

Financial Technology-Based Transaction Model in Sasak Weaving MSMEs, Lombok

Yayuk Sri Rahayu¹, Guntur Kusuma Wardana², Fitriyah³, Razali Ade
Syahputra Hasibuan⁴

^{1,2,3}Islamic Banking, Faculty of Economics,

Universitas Islam Negeri Maulana Malik Ibrahim Malang, Indonesia

⁴INCEIF University, Malaysia

✉ Corresponding Author:

Author Name: Guntur Kusuma Wardana

E-mail: guntur@uin-malang.ac.id

Submitted: April 28th 2026 | Reviewed: June 02nd
2026 | Revised: September 15th 2026 | Accepted:
September 30th 2026

Abstract: Fintech development in Indonesia has created opportunities to expand the financial inclusion of MSMEs, with potential implications for poverty alleviation. However, barriers to accessing and using financial services continue to constrain MSME competitiveness, including among producers of Sasak woven fabric. This study examines the implementation and role of fintech in Sasak woven-fabric MSMEs in Lombok and identifies the barriers to its adoption. A qualitative research design was used, with data collected through face-to-face interviews, focus group discussions, direct observation, and photographic documentation. The findings show that the main fintech services

used by Sasak woven-fabric MSMEs are QRIS and bank transfers. Fintech adoption is more extensive in Sukarara than in Sade. MSME actors in Sade generally have lower digital and financial literacy and continue to rely largely on cash transactions, whereas those in Sukarara receive cooperative support for non-cash transactions. Major barriers to wider fintech integration in Lombok's tourism economy include limited digital and financial literacy and insufficient sustained institutional support. Banks, government agencies, and local communities should therefore collaborate to strengthen digital literacy and develop fintech-enabled infrastructure

Keywords: *Micro Small and Medium Enterprises; Financial Technology; Sasak Lombok*

Abstrak: Perkembangan fintech di Indonesia telah menciptakan peluang untuk memperluas inklusi keuangan bagi UMKM, yang berpotensi berdampak pada pengentasan kemiskinan. Namun, hambatan dalam mengakses dan menggunakan layanan keuangan masih membatasi daya saing UMKM, termasuk di kalangan perajin kain tenun Sasak. Studi ini mengkaji penerapan dan peran fintech pada UMKM kain tenun Sasak di Lombok serta mengidentifikasi hambatan dalam adopsinya. Penelitian ini menggunakan desain kualitatif dengan pengumpulan data melalui wawancara tatap muka, diskusi kelompok terpusat, observasi langsung, dan dokumentasi foto. Hasil penelitian menunjukkan bahwa layanan fintech utama yang digunakan oleh UMKM kain tenun Sasak adalah QRIS dan transfer bank. Adopsi fintech lebih luas di Sukarara dibandingkan dengan Sade. Pelaku UMKM di Sade umumnya memiliki tingkat literasi digital dan keuangan yang lebih rendah serta masih sangat bergantung pada transaksi tunai, sedangkan pelaku UMKM di Sukarara mendapatkan dukungan dari koperasi untuk transaksi

nontunai. Hambatan utama bagi integrasi fintech yang lebih luas dalam ekonomi pariwisata Lombok meliputi terbatasnya literasi digital dan keuangan serta kurangnya dukungan kelembagaan yang berkelanjutan. Oleh karena itu, bank, instansi pemerintah, dan masyarakat setempat perlu berkolaborasi untuk meningkatkan literasi digital dan mengembangkan infrastruktur yang mendukung fintech.

Kata kunci: Usaha Mikro Kecil dan Menengah; Financial Technolgy; Sasak Lombok

Citation:

Rahayu, Y. S., Wardana, G. K., Fitriyah, Hasibuan, R. A. S. (2026). Financial Technology-Based Transaction Model in Sasak Weaving MSMEs, Lombok. *Iqtishoduna*, 22(2), 124-139. <https://doi.org/10.18860/iq.v22i2.41940>.

INTRODUCTION

Technological development has transformed many industries, including financial services (Ningsih & Sari, 2024; Rusmiyanto et al., 2023). New financial technologies have changed the delivery of financial services and enabled institutions to extend services to previously unbanked populations (Risqiani et al., 2023). Fintech has facilitated improvements across financial services, including microfinance and online lending, personal financial planning and investment, digital payment systems, and international money transfers. These developments allow banks and other financial-service providers to reach a broader customer base, including MSMEs, while improving the speed and convenience of transactions (Amrin et al., 2022). Consumers increasingly expect financial services to be faster, more convenient, and more secure, and digital financial systems create additional opportunities to serve both MSMEs and individuals (Nemoto & Yoshino, 2019).

As of April 2026, the Ministry of Cooperatives and SMEs of Indonesia reported approximately 66 million active MSME operators. The sector was reported to contribute about 61% of national GDP and to employ approximately 117 million people, or 97% of the national workforce. The Ministry of Communication and Information has also targeted continued growth of Indonesia's digital economy. These developments reflect the broader objective of strengthening economic competitiveness and resilience amid ongoing changes in global business and industry ecosystems. Greater digital integration and automation can help MSMEs improve productivity and profitability by expanding their customer base and streamlining back-office processes.

