The Influence of Performance Expectations, Knowledge of Accounting Software, and Business Expectations on MSMEs Profitability Using Cloud Accounting as a Moderator Variable (MSMEs In Bandar Lampung City)

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Abstract: This study aims to analyze the influence of performance expectation variables, knowledge of accounting software, and business expectations on profitability mediated by cloud accounting. This type of research is quantitative research with primary data from respondents through questionnaire data collection using Google Form. The population in this study was 30 MSMEs domiciled in Bandar Lampung City. Data is analyzed using PLS-SEM in the SmartPLS 4 application. Based on the research results, Performance Expectations have a significant positive effect on profitability, while business Expectations and Knowledge of Accounting Software do not have a significant positive effect on profitability. In addition, Performance Expectations and Knowledge of Accounting Software have a significant positive effect on profitability through the use of cloud accounting, while Business expectations do not have a significant positive effect on profitability through the use of cloud accounting, and Performance Expectations and Knowledge of Accounting Software have a significant positive effect of cloud accounting, while Business Expectations do not have a significant positive effect of cloud accounting.

Keyword: Cloud Accounting, Profitability, Performance Expectations, Business Expectation, Knowledge of Accounting Software

INTRODUCTION

For a business, profitability is very important as a reference in measuring the amount of profit or gain obtained by a business (Kusumaningrum, 2022). Given the significance of MSMEs, the government keeps supporting initiatives aimed at helping them adjust to new technology (Airlangga, 2023).The development of technology in the era of the industrial revolution 4.0 has a significant impact on business management and affects the accounting process in a business. One solution is the use of cloud computing technology (cloud accounting) in completing the accounting cycle. Cloud accounting provides various benefits for businesses such as operational efficiency and increased profitability. All companies or business activities definitely require accurate data processing. The role of accounting in

business is to help MSMEs in managing company affairs clearly and being able to make the right decisions (PPM SoM, 2022).

The most common problem encountered by MSMEs is the difficulty in obtaining loans from financial institutions because they do not have clear financial reports. MSME actors have many business ideas to develop their businesses. According to the opinion of Thottoli (2021), Accounting function plays an important role in the success or failure of MSMEs or modern business organizations. This manual bookkeeping is prone to loss, damage, and even recapitulation errors, besides accounting is considered difficult to apply and complicated. MSMEs are advised to start automatic bookkeeping with the help of digital accounting software. Automation of organizational tasks to reallocate resources more efficiently, resulting in significant reductions in labour costs and increased operational efficiency. Although they frequently have fewer resources, small and medium-sized businesses (SMBs) especially benefit from this cost-effectiveness. When it comes to decision-making, this cloud-based IA accounting system offers valuable support by providing real-time data and insights. Keeping a competitive advantage in the fast-paced commercial world of today requires this ability (Barusman et al., 2023). If a business's financial report is bad, then it is certain that a business will have difficulty getting business capital loans from banks, making it difficult to develop the business. The Cloud Accounting application can help MSMEs in managing their finances so that it can be a financial solution for MSMEs. Cloud accounting applications are designed to be simple, fast and easy web-based. Existing data will automatically be stored in a cloud-based web so that it is easy to access anywhere and anytime (Marshana, 2023).

In this context, performance expectations become an important element that influences the extent to which MSME owners are willing to invest time and resources to implement new technologies. In addition, knowledge of accounting software also plays a major role as a foundation in optimizing the use of cloud accounting. On the other hand, business expectation provide information about the company's vision that might inspire UMKM owners to implement strategic plans to increase profitability. According to research (Aini et al., 2019) stated that the use of cloud accounting-based online accounting software can simplify the reconciliation process to produce real-time and accurate financial reports for MSMEs. This study aims to analyze the effect of performance expectations, knowledge of accounting software, and business expectations on the profitability of MSMEs with cloud accounting as a moderating variable. With this approach, it is intended that new perspectives will emerge on how cloud-based accounting integration technology can strengthen the competitiveness of MSMEs in the digital era.

