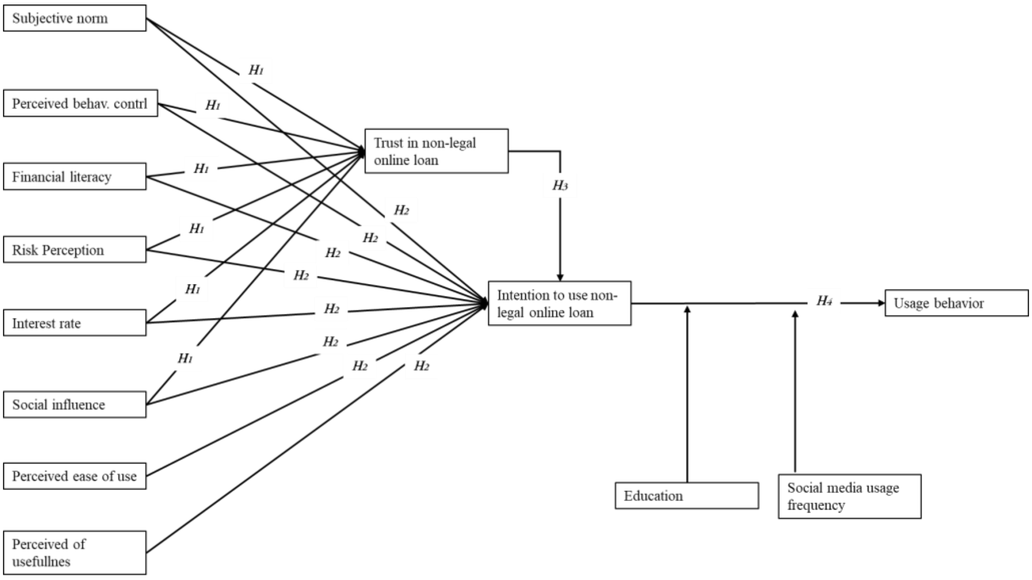
This study uses an explanatory approach by conducting an online survey to collect data and test the proposed hypotheses. The survey is designed to gather information on six research variables, with measurement items adapted from previous studies and modified as necessary to fit the context of this research.

The sampling technique used in this research is purposive sampling. The criteria for sample selection include: 1) respondents must be MSMEs actively using social media, 2) respondents must be registered MSME actors, 3) respondents must be at least 17 years old, 4) respondents must be managers of legally registered MSMEs, and 5) respondents must be aware of the existence of online loan applications.

The sample size is determined by multiplying the number of indicators by 5 to 10 (Hair et al., 2017). The minimum sample size for this study is set at the total number of indicator variables multiplied by 10 (33 indicators x 10=330), resulting in a total of 330 respondents. The type of data used in this research is quantitative data obtained from the questionnaire results. The variables utilised in this study include exogenous variables (X), namely: subjective norm (refers to an individual's perception of social pressure to engage in or refrain from a behaviour) (Prayusi & Ingriyani, 2023; Rosavina et al., 2019); percieved behavioural control (refers to an individual's belief in their ability to perform a behaviour) (Alfadri et al., 2022; Apriliana et al., 2023; Firmansyah et al., 2023), financial literacy refers to the level of understanding related to basic personal finance, credit management, savings, and investments) (Morgan et al., 2020); risk perception (refers to the individual's assessment of the risks associated with the decision to use illegal online loans) (Kaur & Arora, 2021), interest rate (refers to the attention given to the interest rates being offered) (Lea, 2021), social influence (refers to the impact of relatives and peers on the decision to use illegal online loans) (Adamek & Solarz, 2023; Putri et al., 2023), perceived ease of use (refers to the perception of the level of ease in accessing and using illegal online loans) (Adamek & Solarz, 2023; Putri et al., 2023), perceived usefulness (refers to the perception of the level of benefits associated with illegal online loans) (Adamek & Solarz, 2023; Putri et al., 2023). Figure 1 shows research framework of this study.

The endogenous variable in this study is the behaviour of using illegal online loans, measured by the intensity of accessing and interacting with illegal online loan applications. Additionally, the mediating variable in this research is the level of trust in illegal online loans, assessed through the reliability, security, and honesty of these loans. The moderating variables in this study are education level and frequency of social media use.

Figure 1.
Research framework



Source: Author's work (2025)

The data processing method used in this study is through structural equation modeling (SEM). SEM modeling is an advanced development of path analysis, allowing for a more comprehensive determination of causal relationships between exogenous and endogenous variables. This research employs a quantitative analysis approach that adopts Partial Least Squares (PLS). PLS is a powerful analytical method as it is not based on many assumptions (Sarstedt et al., 2022). The steps include evaluating the measurement model (outer model), which consists of convergent validity, discriminant validity, and composite reliability, followed by the evaluation of the structural model (inner model), which includes R-square, Q^2 Predictive Relevance, quality index, hypothesis testing, and moderating effect testing (Hair et al., 2019) to achieve the research objectives.