Handicraft weaving is an important part of Lombok's MSME sector, particularly within Sasak handicraft production (Widiastutik et al., 2022). *Songket* fabric is produced in several Lombok villages, including Sade, Pejanggik, Pringgasela, and Sukarara. Weaving contributes to the local economy, particularly as Lombok continues to develop as a tourism destination and interest in Sasak woven fabrics increases (Rinuastuti et al., 2021). For many people in Central Lombok, especially members of the Sasak community, weaving is an important source of livelihood (Widiastutik et al., 2022). However, Sasak woven-fabric MSMEs face several constraints, including limited professional financial management, insufficient business-management skills, operational inefficiencies, and inadequate marketing (Ramadani & Syariati, 2020). Integrating fintech into these businesses can strengthen financial management and extend their market reach (Haq et al., 2024).

Greater use of digital financial services and tools can help MSMEs gain better control over their businesses. Sasak woven-fabric MSMEs continue to face weaknesses in business management and operational efficiency, which can reduce their competitiveness. Fintech creates opportunities to improve customer engagement, sales, and financial management. Because technology develops rapidly, MSMEs need the capacity to evaluate and adopt relevant tools in order to remain competitive. Greater fintech knowledge and use within the Sasak community may also expand access to financial services and support a more inclusive financial system, thereby strengthening the financial position of local MSMEs.

Fintech products and services can extend financial access across the Sasak community and address gaps in conventional service delivery. To remain competitive, MSMEs need to be adaptable and willing to use appropriate digital financial systems. Digital payments can improve transaction convenience and efficiency. Electronic payment systems and digital wallets such as OVO, DANA, LinkAja, and GoPay can be used through QR-based systems. QR payments can accelerate transactions and improve convenience and security. The Quick Response Code Indonesian Standard (QRIS) provides a standardized framework that enables digital payments across multiple applications and banking platforms (Setiawan & Mahyuni, 2020). This interoperability can support the digital transformation of MSMEs and strengthen their competitive position. QRIS also makes digital transactions more convenient and provides a traceable payment mechanism (Rukayyah et al., 2024). The Indonesian government has encouraged a transition toward a less-cash society through initiatives such as QRIS in collaboration with Bank Indonesia (Sihaloho et al., 2020). The implementation of QRIS is expected to improve payment-system efficiency and financial inclusion while supporting Sasak woven-fabric MSMEs and the wider economy. These objectives are aligned with Indonesia's payment-system development agenda. Cashless transactions through QRIS can make payments easier for MSMEs and reduce the risk of receiving counterfeit currency (Oktaviani & Nugroho, 2024). Customers similarly benefit from a lower risk of handling counterfeit cash.

Although previous research has examined the role of fintech in MSME operations, further research is needed on its contribution to profitability and financial-management efficiency. Studies of MSMEs have indicated that fintech can support more structured financial management and improve financial literacy (Sugiarti et al., 2019). Research on potato-donut MSMEs in Medan also illustrates the use of fintech to support business development (Yasin, 2024). Romadhon and Fitri (2020) found that some MSMEs understand fintech primarily in terms of digital payments while remaining less familiar with its other functions. Risqiani et al. (2023) similarly reported that non-adopting MSMEs may have general awareness of fintech but remain concerned about fraud and other perceived risks. These findings suggest that fintech adoption depends not only on access to technology but also on knowledge, trust, and the ability to use digital financial services effectively.

This study examines Sade and Sukarara Villages. Sade is widely known for cultural preservation, whereas Sukarara has stronger links to local cooperatives and digital financial services. Strategically integrating appropriate fintech systems may strengthen the potential of Sasak woven-fabric MSMEs in Lombok. This need for strategic digital adaptation is also consistent with recent MSME literature (Suhartini & Yuniza, 2026). Accordingly, this study aims to provide theoretical and practical

insights into the use of digital financial innovation in the creative economy and to contribute to the literature on MSME digitalization.

LITERATURE REVIEW

Financial Technology (Fintech)

Bank Indonesia Regulation No. 19/12/PBI/2017 defines Fintech as the use of technology in the financial system to create or change financial products and services or business models, which affect the stability of the financial system and efficiency of the payment system. According to [Arner et al. \(2015\)](#), Fintech is the use of technology to improve the security, convenience, and accessibility of financial services, especially digital financial services. It is clear that the use of Fintech can change the way financial services are delivered. Digital payments are one of the fastest-growing Fintech services. Digital payments offer financial services to people who do not have access to them. The use of digital payments has increased in many countries to facilitate financial inclusion. The Central Banks of many countries have supported digital payment services.

The OJK has issued licenses to 127 Fintech companies as of August 7, 2019 (OJK, 2019). In recent years, there has been an improvement in the usage and adoption of Fintech services in Indonesia. As per Bank Indonesia (2020), the steady increase of new entrants in the Fintech business has been influenced by the growing requirement of the population for better and innovative financial services. Fintech services play an important role in providing financial services to people living in areas that are outside the reach of the financial system.

Micro, Small and Medium Enterprises (MSMEs)

In this study, an MSME is understood as a productive business entity owned and operated by individuals or groups and classified under applicable legal and regulatory criteria ([Gonibala et al., 2019](#)). The definition and classification of MSMEs vary according to national context, business size, asset levels, and stages of economic development. Despite these differences, MSMEs commonly form an important foundation of national economies. The importance of MSMEs to the Indonesian economy lies in their capacity to stimulate economic activity and create employment. Their broad participation across business sectors can contribute to job creation, poverty reduction, and improved livelihoods. The development of the MSME sector is therefore closely associated with broader goals of social and economic inclusion ([Sugiarti et al., 2019](#)).

The COVID-19 pandemic disrupted lower-middle-income groups and micro-entrepreneurs, as recorded by the Ministry of Finance (2021). [Dai et al. \(2021\)](#) reported that disruptions to labor and supply chains contributed to SME closures and reduced customer demand. The pandemic also reduced revenue and business activity and increased unemployment. Indonesian MSMEs were similarly affected by COVID-19 ([Alfin, 2021](#)). Fintech has the potential to improve MSME access to financial services; however, motivational, informational, and empowerment-related barriers can hinder adoption ([Laywilla et al., 2020](#)).