METHOD

This study uses a quantitative approach and the data sources used are primary data. Quantitative Research Method, according to Sugiyono (2018) is research approach, grounded in positivist philosophy, investigates a specific population or sample through data collecting utilizing research equipment, employing quantitative or statistical analysis to evaluate the set hypothesis. The employed data gathering method is Purposive Random Sampling, utilizing the dissemination of questionnaires via Google Form using a Likert scale of 1-5. This scale has five categories, namely: 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree. The target respondents in this study were MSMEs in Bandar Lampung City which had the following criteria:
1. Already using cloud accounting in their business
2. The business has been established for more than 3 years
3. Domiciled in Bandar Lampung City

A total of 30 MSMEs in Bandar Lampung have been selected as target respondents. The information acquired from the questionnaire will be analyzed using validity test methods,

reliability tests, normality tests, and SEM (Structural Equation Modelling) analysis using the SmartPLS 4 application program.

Total Population (N) = 30 MSMEs in Bandar Lampung City

Margin Error (e) = 5% = 0,05.

RESULT AND DISCUSSION
Measurement Model Analysis (Outer Model)
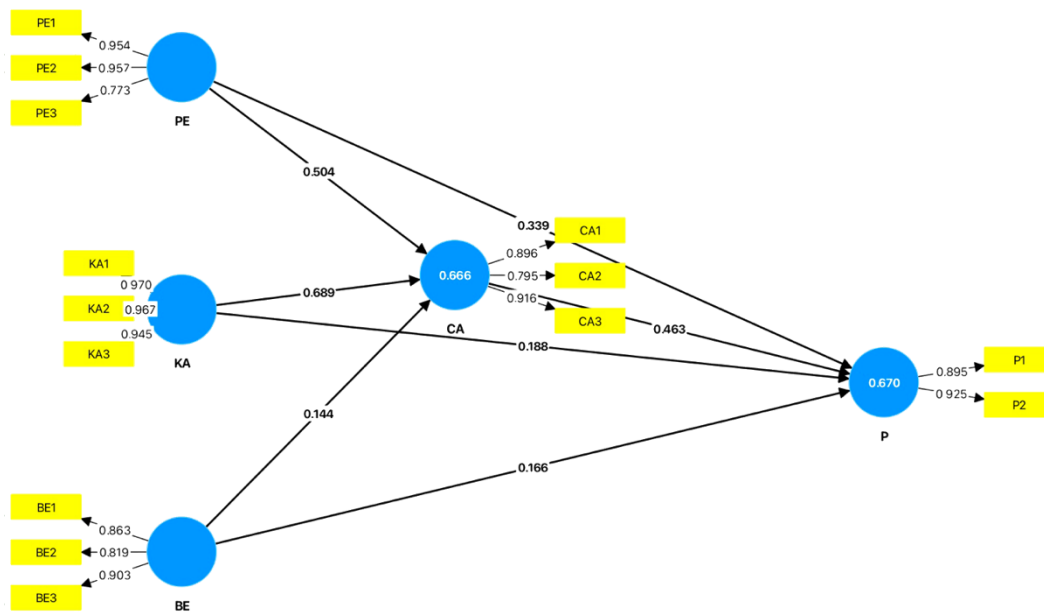## Convergent Validity Test

Figure 1. *Model Pengukuran* **(Outer Model)**
Source: SmartPLS 4 Output (2024)

The Convergent Validity Test is used to evaluate the validity of the relationship between each indicator and its corresponding latent variables. Convergent validity assessment can be conducted by Outer Loading and Average Variance Extracted (AVE). An indicator exhibits convergent validity and a substantial level of validity when the outer loading value exceeds 0.70 and the Average Variance Extracted (AVE) value exceeds 0.50 (Chin and Todd 1995).

Table 1. Outer Loadings

	BE	CA	KA	P	PE
BE1	0.863				
BE2	0.819				
BE3	0.903				
CA1		0.896			
CA2		0.795			
CA3		0.916			
KA1			0.970		
KA2			0.967		
KA3			0.945		
P1				0.895	
P2				0.925	
PE2					0.957
PE3					0.773
PE1					0.954

Source: SmartPLS 4 Output (2024)

The results of the analysis that have been carried out show that all indicators in this study have an outer loading value >0.70 It can be concluded that all indicators have achieved convergent validity and exhibit a high degree of validity.