Results

The respondent data in this study are needed to identify the respondents' backgrounds, which can serve as input to help explain the results obtained from the research. The following is a summary of the respondents' characteristics. Based on Appendix 1, most respondents are aged 21–25 years (41.21%), while the fewest are 41–45 years old (2.12%). In terms of business experience, the majority have been operating for 1–5 years (65.15%), and only a small portion for more than 15 years (5.45%). Most participants are female (62.42%), and the rest male (37.27%). The dominant business type is culinary (32.42%), with livestock as the least common (3.03%). Regarding initial capital, most started with IDR1–10 million (37.58%), while only a few had over IDR 100 million (1.82%). Monthly turnover is largely below Rp10 million (51.82%), and only a small share reaches IDR 30–40 million (4.24%). In terms of education, most completed senior high school (56.36%), whereas very few did not finish elementary school, hold a diploma (D3), or a master's degree (S2) (2.12%). Finally, in daily social media use, the majority spend more than 1–2 hours per day (26.97%), and the fewest more than 5–6 hours (6.36%)

After identifying the characteristics of the respondents, further analysis was conducted using the SEM-PLS method. Based on the calculations using SEM-PLS, a model has been developed illustrating the intention and factors that lead MSMEs to fall into the trap of illegal online loans.

After obtaining the model of intention and factors leading MSMEs to fall into the trap of illegal online loans, the next step is to conduct the outer model testing, which includes Convergent Validity (Loading Factor), Average Variance Extracted (AVE), Composite Reliability, and Cronbach's alpha. All Loading Factor were above the recommended value of 0.6, and the AVE values exceeded 0.5 (Ghozali & Kusumadewi, 2023), confirming that the constructs met the criteria for convergent validity. The results can be seen in the Figure 2.

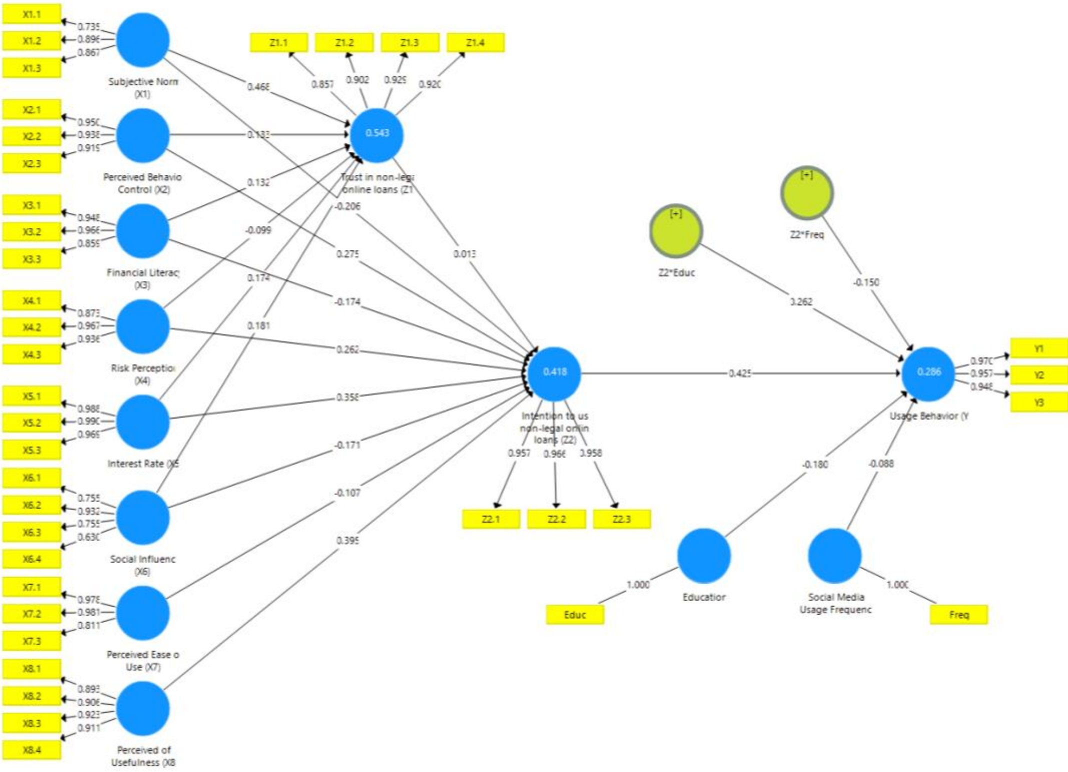
Next, the AVE test will be conducted to further reinforce the results of convergent validity, with the criterion that an AVE value greater than 0.5 indicates valid constructs (Hair et al., 2019). Cronbach's alpha and composite reliability will be assessed to determine the reliability of the constructs. Each construct is considered reliable if its Cronbach's alpha and Composite Reliability values are greater than 0.70 (Hair et al., 2017). All latent variables have AVE values exceeding 0.5, indicating good convergent validity. The discriminant validity is supported by cross-loading values, which reveal that indicators correlate more strongly with their respective constructs than with others. Each latent construct has a Cronbach's alpha greater than 0.7, signifying good reliability, and all composite reliability values also exceed 0.70 as shown in Appendix 2. Thus, the model demonstrates strong validity and reliability.

Furthermore, the HTMT test was performed to assess discriminant validity. Conceptually, this method estimates the actual correlation between two constructs under the assumption of perfect measurement reliability. This estimated correlation, known as the disattenuated correlation, reflects the relationship between constructs after accounting for measurement error. When the disattenuated correlation value nears 1, it suggests that the constructs lack discriminant validity. The HTMT results showed that all values were below 0.90, confirming satisfactory discriminant validity. Moreover, further evaluation of discriminant validity was carried out through cross-loading analysis and the Fornell–Larcker criterion. The Fornell–Larcker criterion confirmed that the model achieved acceptable discriminant validity as shown in Appendix 3.

