

**THE MINDSET OF MSME ACTORS TOWARDS
ONLINE LOAN APPLICATION
(USING THE RUBICON MODEL PERSPECTIVE)**

Ike Meilani Fajarsari

Politeknik Masamy Internasional, Banyuwangi

Email : ike.meilani@polmain.ac.id

Abstract

MSMEs receive special attention from the government and economic institutions because of their strategic role in supporting inclusive and sustainable economic growth. The pandemic that hit made the MSME economy decline. Business actors still want their business to run but are hampered by the funds they have. One of the efforts to increase business capital by making an online loan. This study used quantitative methods and the type of data used was primary data, namely the results of distributing questionnaires with questionnaires using the concept of the Rubicon model. The population selected in this study is MSMEs in Banyuwangi Regency. There is a Predecisional (X1) influence on Online Loans (Y). CrossingRub (X2) affects Online Loans (Y). In the Postdecisional variable, there is no Postdecisional influence (X3) on Online Loans (Y). In the SustainingAc variable, there is an influence of SustainingAc (X4) on Online Loans (Y). It requires a wise and planning approach, online loans can be a valuable tool for business people to achieve their business goals.

Keywords: MSMEs; Ijen Geopark; Online Loans

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INTRODUCTION

The development of digital technology continues to affect the business world in rapid and significant ways (Ratten, 2020). The growth of e-commerce continues to be the dominant trend worldwide. Consumers are increasingly relying on online shopping to purchase goods and services, prompting traditional companies to adapt to more digital business models (Fu et al., 2020). The increased accessibility of technology and resources has made it possible for anyone to create innovative solutions to existing problems. The emergence of smartphones is one of the technological developments that are growing rapidly. In 2022 Indonesia ranks fourth in the world in terms of smartphone users, with 192 million users in Newzoo quoted (Sadya, 2023).

**8 Negara dengan Pengguna Smartphone Terbanyak di Dunia
(2022)**

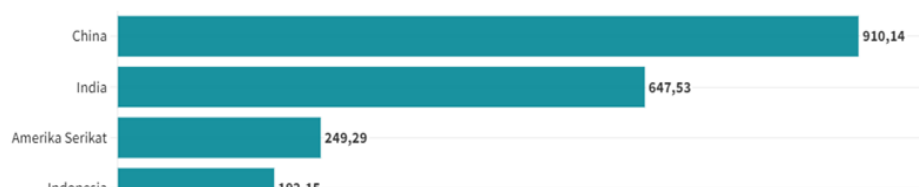


Figure 1 data of Smartphone user countries in the world

Smart phones can be used to do many things, such as interact through social media, pay online, and send messages through instant messengers. The Internet and digital technology have provided easier and wider access to information. Advances in technology have changed the way people interact and communicate with each other. Better connectedness allows people to share views, experiences, and ideas globally (Kwantes & Chung-Yan, 2016). This allows people to seek knowledge, learn about new things, and access news and information from various sources, as a result by having access to various perspectives and points of view, the mindset of the community becomes more open and diverse.

Business activities cannot be separated from technology, technology facilitates various forms of innovation and creativity by providing a platform that makes it easier for people to create new products or services (Coelho & De Brito, 2013). One form of combining information technology and financial services that can make transactions carried out quickly without worrying about distance is fintech. One of the factors driving the growth of fintech innovation is the change in consumer perspective on the importance of having an internet connection that allows transactions to be made quickly and easily (Rizvi et al., 2018). One type of business in the fintech industry is online loans. Online loans are a type of loan that can be applied for and processed online through platforms or websites that provide loan services electronically (Wahyuni, 2020). Online loans have characteristics such as, the loan application procedure is carried out online through a website or mobile application, the process is faster, and without collateral. The ease of borrowing funds is more efficient and increasingly popular among the community.

MSMEs have an important role in the economy because they contribute to creating jobs, increasing economic growth, and acting as innovators in various business sectors (Franquesa & Vera, 2021). The scale of MSMEs is smaller than large companies, management control is needed to continue to assist MSME owners in managing their businesses efficiently and effectively (Nopiyan, et al., 2022). The COVID-19 pandemic not only has an impact on the economic aspect but also has an impact on the consumption behavior of needs in the community, including MSMEs. Many MSMEs experienced a decline in income due to decreased demand and restrictions on economic activity during the pandemic as well as suboptimal internal controls (Amin, Meilani, Agus, & Firdaus, 2023). In addition, MSMEs also find it difficult to obtain additional capital to maintain

their operations. After the pandemic, MSMEs continue to struggle to survive by finding creative ways to survive, innovate and adapt to changing situations. One way to survive by increasing capital is by borrowing on online loans. This is because the process is faster and loan funds can be disbursed in a short time after approval. But it is undeniable that in some cases with online loans, if the borrower cannot manage loan payments properly, the borrower can face sanctions in the form of fines or penalties.

In the perspective of the action phase model, Rubicon provides an explanation of the stages of decision-making behavior (Liu, Lai, Hwang, & Tu, 2022) (Kim, Shin, & Lee, 2020). According to the Rubicon model there are four phases of one's actions, in this theory describing the mental and emotional processes that occur when a person decides to take action and overcome obstacles in achieving those goals. First, the predecision phase is where potential goals are evaluated using a mindset of considering to decide on a choice. Second, the phase of crossing the rubicon is to have made a choice and started making that decision. The third phase, postdecisional, is the ability to face the consequences of the decisions they have taken and remain committed to the actions they have chosen. Last is the sustaining action phase, where consistency and constancy are needed to achieve the desired goals. Based on the background description above, this study answers the problem, what is the mindset of MSMEs regarding the use of online loan applications using the Rubicon perspective?