Sasak Woven Fabric

A type of fabric hand-woven by the Sasak community. Sasak hand-woven fabrics are among Indonesia's hand-weaving arts, which are classified based on the regions where they are produced [Martini et al., \(2019\)](#). The arts are in the form of textile decorations which are generally derived from the imagination and skills of the crafters. The woven fabrics of the Sasak community reflect the community's preference in integrating colors and patterns. Each component of the fabrics is deliberate. Traditionally, the fabrics are heavily embossed. If a design represents a scene or object, the weaver must consider the location and composition of the elements of the design beforehand in order to create a well-structured meaning [Suriyati \(2019\)](#). The knowledge of traditional weaving arts is passed down from one generation to the next, mostly among women. Producing *songket*, a type of hand-woven fabric, is a long and complex process, and traditionally, a single *songket* fabric, which is 2 meters in length and 1.2 meters in width, may take 2 to 4 weeks to complete.

Historically, Sasak woven fabrics were limited to clothing for the aristocracy and for special occasion wear. Gradually, its status changed to a valued commercial product of the Sasak people. Today, it is worn at official meetings, rituals, and cultural functions. For men, a *Songket* cloth is worn as a lower covering over the *Tegodek Nongkeq* attire. Sasak woven cloth, in the form of a sash or belt, is worn with the *lambung* attire by women. The women of Sukarara, in their free time after the planting season, make rolled-up sheets of thread to prepare for the next weaving season ([Ratnasari, 2023](#)).

Because there are many villages producing Sasak woven fabric, each village can be recognized as a center for producing the fabric. Each village has its own distinct characteristic of the fabric that can represent its identity. However, there are limitations for customers in distinguishing differences in the fabrics produced by each village. As stated in [Rinuastuti et al. \(2021\)](#), to address the limitations and increase the competitiveness of Sasak woven fabric, mapping of the fabric is necessary. Weaving fabrics is one of many skills that Sasak women acquire at an early age. The women of Sukarara Village, one of the largest Sasak ethnic villages that produces *songket* cloth, learn weaving skills at a young age. It was a custom that for a girl to be allowed to marry, she must first weave a piece of cloth. It was believed that a woman who knows how to weave will be able to assist her husband in providing for the family. The craft of weaving is practiced by Sasak women in many villages. But Sukarara is the largest village in Lombok that practices weaving of *songket* cloth.

RESEARCH METHOD

This study uses a qualitative descriptive approach. Qualitative research is appropriate for exploring meanings, experiences, and context and commonly relies on researcher interpretation and inductive analysis ([Abdussamad, 2022](#)). The study focuses on describing and analyzing how Sasak woven-fabric MSMEs in Lombok implement financial technology. It also seeks to contribute to knowledge and practice concerning the potential use of fintech to strengthen these MSMEs ([Leksono, 2013](#); [Rahmani, 2018](#)).

The study focuses on Sasak woven-fabric MSMEs in two villages: Sade in Pujut District and Sukarara in Jonggat District. Central Lombok Regency is an important

center of woven-fabric production, and products from these areas are sold both locally and outside Lombok. Key informants included village tourism coordinators, local leaders, business owners, visitors or tourists, representatives of the Patuh Cooperative, and representatives of the banking sector. Informants were selected because of their firsthand knowledge of Sasak woven fabrics, MSME activities, tourism, or the use of financial technology. [Table 1](#) summarizes the informants and their locations.

Table 1. Informant Data

No.	Informant	Gender	Village Origin
1	Informant 1 (Village Coordinator)	Male	Sade
2	Informant 2 (Head of Sade Hamlet)	Male	Sade
3	Informant 3 (Business owners)	Female	Sade
4	Informant 4 (Business owners)	Female	Sade
5	Informant 5 (Business owners)	Female	Sade
6	Informant 6 (Visitor)	Female	Sade
7	Informant 7 (Visitor)	Female	Sade
8	Informant 8 (Visitor)	Female	Sade
9	Informant 9 (Head of Sukarara Hamlet)	Male	Sukarara
10	Informant 10 (Chairperson of Patuh Cooperative)	Male	Sukarara
11	Informant 11 (MSME Actor)	Male	Sukarara
12	Informant 12 (MSME Actor)	Female	Sukarara
13	Informant 13 (MSME Actor)	Female	Sukarara
14	Informant 14 (MSME Actor)	Female	Sukarara
15	Informant 15 (Visitor)	Female	Sukarara
16	Informant 16 (Visitor)	Male	Sukarara
17	Informant 17 (Bank Representative)	Male	Mataram
18	Informant 18 (Bank Representative)	Female	Mataram

Source: Authors' work (2026)

Purposive sampling was used. Participants were selected according to the following criteria:

1. Community members with knowledge of Sasak woven fabrics in Sade or Sukarara Village;
2. Community members involved in business activities;
3. Customers or visitors of MSMEs; and
4. Individuals with knowledge or information about the use of financial technology by MSMEs.

Informants 1-8 provided information about Sasak woven fabrics and MSME activities in Sade Village. Informants 9-16 provided information about Sasak woven fabrics and MSME activities in Sukarara Village. Informants 17 and 18 provided information about the use of financial technology by MSMEs in Lombok. To strengthen data credibility, the study applied triangulation. [Sugiyono \(2019\)](#) describes triangulation as checking data across different sources, techniques, and/or times. In this study, source triangulation was used to compare information obtained from different participants, while technique triangulation was used to compare evidence from interviews, observations, focus group discussions, and documents. These procedures were used to assess the consistency and credibility of the findings.