After conducting the outer model evaluation, the next step is the inner model testing, which includes R-square, f-square, Q-square, and GoF. The obtained R-square values shown in Table 1.

Figure 2.

Path coefficients of the intensity and factors contributing to the entrapment of MSMEs in illegal online lending



Source: Author's work (2025)

Table 1.

R-Square

Variable	R-Square
Trust in non-legal online loans (Z1)	0.543
Intention to use non-legal online loans (Z2)	0.418
Usage behaviour (Y)	0.286

Source: Author's work (2025)

The SEM model in this study is presented in three equations.

$$Z1 = 0.468\ X1 + 0.133\ X2 + 0.132\ X3 - 0.099\ X4 + 0.174\ X5 + 0.181\ X6 + 0.457$$

$$Z2 = -0.206\ X1 + 0.275\ X2 - 0.174\ X3 + 0.262\ X4 + 0.358\ X5 - 0.171\ X6 - 0.107\ X7 + 0.395\ X8 + 0.013\ Z1 + 0.582$$

$$Y = 0.425\ Z2 - 0.180\ EDU - 0.088\ FREQ + 0.262\ (Z2 * EDU) + 0.150\ (Z2 * FREQ) + 0.714$$

According to Table 1, the R-square values indicate that trust in non-legal online loans is explained by 54.3% (0.543) by subjective norms, perceived behavioural control, financial literacy, risk perception, interest rate, and social influence. The intention to use non-legal online loans is explained by 41.8% (0.418) by these variables plus perceived ease of use and perceived usefulness. Lastly, usage behaviour is explained by 28.6% (0.286) through trust and intention to use illegal online loans.

The f-square values for the influences on trust in non-legal online loans from subjective norms, perceived behavioural control, financial literacy, risk perception, interest rate, and social influence are mostly small, ranging from 0.002 to 0.100. For the intention to use non-legal online loans, the effects from the same variables, along with perceived ease of use and usefulness, are small to moderate, ranging from 0.0001 to 0.166. Additionally, the f-square values for the intention to use loans and social media usage frequency on usage behaviour are 0.194 and 0.009, indicating small to moderate effects. The next section will address the Q-square values.

Based on the calculations, the Q-square value is greater than 0, indicating that the observed values have been well reconstructed, thus the structural model has predictive relevance. The GoF value of the structural model is 0.605, indicating a high category (large). Next, hypothesis testing was conducted by comparing the t-statistic with the t-table value of 1.96, or by using p-values compared to α levels of 5% and 10% (0.05 and 0.1). The results of the hypothesis testing for the structural model are presented in the Appendix 4.

The hypothesis test results indicate that the majority of the hypotheses were rejected, with 15 hypotheses rejected and 24 accepted. Regarding the relationship between subjective norm and trust in non-legal online loans, the analysis revealed a significant positive correlation ($p<0.05$). The path coefficient was calculated to be 0.468, suggesting that a stronger subjective norm is associated with higher levels of trust in non-legal online loans.

Perceived behaviour control has a significant positive impact on trust in non-legal online loans, as indicated by a p-value of 0.005, which is less than the significance level of 0.05. The path coefficient of perceived behaviour control on trust in non-legal online loans is 0.133, suggesting that a higher perceived behaviour control is associated with a higher level of trust.

The hypothesis that financial literacy significantly influences trust in non-legal online loans was not supported by the data. The p-value of 0.397 is greater than the significance level of 0.05. While the path coefficient of 0.132 indicates a positive relationship, this relationship is not statistically significant.

Risk perception does not have a significant effect on trust in non-legal online loans, as the p-value is greater than the alpha value, which is 0.503>0.05. The path coefficient of risk perception on trust in non-legal online loans is -0.099 with a negative direction of influence. This means that the better the risk perception, the lower the trust in non-legal online loans.

The interest rate has a significant effect on trust in non-legal online loans, as the p-value is smaller than the alpha value, which is 0.000<0.05. The path coefficient of the interest rate on trust in non-legal online loans is 0.174 with a positive direction of influence. This means that the higher the interest rate, the higher the trust in non-legal online loans.

Social influence has a significant effect on trust in non-legal online loans, with a p-value smaller than the alpha (0.000<0.05) and a path coefficient of 0.181, indicating a positive influence. This means that the better the social influence, the higher the trust in non-legal online loans. On the other hand, subjective norm does not significantly affect the intention to use non-legal online loans, with a p-value greater than the alpha (0.247>0.05) and a negative path coefficient of -0.206, suggesting that a stronger subjective norm leads to a lower intention to use non-legal online loans.

Perceived behaviour control significantly affects the intention to use non-legal online loans, with a p-value smaller than the alpha (0.000<0.05) and a path coefficient of 0.275, indicating a positive influence. This means that the better the perceived behaviour control, the higher the intention to use non-legal online loans. Conversely, financial literacy does not significantly affect the intention to use non-legal online loans, with a p-value greater than the alpha (0.337>0.05) and a negative path coefficient of -0.174, meaning that higher financial literacy leads to a lower intention to use non-legal online loans.

