

ABSTRACT

Financial inclusion has become a fundamental scheme for many developing economies as it has been proven by previous researches to be one of the keys to alleviating poverty. This paper aims to elucidate the effect of socio-economic factors as well as other determinants of financial inclusion on the decision to obtain formal savings account for the poor, women, and low-educated by employing the SOFIA 2017 dataset in a Logistic regression. The main finding of this paper shows that age and gender have no statistical significance to financial inclusion, whereas education and income significantly increase the probability of individual account ownership. The effect of other determinants such as financial literacy, the safety of money, and the ability to utilize other financial products varies between each province. As the amount of those unbanked remains high, especially those coming from the marginalized groups, commitment from the government is required to raise the public's awareness regarding the importance of financial products and risks and to better financial literacy rates for the vulnerable. It is as well important for formal financial institutions to provide the poor, women, and low-educated with products that are not only affordable but as well as suitable for their needs.

Keywords: Financial Inclusion, Savings Account, Poor, Women, Low-Educated, Logistic Regression.