Data were analyzed using the framework described by Miles et al. (2014), which includes three interrelated activities: data condensation, data display, and conclusion drawing/verification. In this study, data condensation involved selecting and organizing information relevant to fintech adoption, digitalization, institutional support, and Sasak woven-fabric MSMEs. The selected data were then presented narratively to describe the findings, and conclusions were developed and checked against the available evidence.

Both primary and secondary data were collected. Primary data were obtained through in-depth interviews and focus group discussions (FGDs) with entrepreneurs and other informants associated with Sasak woven fabrics in Sade and Sukarara Villages, Central Lombok. Interviews were conducted face-to-face, by telephone, and in group settings. Secondary data included available statistics and documents related to Sasak woven-fabric MSMEs in the two villages.

RESULT AND DISCUSSION

Overview of the Research Locations

Sade Village covers approximately 5.5 hectares and contains about 150 traditional dwellings occupied by members of the Sasak community. Its population is approximately 700. Sukarara Village is located about 25 kilometers from Mataram City and can be reached in roughly 30 minutes. In Sukarara, traditional dwellings function not only as homes but also as workplaces and showrooms for hand-woven products. Sukarara Village occupies about 11.16% of the total area of Jonggat District and consists of 10 hamlets: Batu Entek, Blong Daye, Blong Lauq, Buncalang, Bunputri, Bunsambang, Burhane, Dasan Baru, Dasan Duah, and Ketangge.

Most residents of Sade Village are farmers. Because the region is relatively dry and irrigation is limited, farming depends heavily on seasonal rainfall and typically produces one harvest each year. After the harvest, villagers seek additional sources of income. Men often work as tour guides, while women engage in weaving, an activity with strong social and cultural significance in the Sasak community. Weaving is associated with patience, perseverance, and preparation for adult social roles, and the skill is traditionally introduced at a young age. Sasak artistic expression is particularly visible in *songket*, a woven textile that may incorporate gold- or silver-colored threads.

Cotton is spun into yarn and may be dyed using natural materials before weaving. Natural dyes can include pandan leaves for green tones and turmeric for yellow tones. Fabric produced with natural dyes is often more expensive than fabric made with artificial dyes because of the additional time and labor required. However, this higher production cost does not always translate into higher returns for producers, because tourists may not fully recognize the labor involved. The time required to weave a textile depends on the complexity of its design and can range from approximately two weeks to several months. Finished products are sold through kiosks in Sade Village, many of which are coordinated through local community arrangements. In Sukarara Village, weaving is both a cultural tradition and an important source of income for women. Girls are traditionally taught to weave from a young age, partly because weaving is associated with diligence, patience, and preparation for adult life. Many weavers in Sukarara operate craft shops or galleries where they sell their woven products to visitors. Table 2 lists the art shops identified in Sukarara Village.

Table 2. List of Art Shops in Sukarara Village

No.	Art Shop Name	Location	Status
1	Patuh Cooperative	Blong Lauq	Active
2	Stagen	Blong Daye	Active
3	Panji Sari	Blong Daye	Active
4	Bahri	Blong Daye	Active
5	Seret Penginang	Blong Daye	Active
6	Yuliana Songket	Ketangge	Active
7	Galang Songket	Dasan Baru	Active
8	Keker	Dasan Baru	Active
9	Sumber Rejeki	Dasan Baru	Active
10	Odean Songket	Blong Daye	Active
11	D. Bolong Songket	Blong Lauq	Active
12	Bilal Alfariz	Ketangge	Active
13	Ana Songket	Ketangge	Active
14	Inaq Wawan	Ketangge	Active

Source: Authors' work (2026)

Songket from Sukarara Village is popular among tourists. Although other regions also produce *songket*, Sukarara textiles can be distinguished by particular designs, motifs, and color combinations. These variations contribute to the cultural identity associated with each production area. Weaving therefore functions not only as an economic activity but also as a means of maintaining and communicating local cultural identity, while creating opportunities for women's economic and social participation.

Woven fabrics from Sukarara are known for their vibrant designs and traditional motifs, including *Anteng*, *Bintang Empat*, *Bintang Ramawe*, *Bulan Bekurung*, *Bulan Bergantung*, *Keker*, *Nanas*, *Panah*, *Ragi Genap*, *Serat Penginang*, *Subahnale*, and *Wayang*. These motif names reflect the artistic legacy of the Sasak community. Visitors from different regions and countries come to see the textiles and observe the weaving process, and some participate in weaving activities. Local women therefore play an important role in introducing visitors to the cultural meaning and production of the textiles. Women in both Sade and Sukarara are trained in weaving, which is closely connected to household livelihoods and cultural upbringing. Many families combine farming and weaving, with women devoting more time to textile production outside the main agricultural season. Weaving requires considerable patience and time, but the sale of woven cloth can provide additional household income and savings.

Implementation of Financial Technology (Fintech) in Sasak Woven Fabric MSMEs

The Sasak weaving industry forms part of Lombok's creative economy and provides many local women with opportunities to earn income. The expansion of financial technology can support these businesses by improving access to payment services, widening market access, and strengthening the transparency and organization of financial records.