Risk perception does not significantly affect the intention to use non-legal online loans, as the p-value is greater than the alpha (0.189>0.05), with a path coefficient of 0.262, indicating a positive influence. This suggests that better risk perception increases the intention to use non-legal online loans. Meanwhile, the interest rate has a significant effect on the intention to use non-legal online loans, with a p-value smaller than the alpha (0.000<0.05) and a positive path coefficient of 0.358, meaning that higher interest rates increase the intention to use non-legal online loans.

Social influence has a significant effect on the intention to use non-legal online loans, with a p-value smaller than the threshold (0.097<0.1) and a negative path coefficient of -0.171. This means that better social influence leads to a lower intention to use non-legal online loans. On the other hand, perceived ease of use does not significantly affect the intention to use non-legal online loans, as the p-value is greater than the threshold (0.205>0.1) with a negative path coefficient of -0.107, indicating that higher perceived ease of use is associated with a lower intention to use non-legal online loans.

Perceived usefulness has a significant effect on the intention to use non-legal online loans, with a p-value smaller than the alpha (0.001<0.05) and a positive path coefficient of 0.395, indicating that better perceived usefulness leads to a higher intention to use non-legal online loans. However, trust in non-legal online loans does not significantly affect the intention to use them, as the p-value is greater than the alpha (0.851>0.05) with a positive path coefficient of 0.013, suggesting that higher trust does not necessarily increase the intention to use non-legal online loans.

Intention to use non-legal online loans has a significant effect on usage behaviour, with a p-value smaller than the alpha (0.000<0.05) and a positive path coefficient of 0.425, indicating that higher intention leads to higher usage behaviour. Additionally, the intention to use non-legal online loans also significantly affects usage behaviour when moderated by education level, with a p-value smaller than the alpha (0.000<0.05) and a positive path coefficient of 0.262. This means that education level strengthens the relationship between the intention to use non-legal online loans and usage behaviour.

Intention to use non-legal online loans significantly affects usage behaviour when moderated by social media usage frequency, with a p-value smaller than the alpha (0.009<0.05) and a negative path coefficient of -0.150. This indicates that higher social media usage frequency weakens the relationship between intention to use non-legal online loans and usage behaviour. Additionally, subjective norm does not significantly affect the intention to use non-legal online loans through trust in non-legal online loans, as the p-value is greater than the alpha (0.852>0.05) with a positive path coefficient of 0.006, suggesting that while a better subjective norm increases trust in non-legal online loans, it does not significantly impact the intention to use them.

Perceived behaviour control does not significantly affect the intention to use non-legal online loans through trust in non-legal online loans, with a p-value greater than the alpha (0.866>0.05) and a positive path coefficient of 0.002. This suggests that while better perceived behaviour control may increase trust in non-legal online loans, it does not significantly impact the intention to use them. Similarly, financial literacy does not significantly affect the intention to use non-legal online loans through trust in non-legal online loans, with a p-value greater than the alpha (0.920>0.05) and a positive path coefficient of 0.002, indicating that although better financial literacy might improve trust, it does not significantly influence the intention to use non-legal online loans.

Risk perception does not significantly affect the intention to use non-legal online loans through trust in non-legal online loans, as the p-value is greater than the alpha (0.932>0.05) with a negative path coefficient of -0.001. This indicates that better risk perception leads to lower trust in non-legal online loans, which consequently reduces the intention to use them. Similarly, the interest rate does not significantly affect the intention to use non-legal online loans through trust in non-legal online loans, with a p-value greater than the alpha (0.854>0.05) and a positive path coefficient of 0.002. This suggests that while better interest rates may increase trust in non-legal online loans, they do not significantly influence the intention to use them.

Social influence does not significantly affect the intention to use non-legal online loans through trust in non-legal online loans, as indicated by a p-value greater than the alpha (0.854>0.05) and a positive path coefficient of 0.002. This suggests that while better social influence may increase trust in non-legal online loans, it does not significantly impact the intention to use them. Similarly, subjective norm does not significantly affect usage behaviour through intention to use non-legal online loans and trust in non-legal online loans, with a p-value greater than the alpha (0.866>0.05) and a positive path coefficient of 0.002. This indicates that although a better subjective norm may enhance trust and intention to use non-legal online loans, it does not significantly influence usage behaviour.

Perceived behaviour control does not significantly affect usage behaviour through intention to use non-legal online loans and trust in non-legal online loans, as indicated by a p-value greater than the alpha (0.875>0.05) and a positive path coefficient of 0.001. This means that while better perceived behaviour control may increase trust and intention to use non-legal online loans, it does not significantly impact usage behaviour. Similarly, financial literacy does not significantly affect usage behaviour through intention to use non-legal online loans and trust in non-legal online loans, with a p-value greater than the alpha (0.928>0.05) and a positive path coefficient of 0.001. This suggests that although improved financial literacy may enhance trust and intention to use non-legal online loans, it does not significantly influence usage behaviour.

Risk perception does not significantly affect usage behaviour through intention to use non-legal online loans and trust in non-legal online loans, as indicated by a p-value greater than the alpha (0.940>0.05) and a negative path coefficient of -0.001. This suggests that better risk perception leads to lower trust and intention to use non-legal online loans, which consequently results in lower usage behaviour. Similarly, the interest rate does not significantly affect usage behaviour through intention to use non-legal online loans and trust in non-legal online loans, with a p-value greater than the alpha (0.868>0.05) and a positive path coefficient of 0.001. This indicates that while better interest rates may increase trust and intention to use non-legal online loans, they do not significantly influence usage behaviour.

