ABSTRACT

This study was conducted to examine the impact of Public Income, Geographic Branch Penetration (GBP), Demographic Branch Penetration (DBP), Credit Account per Capita (CAC), and Deposit Account per Capita (DAC) of commercial banks on Credit of Micro Small Medium Enterprise.

The sample used in this study are 33 Provinces in Indonesia in the period 2013-2017 using purposive sampling technique. The data examined uses the method of non-participant observation by directly quoting financial, GRDP, banking, geographical, and demographic data. The analysis used in this research is multiple linear regression consisting of the classic assumption test, F test, t test, and hypothesis testing.

The results of this study indicate that Public Income, Credit Account per Capita, and Deposit Account per Capita have a positive and significant effect on MSME credit, while Geographical Banking penetration has a positive but not significant effect on MSME credit, and Banking Demographic Penetration has a significant negative effect on MSME credit