These opportunities are relevant to Sasak woven-fabric MSMEs because tourists, both domestic and international, frequently purchase woven products as souvenirs. Easier non-cash transactions may therefore help these MSMEs serve customers more effectively. Previous research suggests that some MSME actors understand fintech

mainly as digital payment systems and may have more limited knowledge of its broader uses in financial management, transaction security, and digital marketing (Pratiwi, 2022; Romadhon & Fitri, 2020). More established MSMEs may also adopt digital payments more rapidly than smaller businesses because adoption depends on factors such as confidence in payment security and the quality of telecommunications and internet infrastructure. As in other Indonesian MSMEs, the initial focus among Sasak woven-fabric businesses has largely been on digital payments.

Cashless services in Sade Village remain limited and are often provided only in response to specific customer requests. QRIS is available in some locations, but service reliability and responsiveness remain inconsistent. Customers may therefore be uncertain whether non-cash payment will be available when needed. One major factor is the relatively low level of digital and financial literacy among some weavers, particularly older participants. By contrast, more MSMEs in Sukarara accept non-cash payments, including QRIS, bank transfers, and e-wallets such as GoPay and DANA. Although some banks have installed ATMs near Sade Village, many MSME actors continue to rely primarily on cash transactions. This finding is consistent with Haq et al. (2024), who reported that woven-fabric MSMEs in Pringgasela face market-access constraints and often rely on conventional promotional methods. In contrast, many MSME actors in Sukarara use online promotion and digital payments. Their customers, particularly tourists, are also more accustomed to cashless transactions, increasing the importance of ATMs and other banking services for daily business activity.

Maulida (2021) found that weavers in Pringgasela District use e-commerce, online advertising, and digital marketing to promote and sell their products. Suriyati (2019) similarly discussed e-commerce planning for woven-fabric businesses in Sukarara. Vianti et al. (2023a, 2023b) likewise reported that MSMEs in Pringgasela use e-commerce and other online business platforms to broaden their markets. E-commerce enables transactions across time and place, while digital financial services allow MSMEs to accept a wider range of payments. Together, these tools can reduce transaction inconvenience, improve service, and help businesses respond to changing customer preferences.

From a technology-adoption perspective, the two villages illustrate different stages of fintech use. In Sade, fintech has been adopted to a limited extent, largely in response to customer preferences for non-cash payments. Limited knowledge and use of fintech may reduce perceived ease of use. In Sukarara, fintech is more widely adopted, supported by local cooperative involvement and greater familiarity with digital services. Trusted institutional partners can therefore increase MSME confidence in adopting financial technologies.

"MSME actors here are generally passive in adopting QRIS ... they only accept payments but cannot independently withdraw funds, as they still rely on their children or relatives." (Informant 1)

"I do not know how to use this (QRIS) because I am unable to read and write ... if someone wants to transfer money, I use a friend's bank account." (Informant 5)

"Most buyers here now use QRIS and EDC; cash transactions are minimal ... even local customers still purchase songket, but mostly through bank transfers." (Informant 10)

Integrating fintech in developing nations must account for the salient factors of society such as the local population's level of education, local customs, and the local institutional framework. Fintech, like other innovations, is just a first step to broader-based transformations in society and the economy. As of now, fintech has not been comprehensively integrated in the economic and financial life of the MSME operators in Sade Village. In the vast majority of cases, operators adopted fintech to the extent that they modified their businesses to serve the needs of the tourist market and/or responded to the initiatives of the banks. Like Sade Village, operators in Sukarara Village adopted fintech to some extent. However, the difference in Sukarara Village is that the integration of fintech was coupled by the presence of cooperative institutions and the gradual shift in consumer behavior towards adopting cashless transactions. To generally promote the integration of fintech by MSMEs, like the case with Sasak woven fabrics MSMEs, it is essential to take into account the level of digital understanding of the local people as well as the local customs and traditions, and the availability of supporting institutions.

The Role of Financial Technology (Fintech) in Sasak Woven Fabric MSMEs

This study examines how financial technology affects Sasak weaving MSMEs in Sade and Sukarara. In Sukarara, fintech has improved payment convenience and supported service delivery. In Sade, by contrast, QRIS and other digital payment options remain more limited and inconsistent, so customers may not experience the same level of service reliability. Overall, fintech use is more diverse and established among MSMEs in Sukarara than among those in Sade. Table 3 summarizes the main differences in fintech implementation between Sade and Sukarara.

Table 3. Differences in Fintech Implementation in Sade Village and Sukarara Village

Indicator	Sade Village	Sukarara Village
The implementation of fintech	1. Very limited 2. Only a few art shops display QRIS at their storefronts. 3. The majority of transactions are in cash 4. Fintech exists due to consumer demand and government programs	1. Increasingly diverse. 2. Cash and non-cash transactions are balanced 3. Art shops have displayed QRIS and EDC at their storefronts 4. The Art Shop offers other non-cash payments such as transfers 5. Fintech exists due to consumer demand and government programs
Types of fintech used	QRIS	QRIS, EDC, and transfer

Indicator	Sade Village	Sukarara Village
Society's condition regarding fintech	1. Passive acceptance and resistance to technological advancements. 2. The community is reluctant to learn fintech due to the still low level of education 3. Young people in the community are also reluctant to learn fintech because they believe cash transactions are more convenient, and for women, there is no need to learn various skills, only weaving to help the family's economy.	1. Proactively accept and begin to be open to technological advancements 2. The community is reluctant to learn fintech due to the still low level of education (parents) 3. Young people in the community are still willing to learn fintech to help their parents
Fintech service quality	Still below consumer expectations	Meets consumer expectations but has not fully satisfied consumers
Support from Relevant Stakeholders	1. The coordinator and the customary chief limit the entry of technology into Sade Village to preserve their traditional ways, as this is what they offer. 2. The relevant government agencies have insufficiently conducted socialization and guidance in the implementation of fintech. 3. Banks have insufficiently conducted socialization and guidance in the implementation of fintech	1. The Village Head is very open to technological developments because he has a vision that Sukarara Sasak Weaving must go global. 2. Relevant agencies have conducted insufficient socialization and assistance in the implementation of fintech. 3. Banks have conducted insufficient socialization and assistance in the implementation of fintech.