Social influence does not significantly affect usage behaviour through intention to use non-legal online loans and trust in non-legal online loans, as indicated by a p-value greater than the alpha (0.872>0.05) and a positive path coefficient of 0.001. This means that while better social influence may lead to higher trust and intention to use non-legal online loans, it does not significantly influence usage behaviour. Similarly, subjective norm does not significantly affect usage behaviour through intention to use non-legal online loans, with a p-value greater than the alpha (0.261>0.05) and a negative path coefficient of -0.088. This indicates that although better subjective norms may be associated with lower trust in non-legal online loans, they do not significantly impact usage behaviour.

Perceived behaviour significantly affects usage behaviour through intention to use non-legal online loans, with a p-value smaller than the alpha (0.005<0.05) and a positive path coefficient of 0.117. This indicates that better perceived behaviour leads to higher trust in non-legal online loans, which in turn results in increased usage behaviour. In contrast, financial literacy does not significantly impact usage behaviour through intention to use non-legal online loans, as evidenced by a p-value greater than the alpha (0.347>0.05) and a negative path coefficient of -0.074. This suggests that while improved financial literacy may enhance trust, it does not significantly influence usage behaviour.

Risk perception does not significantly affect usage behaviour through intention to use non-legal online loans, as indicated by a p-value greater than the alpha (0.208>0.05) and a positive path coefficient of 0.112. This suggests that while better risk perception may lead to higher trust in non-legal online loans, it does not significantly influence usage behaviour. In contrast, the interest rate significantly affects usage behaviour through intention to use non-legal online loans, with a p-value less than the alpha (0.000<0.05) and a positive path coefficient of 0.152. This indicates that better interest rates are associated with higher trust in non-legal online loans, which in turn results in increased usage behaviour.

Social influence significantly affects usage behaviour through intention to use non-legal online loans, as indicated by a p-value less than the alpha (0.088<0.1) and a negative path coefficient of -0.073. This suggests that while better social influence may be associated with lower trust in non-legal online loans, it ultimately leads to reduced usage behaviour. Conversely, perceived ease of use does not significantly impact usage behaviour through intention to use non-legal online loans, with a p-value greater than the alpha (0.229>0.05) and a negative path coefficient of -0.045. This indicates that even though improved perceived ease of use may correlate with lower trust in non-legal online loans, it does not significantly affect usage behaviour. On the other hand, perceived usefulness significantly influences usage behaviour through intention to use non-legal online loans, evidenced by a p-value less than the alpha (0.000<0.05) and a positive path coefficient of 0.168. This means that higher perceived usefulness leads to increased trust in non-legal online loans, resulting in higher usage behaviour.

Trust in non-legal online loans does not significantly affect usage behaviour through intention to use non-legal online loans, as indicated by a p-value greater than the alpha (0.864>0.05) and a positive path coefficient of 0.005. This suggests that while higher trust in non-legal online loans may correlate with an increased intention to use these loans, it does not significantly influence actual usage behaviour.

Discussion

The findings of this analysis reveal that subjective norms have a significant impact on trust in non-legal online loans. The results show that support from family and friends plays an important role in shaping the trust of MSMEs owners towards illegal online loans. For MSMEs, usually run by the owner with few employees, social influence is highly significant because financial decisions often involve informal discussions within close networks. This is consistent with Irdiana et al. (2022) and Khairunnisa & Syamlan (2021), who emphasised the influence of social environment in fintech adoption. In other words, previous research supports this finding, as peer and family influence also affects MSMEs' borrowing decisions (Irdiana et al., 2022; Khairunnisa & Syamlan, 2021).

Perceived behavioural control is another significant factor influencing trust in illegal online loans. For MSMEs, a sense of control over the loan process (e.g., accessing the app, understanding terms, and managing loans) increases trust in illegal services. MSME owners tend to feel capable of managing loans according to their business capital needs, which fosters confidence in the service's reliability. This aligns with Kaur & Arora (2020), who found that individual control perceptions in fintech services increase trust, making previous research consistent with the context of MSMEs (Kaur & Arora, 2020)

Although MSMEs have varying financial literacy levels, financial knowledge does not automatically make them more skeptical of illegal loans. Practical needs and urgency often dominate over formal financial understanding. This is consistent with Disney & Gathergood (2013), who found that low financial literacy increases vulnerability to high-cost credit. Previous studies support this finding, particularly regarding MSMEs' vulnerability to risky financial products (Disney & Gathergood, 2013). Consumers still need to improve their financial literacy, as it will impact how they manage and utilise financial technology, including online loans (Hamidah et al., 2023).

Similarly, perceived risk does not significantly influence individuals' trust in illegal online loans. MSMEs may recognise the risks of illegal loans (e.g., high interest rates, potential fraud) but still trust the service to meet urgent capital needs. This differs from some studies in formal banking contexts (Damghanian et al., 2016), but it is relevant to MSMEs, whose financial decisions are more influenced by urgent capital needs than risk perception (Damghanian et al., 2016).

