

## **ABSTRACT**

*It is expected that the Fintech digital market payment industry in Indonesia would experience consistent growth in users between 2023 and 2027, reaching 50.8 million users, a 25.85% increase. Bandung is Indonesia's third-largest city, following Surabaya and Jakarta, and the capital of West Java province. Bandung alone has 2.1 million internet users, which accounts for 85.2% of the city's entire population. However, according to reports, one of the challenges faced is the lack of ability to adapt and use technology among some traders who have low education and whose business locations are far from metropolitan areas. Apart from that, according to the Ministry of Communication and Information, only around 19 million MSMEs in Indonesia are able to do business online, or 29% of the total MSMEs, namely 64 million units. Quantitative method is used in this research with a causal goal applied using the Theory of Acceptance Model (TAM). Financial literacy, perceived ease of use, government assistance, and trust are the independent factors. with the introduction of fintech as the dependent variable.*

*This study also investigates the mediating roles that user innovativeness and perceived usefulness play. The aim of this research is to learn more about the characteristics that MSMEs in Bandung consider important while adopting Fintech. According to the study, the adoption of Fintech is significantly influenced by perceived utility, trust, innovativeness, and simplicity of use. Fintech uptake in Bandung, however, is not significantly impacted by financial literacy or government support.*

*Keywords: Financial Technology, Fintech Adoption, Financial Literacy, MSMEs*