

ABSTRACT

The current use of digital financial services among the productive age communities is increasing. Mobile money usage and the implementation of a digitalization system in the financial sector are expected to increase financial inclusion. By increasing financial inclusion, the poverty rate is also expected to be reduced. Buleleng Regency is one of regency in Bali Province, Indonesia which has a high poverty rate. It is necessary to increase financial inclusion through mobile money usage. However, it is also necessary to increase consumer protection to support this digitalization. This research aims to determine the effect of mobile money usage on financial inclusion with digital consumer protection as a mediator in productive age communities in Buleleng Regency, Bali, Indonesia. The population of this research consists of 439,400 people of productive age in Buleleng Regency, Bali, Indonesia. The sampling technique used in this research is a non-probability sampling with the total of 477 samples. This research applies the Sobel test by Baron and Kenny's mediation analysis, and the PROCESS method by Hayes. The results of this study show that digital consumer protection partially mediates the effect of the mobile money usage on financial inclusion in Buleleng Regency, Bali, Indonesia. Based on the results of this research, it is suggested to regulators and related agencies in Indonesia to pay more attention to the safety factor of mobile money users by strengthening consumer protection in terms of both regulation and the system reliability. Furthermore, it is also necessary to develop education programs on how to manage finance properly by using mobile money in order to improve people's welfare.

Keywords: Digital Consumer Protection, Mobile Money Usage, Financial Inclusion, Poverty