Interest rates have been shown to play a crucial role in establishing trust in non-legal online loans. MSMEs tend to compare interest rates of illegal loans with formal institutions. Competitive rates increase trust despite the illegal status of the loan. This finding aligns with Ashraf & Shen (2019), Edelberg (2006), and Suhányiová et al. (2023), who showed that interest rates influence trust in credit services. Previous research supports this, as financial incentives are a key factor in MSMEs' decisions (Ashraf & Shen, 2019; Edelberg, 2006; Suhányiová et al., 2023).

Social influence emerges as another critical factor in fostering trust in illegal online loans. The social network of MSMEs, both fellow entrepreneurs and local communities, affects their trust in illegal online loans. This highlights the importance of social norms in financial decision-making, consistent with Arruda Arruda et al. (2022)., who found that social influence increases fintech adoption. Previous studies support this finding, showing the effect of social norms on borrowing decisions (Arruda et al., 2022).

While subjective norms significantly influence trust, this study found that they do not significantly influence the intention to use illegal online loans. Even though MSMEs receive social support, the intention to borrow is more influenced by internal factors, such as urgent capital needs, awareness of usury, and financial literacy. This aligns with Aji et al. (2021) and Apriliana et al. (2023), who emphasised that subjective norms are often less relevant in individual financial decisions. Previous studies support this, highlighting the complexity of MSMEs' financial decision-making (Aji et al., 2021; Apriliana et al., 2023).

Conversely, perceived behavioural control has been shown to significantly influence the intention to use non-legal online loans. MSMEs who feel it is easy to access and meet the requirements of illegal online loans show a high intention to borrow. This emphasises the role of perceived ease of access and control in decision-making, consistent with Alfadri et al. (2022), Apriliana et al. (2023), and Firmansyah et al. (2023). Previous research supports this finding, relevant to MSMEs' behaviour (Alfadri et al., 2022; Apriliana et al., 2023; Firmansyah et al., 2023).

Perceived usefulness also has a significant positive impact on the intention to use non-legal online loans. MSMEs are more likely to intend to borrow when they believe the loan can effectively meet their business capital needs. However, weak trust can still hinder the final decision. This finding aligns with Liu & Zhang (2021) and Pengnate & Riggins (2020), showing consistency of previous research on the relationship between perceived usefulness and intention (Liu & Zhang, 2021; Pengnate & Riggins, 2020).

The intention to utilise illegal online loans is found to be a significant predictor of actual borrowing behaviour. MSMEs with a strong intention to borrow are more likely to engage in the actual behaviour. This confirms that intention is a key determinant of financial behaviour, which can be moderated by education level and social media use. This finding is consistent with previous research on intention and financial or consumer behaviour, supporting the validity of the behavioural model for MSMEs.

Conclusion, limitation, and future research

The results of this study indicate that subjective norms and perceived behavioural control significantly influence trust in non-legal online loans among MSMEs, whereas financial literacy and perceived risk do not. Competitive interest rates and social influence enhance trust, even though subjective norms do not significantly affect the intention to use these loans. Intention to use illegal online loans is strongly influenced by perceived behavioural control and perceived usefulness, but trust does not significantly affect intention. Furthermore, intention significantly predicts actual borrowing behaviour, moderated by education level and social media usage. These findings reinforce the Theory of Planned Behaviour (TPB), showing that perceived behavioural control plays a central role in financial decision-making among small-scale entrepreneurs, while social and financial factors have different impacts in high-risk contexts.

Theoretical implications include confirming the applicability of TPB to MSMEs' financial behaviour and contributing to fintech adoption literature by highlighting that financial literacy and risk perception may have limited explanatory power in urgent, practical financial decisions. Practical implications for MSMEs involve raising awareness about the risks of illegal loans and promoting safe borrowing practices. Policymakers, local government, and financial institutions can leverage these findings to design user-friendly legal loan products, enhance community support for legal financial options, and reduce MSMEs' reliance on illegal services.

Operational recommendations include mentoring and support for MSMEs, particularly involving formal financial institutions and facilitated by the government. This support should provide easier access to capital administratively, with flexible loan tenors and interest rates that can be restructured at any time, allowing MSMEs to manage their operational finances more effectively. The purpose of this program is to help MSMEs avoid the traps of highly risky online loans. In addition, the government can provide guarantees to financial institutions so that lending platforms for MSMEs can offer larger, needs-based, and well-targeted financing. Limitations of this study include its cross-sectional design, which cannot track behavioural changes over time, and potential respondent bias. Future research could examine demographic factors such as age and income, and explore the long-term effects of interventions on sustained use of legal financial services.