RESEARCH METHODS

Based on the method used, this study uses quantitative methods and the type of data used is primary data, namely the results of questionnaire distribution. Quantitative method is a form of scientific approach that examines the problem of a phenomenon, and sees possible links or relationships between variables in the research determined (Nugroho, Meilani, Solikin, Era, & dkk, 2023). The population selected in this study is MSMEs in Banyuwangi Regency. Sampling in this study was taken using purposive sampling techniques. Here are some criteria that must be owned by MSME respondents:

1. MSME businesses are still running until 2023
2. MSME Actors in Banyuwangi Regency
3. MSME actors have or are using online loan applications

RESULT AND DISCUSSION

The following table is a descriptive analysis of the results of data processing

Table 1. Descriptive Statistics

Descriptive Statistics							
	N	Range	Minimum	Maximum	Sum	Mean	Std. Deviation
Predecisional (X1)	364	30	30	60	16236	44.60	8.795
CrossingRub (X2)	364	20	30	50	15053	41.35	5.727
Postdecisional (X3)	364	20	20	40	11192	30.75	6.864
SustainingAc (X4)	364	20	20	40	10801	29.67	7.162
LoanOnline (Y)	364	15	20	35	9885	27.16	4.046
Valid N (listwise)	364						

Through the table above we can see the number of question instruments, the amount of data used, know the minimum and maximum values and also the average value with standard deviation.

Table 2 Partial T-Test Table

Coefficients ^a	
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Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	8.932	1.500		5.954	.000
Predecisional (X1)	.090	.021	.196	4.221	.000
Crossingrub (X2)	.417	.030	.590	14.068	.000
Postdecisional (X3)	-.008	.028	-.014	-.291	.771
Sustainingac (X4)	-.094	.023	-.166	-4.049	.000

A. Dependent Variable: Loanonline (Y)

Based on the SPSS table 'Coefficients' above it is known that the significance value (Sig) of the Predecisional variable (X1) is 0.000, because the value of sig. $0.000 < 0.05$, then it can be concluded that H1 is accepted. This means that there is a Predecisional (X1) influence on Online Loans (Y). In the CrossingRub variable (X2) is the value of sig. $0.000 < 0.05$, then it can be concluded that H2 is acceptable. This means that there is an influence of CrossingRub (X2) on Online Loans (Y). In the Postdecisional variable (X3) is equal to the value of sig. $0.771 > 0.05$, then it can be concluded that H3 is rejected. This means that there is no Postdecisional (X3) influence on Online Loans (Y). In the variable SustainingAc (X4) is equal to the value of sig. $0.00 > 0.05$, then it can be concluded that H4 is accepted. This means that there is an influence of SustainingAc (X4) on Online Loans (Y).

Testing the Effect of Predecisional (X1) on Online Loans

Based on the results above that the Predecisional variable (X1) is 0.000, because the value of sig. $0.000 < 0.05$, then it can be concluded that H1 is accepted. At this stage, MSME actors may be aware of problems or goals to be achieved, but have not made concrete decisions to act. The pandemic is enough to make activity activities decrease so that business turnover and capital also fall. The desire to raise capital is quickly thought of by business actors, and with many promotional media about online loans supporting the interest of business actors to increase capital from online loans.

Testing the Effect of CrossingRub (X2) on Online Loans

Based on the results above that the CrossingRub variable (X2) is 0.000, because the value of sig. $0.000 < 0.05$, then it can be concluded that H2 is acceptable. At this stage, MSME actors get a turning point when making decisions to act and actively taking action to achieve goals or overcome problems. Loans to banks have been carried out but have not been sufficient capital to turn back the wheels of business. For these problems, business actors are moving to borrow funds through online loan applications, Before making online loans, MSME actors have sought information from various media sources and partners about how to borrow online.

Testing the Effect of Postdecisional (X3) on Online Loans

Based on the results above that the Postdecisional variable (X3) is 0.771, because the value of sig. $0.771 > 0.05$, then it can be concluded that H3 is rejected. At this stage, MSME players have no obstacles or problems in carrying out the online loan process. The online loan is quite easy to do and the process of disbursing funds after approval is also fast. But the consequence that must be faced is the return of funds that must be on time, out of the time specified in the agreement there is a high interest. Business actors admit that immediately liquid funds become a pleasant thing, but if funds are not managed properly they must be prepared to face the consequences.

Testing the Effect of SustainingAc (X4) on Online Loans

Based on the results above that the variable SustainingAc (X4) is 0.000, because the value of sig. $0.000 < 0.05$, then it can be concluded that H4 is acceptable. At this stage, consistency and constancy are required to achieve the desired goal. If successful, one can achieve positive results and overcome obstacles that may arise on the way to that goal. MSME actors must consistently manage money well in order to pay principal and interest debts within the agreed time.

CONCLUSION

MSMEs have an important role in the economy because they contribute to creating jobs, increasing economic growth, and acting as innovators in various business sectors. Many specific assistance and support programs are aimed at assisting MSMEs in improving their competitiveness, access to markets, access to capital, and innovation capabilities. It is important for MSMEs to have a management control system that suits their scale and business needs. Online loans have become a popular alternative for many business actors, especially MSMEs, in finding additional sources of funds to support their business operations and growth. Business actors who borrow funds on online loans often look for convenience and comfort in the application process which can be done online through platforms or applications. The quick and easy process allows them to gain access to funds quickly, which is invaluable in addressing urgent needs or business opportunities that come out of the blue. MSME players must prioritize the use of funds for business purposes that support business growth and sustainability, not for unnecessary expenses. Need a thoughtful and planning approach, online loans can be a valuable tool for business people to achieve their business goals.

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