Source: Authors' work (2026)

The data from this study show that the impact of fintech on the service quality of Sasak woven fabric MSMEs in Sade Village and Sukarara Village is different. For the convenience of payments, consumers in both villages can use QRIS and bank transfers. However, the data shows that in Sade Village, fintech is not evenly distributed and, therefore, service quality does not fully meet the expectations of customers. This shows that the availability of fintech does not necessarily mean that MSMEs can adequately integrate technology to improve service quality. The lack of adequate use of technology by MSMEs can slow the improvement of service quality. The results of

this study show that the role of fintech is different in the two villages. In Sade Village, the restriction of use of technology and payment methods affects service consistency. This is caused by the generally low level of formal education in the population of Sade Village. This affects the level of digital literacy. Residents of Sade Village are less able to use and integrate technology into their business. This is unlike MSMEs in Sukarara Village, where the positive and proactive attitude towards the integration of technology and payment methods in their business enhanced service quality. In conclusion, the use of fintech by MSMEs in Sukarara positively impacted service quality.

Research on Pringgasela District also shows that MSMEs use online marketing and e-commerce to sell products and reach customers (Maulida, 2021). Vianti et al. (2023a, 2023b) similarly noted that e-commerce can help Pringgasela MSMEs expand their business activities. However, Haq et al. (2024) reported persistent market-access challenges, with many MSMEs continuing to rely on traditional marketing methods. The two study villages show different levels of engagement with non-cash payment systems. Inconsistent non-cash services in Sade Village may adversely affect customer experience and satisfaction, whereas residents and MSME actors in Sukarara are generally more accepting of and engaged with fintech services. Service-innovation strategies should therefore be adapted to local cultural values, capabilities, and institutional conditions to improve the quality and reliability of MSME services.

Challenges Faced by Sasak Woven Fabric MSMEs in Implementing Financial Technology

MSMEs of Sade and Sukarara weaving villages have been slow to adapt to financial technologies (fintech). Cultural values are one of the barriers. Members of the communities have low levels of formal education and have had little exposure to digital technologies and their applications. Many are unaware of fintech, including how it works and the advantages it can bring to MSMEs. Because of a lack of awareness and general fear of the unknown in members of the community, there is a negative attitude towards fintech, and it is unlikely that members of the community will use fintech in the foreseeable future. Financial technologies are still new to most of the Sasak community. From the surveys and interviews undertaken, there are many barriers to the adoption of fintech by MSMEs in the Sasak weaving communities. Barriers include the cultural values and practices of the community, educational levels, and supportive systems and services. The absence of supportive systems and services is further compounded by the lack of trained human resources.

"We strongly preserve the traditional character of the village and are concerned that modern technology may erode our cultural identity." (Informant 1)

"Our traditional uniqueness is precisely what attracts tourists, so modernization is not considered urgent." (Informant 2)

"People here do not pursue higher education; as long as they can weave, that is considered sufficient." (Informant 3)

Participation in the fintech ecosystem requires MSMEs to develop the capacity to use and integrate relevant technologies into their businesses. Without sustained

coaching and mentoring, some MSMEs may be reluctant to adopt fintech because they lack the knowledge or support needed to address technical problems. Three interrelated factors therefore hinder adoption: tension between modern business practices and established traditions, limited digital and financial capability, and insufficient coaching and mentoring. Together, these barriers constrain the fuller integration of fintech into local business practices. Figure 1 summarizes these interrelated challenges.

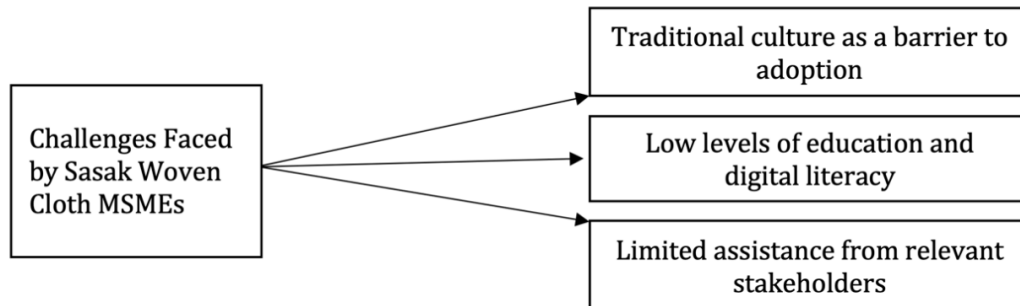


Figure 1. Challenges for Sasak woven fabric MSMEs

Source: Author's work (2026)

CONCLUSION

This study identifies different stages of fintech integration among Sasak weaving MSMEs in Lombok. The contrast between Sade and Sukarara can be interpreted through a technology-adoption perspective. In Sade, fintech adoption has been driven largely by customer demand, while many MSME actors remain cautious about changing established practices. In Sukarara, adoption has been supported more strongly by the local cooperative and by MSME actors' willingness to use digital services. These findings suggest that technology adoption depends on the perceived compatibility of the technology with existing values, practices, skills, and institutional support.