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Appendix 1

Recapitulation of respondents' characteristics

Respondents' characteristics		Frequency	Percentage
Age	17-20 years	83	25.15%
	21-25 years	136	41.21%
	26-30 years	28	8.48%
	31-35 years	31	9.39%
	36-40 years	28	8.48%
	41-45 years	7	2.12%
	46-50 years	9	2.73%
	>50 years	8	2.42%
Length of business operation	1-5 years	215	65.15%
	>5-10 years	76	23.03%
	>10-15 years	21	6.36%
	>15 years	18	5.45%
Gender	Man	123	37.27%
	Woman	207	62.73%
Type of business	Fashion	44	13.33%
	Beauty	15	4.55%
	Handycrafts	39	11.82%
	Culinary	107	32.42%
	Printing	29	8.79%
	Trading	63	19.09%
	Agriculture	23	6.97%
	Farm	10	3.03%
Initial business capital	IDR1 million - 10 million	124	37.58%
	> IDR 10 million - 20 million	60	18.18%
	> IDR 20 million - 30 million	63	19.09%
	> IDR 30 million - 40 million	24	7.27%
	> IDR 40 million - 50 million	20	6.06%
	> IDR 50 million - 100 million	33	10.00%
	> IDR 100 million	6	1.82%
Business turnover per month	< IDR 10 million	171	51.82%
	IDR 10 juta - 20 million	68	20.61%
	IDR 20 juta - 30 million	42	12.73%
	IDR 30 juta - 40 million	14	4.24%

Respondents' characteristics		Frequency	Percentage
	> IDR 40 million	35	10.61%
Education	Didn't finish elementary school	7	2.12%
	Elementary School/Equivalent	29	8.79%
	Junior High School/Equivalent	26	7.88%
	High School/Equivalent	186	56.36%
	D3	7	2.12%
	S1	68	20.61%
	S2	7	2.12%
How long do you typically view or use social media per day?	More than 1-2 hours a day	89	26.97%
	More than 2-3 hours a day	48	14.55%
	More than 3-4 hours a day	46	13.94%
	More than 4-5 hours a day	54	16.36%
	More than 5-6 hours a day	21	6.36%
	More than 6 hours a day	72	21.82%

Source: Author's work (2025)

Appendix 2.

AVE, Cronbach's alpha and Composite Reliability

Latent variables	Cronbach's alpha	Composite Reliability	Average Variance Extracted (AVE)
Subjective norm (x1)	0.784	0.873	0.699
Perceived behavior control (x2)	0.928	0.955	0.875
Financial literacy (x3)	0.915	0.947	0.857
Risk perception (x4)	0.916	0.947	0.857
Interest rate (x5)	0.982	0.988	0.965
Social influence (x6)	0.777	0.856	0.602
Perceived ease of use (x7)	0.936	0.948	0.859
Perceived of usefulness (x8)	0.930	0.950	0.825
Trust in non-legal online loans (z1)	0.924	0.946	0.815
Intention to use non-legal online loans (z2)	0.958	0.973	0.922
Education	1.000	1.000	1.000
Social media usage frequency	1.000	1.000	1.000
Z2*educ	1.000	1.000	1.000
Z2*freq	1.000	1.000	1.000
Usage behavior (y)	0.956	0.971	0.919
Subjective norm (x1)	0.784	0.873	0.699
Perceived behavior control (x2)	0.928	0.955	0.875
Financial literacy (x3)	0.915	0.947	0.857
Risk perception (x4)	0.916	0.947	0.857

Source: Author's work (2025)

Appendix 3

Cross Loadings

	X1	X2	X3	X4	X5	X6	X7	X8	Y	Z1	Z2
X1.1	0.735	0.460	0.482	0.493	0.280	0.328	0.243	0.480	0.358	0.471	0.063
X1.2	0.896	0.480	0.864	0.760	0.217	0.277	0.176	0.463	0.503	0.658	0.258
X1.3	0.867	0.296	0.760	0.886	0.236	0.381	0.293	0.309	0.405	0.557	0.185
X2.1	0.441	0.950	0.395	0.318	0.167	0.303	0.048	0.609	0.627	0.473	0.361