Fintech has the potential to strengthen local MSMEs and firms in the tourism value chain by improving transaction efficiency and operational transparency. The Sukarara case suggests that technology and innovation can be integrated with local traditions when there is sufficient community participation and institutional support. The Sade case highlights the importance of adapting digital technologies to local cultural practices rather than treating adoption as a purely technical process. Digital and information technologies in cultural tourism should therefore be used in ways that strengthen community identity, improve community well-being, and support sustainable local economic activity.

Theoretically, the findings of this study can enrich the literature on financial technology, particularly as it relates to digital economic actors in MSMEs with a very strong cultural background. Thus, the integration of financial innovations is not linear but rather highly dependent on cultural fit and the effectiveness of local institutional structures. In practical terms, this study provides guidance for policymakers, tourism village managers, and fintech service providers to design digital financial inclusion programs that are adaptive to local wisdom without eroding local traditional identities. As a suggestion for future research, quantitative model testing should be conducted, for example, examining the impact of fintech on the business sustainability

of weaving MSMEs through the lens of local wisdom as well as comparative cross-sector studies of handicrafts in other cultural tourism destinations to broaden the generalizability of these findings.

REFERENCES

- Abdussamad, Z. (2022). *Buku Metode Penelitian Kualitatif*. Syakir Media Pers.
- Achmad Alfin. (2021). Analisis Strategi UMKM dalam Menghadapi Krisis di Era Pandemi Covid-19. *Jurnal Inovasi Penelitian*, 1(8), 1543–1552. <https://doi.org/10.47492/jip.v1i8.280>
- Amrin, E., Goso, R., & Asriany. (2022). Studi Kompilasi Layanan Fintech dalam Meningkatkan Keuangan Inklusif pada UMKM di Kota Palopo. *Jurnal Ekonomi Bisnis Dan Management*, 9(2). <https://doi.org/10.36987/ecobi.v9i2.2722>
- Arner, D. W., Barberis, J. N., & Buckley, R. P. (2015). The Evolution of Fintech: A New Post-Crisisparadigm? *Georgetown Journal of International Law*, 47(4), 1271–1319. <https://doi.org/10.2139/ssrn.2676553>
- Dai, R., Feng, H., Hu, J., Jin, Q., Li, H., Wang, R., Wang, R., Xu, L., & Zhang, X. (2021). The impact of COVID-19 on small and medium-sized enterprises (SMEs): Evidence from two-wave phone surveys in China. *China Economic Review*, 67, 1–20. <https://doi.org/10.1016/j.chieco.2021.101607>
- Gonibala, N., Vecky, A. J. M., & Mauna, B. M. (2019). Analisis Pengaruh Modal dan Biaya Produksi terhadap Pendapatan UMKM di Kota Kotamobagu. *Jurnal Berkala Ilmiah Efisiensi*, 19(1), 56–67.
- Hakim, L., & Hapsari, R. A. (2022). *Buku Ajar Financial Technology Law*. Penerbit Adab.
- Haq, H., Nurlaili, N., Sari, A. K., Yuhinis, B. I., Iqbal, I., Wicaksana, M. A. A., Febrianti, N. L. R., Moerad, S. H., Prajasa, S. M., & Ngudiyono, N. (2024). Penerapan Digital Marketing sebagai Upaya untuk Meningkatkan Pendapatan UMKM: Studi Kasus Pemasaran Kain Tenun di Desa Pringgasela. *Jurnal Wicara Desa*, 2(5), 362–370. <https://doi.org/10.29303/wicara.v2i5.5558>
- Laywilla, E., Kartar Singh, J. S., & Yin Fah, B. C. (2020). Drivers of Intention to Adopt Mobile Wallet: A Quantitative Study Among Females in Jakarta. *International Journal of Academic Research in Business and Social Sciences*, 10(11), 728–743. <https://doi.org/10.6007/ijarbss/v10-i11/8061>
- Leksono, S. (2013). *Penelitian Kualitatif Ilmu Ekonomi, dari Metodologi ke Metode*. Raja Grafindo Persada.
- Martini, D., Sutrisno, B., & Kurniawan. (2019). Tenun Sasak in Indonesian Legal Discourse: from Cultural Heritage to Local Economic Booster. *Padjadjaran Jurnal Ilmu Hukum*, 6(3), 576–593. <https://doi.org/10.22304/pjih.v6n3.a8>
- Matthew B. Miles, A. Michael Huberman, & Johnny Saldana. (2014). *Qualitative Data Analysis: A Methods Sourcebook* (Helen Salmon, Ed.; 3rd ed.). Sage Publications, Inc.
- Maulida, N. (2021). Pengaruh Penerapan Strategi E-Commerce dalam Meningkatkan Volume Penjualan di Tengah Pandemi Covid-19. *Jurnal Ekonomi Dan Bisnis*, 14(1), 28–47.
- Nemoto, N., & Yoshino, N. (2019). *Fintech for Asian SMEs*. Asian Development Bank Institute.

- Ningsih, P. E. A., & Sari, M. N. (2024). The Role of Technology in Implementing Kurikulum Merdeka: A Review of Current Practices. *Edu Research*, 5(1), 171–183. <https://doi.org/10.47827/jer.v5i1.215>
- Oktaviani, A., & Nugroho, A. D. (2024). Analisis Penerapan Pembayaran Digital QRIS dalam Kemudahan UMKM di Kota Surabaya. *Jurnal Musytari : Neraca Manajemen, Akuntansi, Dan Ekonomi*, 6(4), 41–50. <https://doi.org/10.8734/musytari.v6i4.4256>
- Pratiwi, U. M. (2022). Penerapan Financial Technology dan Peningkatan Literasi Keuangan untuk Strategi Penguatan Bisnis UMKM di Kalimantan Barat. *Jurnal Bisnis Dan Management*, 365–376.
- Rahmani, N. A. B. (2018). *Metodologi Penelitian Ekonomi*. FEBI UIN-SU Press.
- Ramadani, D. F., & Syariati, A. (2020). Ekonomi Digital dan Persaingan 70 Usaha sebagai Pendorong Pendapatan UMKM Kota di Makassar. *ICOR: International Journal of Regional Economics*, 1(1), 49–60. <https://doi.org/10.24252/icor.v1i1.19558>
- Ratnasari, Wg. P. (2023). Industri Budaya dan Komoditas (Studi Kasus Tenun Tradisional Nusa Tenggara Barat sebagai Komoditas dan Seni dalam Kerangka Budaya dan Religi). *Jurnal Kommunity Online*, 3(2), 201–218. <https://doi.org/10.15408/jko.v3i2.31027>
- Rinuastuti, H., Suparman, L., & Asmony, T. (2021). Pemetaan Perseptual Konsumen Kain Tenun Sasak. *Jurnal Distribusi*, 9(1), 99–108. <https://doi.org/10.29303/distribusi.v9i1.159>
- Risqiani, R., Lestari, H. S., & Tajib, E. (2023). Peran Fintech dalam Meningkatkan Kualitas Layanan pada UMKM di Wilayah Kemanggisan, Jakarta Barat. *Jurnal Abdi Masyarakat Indonesia (JAMIN)*, 5(1), 68–76. <https://doi.org/10.25105/jamin.v5i1.14126>
- Romadhon, F., & Fitri, A. (2020). Analisis Peluang dan Tantangan Penggunaan Financial Technology sebagai Upaya Optimalisasi Potensi UMKM (Studi Kasus UMKM di Gresik). *TECHNOBIZ: International Journal of Business*, 3(1), 30–44.
- Rukayyah, Wisudaningsih, E. T., & Aqidah, W. (2024). Analisis Pemanfaatan Qris dalam Kemudahan Pembayaran Konsumen Car Free Day Kraksaan. *Jurnal Informatika Ekonomi Bisnis*, 6(2), 330–336. <https://doi.org/10.37034/infeb.v6i2.866>
- Rusmiyanto, Huriati, N., Fitriani, N., Tyas, N. K., Rofi'i, A., & Sari, M. N. (2023). The Role of Artificial Intelligence (AI) in Developing English Language Learner's Communication Skills. *Journal on Education*, 6(1), 750–757. <https://doi.org/10.31004/joe.v6i1.2990>
- Setiawan, I. W. A., & Mahyuni, L. P. (2020). QRIS di Mata UMKM Eksplorasi Persepsi dan Intensi UMKM menggunakan QRIS. *E-Jurnal Ekonomi dan Bisnis Universitas Udayana*, 9(10), 921–946. <https://doi.org/10.24843/EEB.2020.v09.i10.p01>
- Sihaloho, J. E., Ramadani, A., & Rahmayanti, S. (2020). Implementasi Sistem Pembayaran Quick Response Indonesia Standard Bagi Perkembangan UMKM di Medan. *Jurnal Manajemen Bisnis*, 17(2), 287–297. <https://doi.org/10.38043/jmb.v17i2.2384>
- Sugiarti, E. N., Diana, N., & Mawardi, M. C. (2019). Peran Fintech dalam Meningkatkan Literasi Keuangan pada Usaha Mikro Kecil Menengah di Malang. *E-Jra: E_Jurnal Ilmiah Riset Akuntansi*, 8(4), 90–104.
- Sugiyono. (2019). *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. Alfabeta.

- Suhartini, A. A., & Yuniza, T. F. (2026). Strategi Adaptasi UMKM Menghadapi Disrupsi Ekonomi Global Tahun 2026. *Forum Cendekia: Jurnal Ilmiah Multidisipliner*, 2(2), 29–36.
- Suriyati. (2019). Desain Perencanaan E-Commerce Kain Tenun Lombok Desa Sukarara Lombok Tengah. *To Maega: Jurnal Pengabdian Masyarakat*, 2(2), 36–43. <https://doi.org/10.35914/tomaega.v2i2.241>
- Vianti, R. A., Ro'is, I., & Singandaru, A. B. (2023a). Pemanfaatan E-Commerce dalam Pengembangan UMKM Kerajinan Tenun Gedogan Perspektif Ekonomi Islam di Kecamatan Pringgasela Kabupaten Lombok Timur. *Jurnal Ilmu Ekonomi (JIE)*, 2(1), 20–33. <https://doi.org/10.59827/jie.v2i1.43>
- Vianti, R. A., Ro'is, I., & Singandaru, A. B. (2023b). Pemanfaatan E-Commerce Dalam Pengembangan UMKM Kerajinan Tenun Gedogan Perspektif Ekonomi Islam Pringgasela Kabupaten Lombok Timur. <https://risetekonomi.com/jurnal/index.php/jie>
- Widiastutik, F., Murniati, W., & Saikin. (2022). Penerapan Data Mining Untuk Memprediksi Penjualan Kain Tenun Menggunakan Regresi Linear. *JURITEK: Jurnal Ilmiah Teknik Mesin, Elektro Dan Komputer*, 2(1), 27–39. <https://doi.org/10.51903/juritek.v2i1.284>
- Yasin, H. (2024). Implementasi Financial Technology (Fintech) Dalam Mengembangkan Bisnis UMKM Donat Kentang di Kota Medan. 7(1), 105–109. <https://doi.org/10.30596/maneggio.v7i1.19630>.