	X1	X2	X3	X4	X5	X6	X7	X8	Y	Z1	Z2
X2.2	0.473	0.938	0.445	0.378	0.175	0.433	0.121	0.580	0.652	0.449	0.396
X2.3	0.461	0.919	0.426	0.408	0.045	0.407	0.248	0.577	0.703	0.429	0.414
X3.1	0.840	0.493	0.948	0.813	0.241	0.273	0.193	0.465	0.504	0.604	0.234
X3.2	0.778	0.440	0.966	0.861	0.273	0.281	0.187	0.440	0.461	0.581	0.202
X3.3	0.778	0.305	0.859	0.943	0.265	0.373	0.288	0.310	0.397	0.508	0.166
X4.1	0.778	0.446	0.946	0.873	0.287	0.291	0.193	0.447	0.486	0.587	0.210
X4.2	0.795	0.303	0.837	0.967	0.285	0.382	0.292	0.321	0.417	0.530	0.170
X4.3	0.829	0.334	0.802	0.936	0.255	0.381	0.273	0.325	0.433	0.552	0.191
X5.1	0.277	0.136	0.317	0.332	0.988	0.075	-0.179	0.060	0.235	0.336	0.386
X5.2	0.280	0.130	0.310	0.331	0.990	0.082	-0.177	0.060	0.225	0.335	0.376
X5.3	0.281	0.141	0.201	0.222	0.969	0.049	-0.239	0.036	0.221	0.345	0.420
X6.1	0.143	0.126	0.149	0.222	0.003	0.755	0.612	0.071	0.138	0.245	-0.033
X6.2	0.394	0.441	0.351	0.400	0.000	0.932	0.681	0.441	0.365	0.486	0.083
X6.3	0.394	0.426	0.318	0.341	0.159	0.755	0.379	0.374	0.317	0.306	0.104
X6.4	0.181	0.150	0.115	0.121	0.095	0.630	0.429	0.204	0.051	0.215	-0.242
X7.1	0.275	0.162	0.239	0.263	-0.205	0.654	0.978	0.266	0.148	0.099	-0.177
X7.2	0.257	0.124	0.216	0.264	-0.204	0.679	0.981	0.248	0.127	0.096	-0.177
X7.3	0.354	0.186	0.302	0.306	0.003	0.711	0.811	0.321	0.247	0.236	-0.012
X8.1	0.402	0.550	0.372	0.358	-0.050	0.362	0.327	0.893	0.402	0.468	0.379
X8.2	0.400	0.507	0.361	0.295	0.012	0.398	0.333	0.906	0.288	0.523	0.320
X8.3	0.462	0.559	0.416	0.380	0.108	0.360	0.230	0.923	0.384	0.508	0.426
X8.4	0.516	0.658	0.448	0.395	0.104	0.306	0.102	0.911	0.480	0.582	0.403
Y1	0.439	0.645	0.444	0.457	0.195	0.293	0.159	0.372	0.970	0.466	0.367
Y2	0.467	0.633	0.472	0.433	0.268	0.256	0.061	0.396	0.957	0.527	0.350
Y3	0.556	0.742	0.499	0.496	0.205	0.360	0.187	0.470	0.948	0.515	0.424
Z1.1	0.518	0.508	0.479	0.484	0.182	0.408	0.171	0.552	0.596	0.857	0.296
Z1.2	0.533	0.338	0.505	0.486	0.319	0.375	0.135	0.458	0.371	0.902	0.283
Z1.3	0.662	0.409	0.587	0.573	0.276	0.385	0.041	0.553	0.393	0.929	0.257
Z1.4	0.716	0.477	0.619	0.617	0.440	0.401	0.051	0.509	0.531	0.920	0.320
Z2.1	0.197	0.380	0.211	0.203	0.373	-0.012	-0.162	0.353	0.396	0.236	0.957
Z2.2	0.230	0.432	0.233	0.221	0.380	0.042	-0.187	0.430	0.435	0.361	0.966
Z2.3	0.193	0.388	0.184	0.170	0.405	0.011	-0.156	0.438	0.316	0.322	0.958

Source: Author's work (2025)

Appendix 4.

Direct and indirect result test of every relationship

No	Relationship (path)	Path Coefficient	P-value	Significance
1	Subjective norm affect trust	0.468	< 0.05	Significant
2	Perceived behaviour control affect trust	0.133	0.005	Significant
3	Financial literacy affect trust	0.132	0.397	Not significant
4	Risk perception affect trust	-0.099	0.503	Not significant
5	Interest rate affect trust	0.174	0	Significant

No	Relationship (path)	Path Coefficient	P-value	Significance
6	Social influence affect trust	0.181	0	Significant
7	Subjective norm affect intention to use	-0.206	0.247	Not significant
8	Perceived behaviour control affect intention to use	0.275	0	Significant
9	Financial literacy affect intention to use	-0.174	0.337	Not significant
10	Risk perception affect intention to use	0.262	0.189	Not significant
11	Interest rate affect intention to use	0.358	0	Significant
12	Social influence affect intention to use	-0.171	0.097	Significant (at 0.1)
13	Perceived ease of use affect intention to use	-0.107	0.205	Not significant
14	Perceived usefulness affect intention to use	0.395	0.001	Significant
15	Trust affect intention to use	0.013	0.851	Not significant
16	Intention to use affect usage behaviour	0.425	0	Significant
17	Intention × education level affect usage behaviour	0.262	0	Significant
18	Intention × social media frequency affect usage behaviour	-0.15	0.009	Significant
19	Subjective norm → trust → intention to use	0.006	0.852	Not significant
20	Perceived behaviour control → trust → intention to use	0.002	0.866	Not significant
21	Financial literacy → trust → intention to use	0.002	0.92	Not significant
22	Risk perception → trust → intention to use	-0.001	0.932	Not significant
23	Interest rate → trust → intention to use	0.002	0.854	Not significant
24	Social influence → trust → intention to use	0.002	0.854	Not significant
25	Subjective norm → trust → intention → usage behaviour	0.002	0.866	Not significant
26	Perceived behaviour control → trust → intention → usage behaviour	0.001	0.875	Not significant
27	Financial literacy → trust → intention → usage behaviour	0.001	0.928	Not significant
28	Risk perception → trust → intention → usage behaviour	-0.001	0.94	Not significant
29	Interest rate → trust → intention → usage behaviour	0.001	0.868	Not significant
30	Social influence → trust → intention → usage behaviour	0.001	0.872	Not significant
31	Subjective norm → intention → usage behaviour	-0.088	0.261	Not significant
32	Perceived behaviour control → intention → usage behaviour	0.117	0.005	Significant
33	Financial literacy → intention → usage behaviour	-0.074	0.347	Not significant
34	Risk perception → intention → usage behaviour	0.112	0.208	Not significant
35	Interest rate → intention → usage behaviour	0.152	0	Significant
36	Social influence → intention → usage behaviour	-0.073	0.088	Significant (at 0.1)
37	Perceived ease of use → intention → usage behaviour	-0.045	0.229	Not significant
38	Perceived usefulness → intention → usage behaviour	0.168	0	Significant
39	Trust → intention → usage behaviour	0.005	0.864	Not significant

Source: Author's work (2025)