Reliability Test

Table 2. AVE *Output Result*

	Cronbach's alpha	*Composite reability(rho_a)*	*Composite reability(rho_c)*	*Average variance extracted* (AVE)
Performance Expectation	0.890	1.023	0.926	0.808
Knowledge Of Accounting Software	0.958	0.963	0.973	0.923
Bussines Expectation	0.830	0.842	0.897	0.744
Cloud Accounting	0.840	0.860	0.903	0.758
Profitability	0.795	0.809	0.906	0.829

Source: SmartPLS 4 Output (2024)

The results of the reliability test conducted in this study used two methods, namely Cronbach's alpha and composite reliability. According to (Chin et al.,1995) Good composite reliability and Cronbach's alpha values should exceed 0.70. The test results indicate that Cronbach's alpha and composite reliability exceed 0.70, while the Average Variance Extracted (AVE) for each variable surpasses 0.50, thereby confirming that all research variables exhibit satisfactory convergent validity and have high reliability values (reliable).

Table 3. Discriminant validity – Cross Loadings

	BE	CA	KA	P	PE
BE1	0.863	0.190	0.127	0.367	0.025
BE2	0.819	0.344	0.003	0.293	0.332
BE3	0.903	0.129	0.051	0.254	0.006
CA1	0.192	0.896	0.448	0.744	0.444
CA2	0.451	0.795	0.348	0.553	0.350
CA3	0.126	0.916	0.756	0.680	0.281
KA1	0.108	0.594	0.970	0.418	-0.156
KA2	0.098	0.616	0.967	0.438	-0.099
KA3	-0.015	0.547	0.945	0.360	-0.257
P1	0.231	0.648	0.240	0.895	0.516
P2	0.415	0.735	0.510	0.925	0.444
PE2	0.150	0.474	-0.071	0.573	0.957
PE3	0.006	0.090	-0.340	0.249	0.773
PE1	0.215	0.381	-0.198	0.475	0.954

Source: SmartPLS 4 Output (2024)

Structural Model Analysis (Inner Model)
a. Coefficient of Determination (*R-square*/R^2)

Table 4. Coefficient of Determination (*R-square*/R^2)

	R-square	R-square adjusted
Cloud Accounting	0.666	0.627
Profitability	0.670	0.618

Source: SmartPLS 4 Output (2024)

Based on the test results above, it can be seen that the R-square (R2) value for performance expectation, knowledge of accounting software, and business expectation on cloud accounting is 0.666. These results indicate that the three variables have an influence on

cloud accounting of 66.6% (moderate) and the remaining 33.4% is influenced by other factors outside this study.

Based on the test results above, it can be seen that the R-square (R2) value for performance expectation, knowledge of accounting software, business expectation, and cloud accounting on profitability is 0.670. These results indicate that the four variables have an influence on profitability of 67% (strong) and the remaining 33% is affected by additional factors.

b. Effect Size (F-Square/F^2)

Table 5. Effect Size (F-Square/F^2)

	Cloud Accounting	Profitability
Performance Expectation	0.715	0.191
Knowledge Of Accounting Software	1.363	0.043
Bussines Expectation	0.060	0.076
Cloud Accounting		0.217
Profitability		

Source: SmartPLS 4 Output (2024)

The aforementioned test findings indicate that the Performance Expectation (PE) variable has a large influence on Cloud Accounting (CA) which is 0.715, for the Knowledge of accounting software (KA) variable it has significant influence on the utilization of Cloud Accounting (CA) of 1.363, and for the Business Expectation (BE) variable it has a small influence on Cloud Accounting (CA) of 0.060. Furthermore, the Performance Expectation (PE) variable has a moderate influence on Profitability (P) of 0.191, for the Knowledge of accounting software (KA) variable with a minor impact on Profitability (P) 0.043, for the Business Expectation (BE) variable it has a small influence on Profitability (P) of 0.076 and for the Cloud Accounting (CA) variable it has a moderate influence on Profitability (P) of 0.217.

Collinearity Statistic (VIF)

Table 6. Collinearity Statistic (VIF)

	Cloud Accounting	Profitability
Performance Expectation	1.065	1.827
Knowledge Of Accounting Software	1.042	2.461
Bussines Expectation	1.038	1.100
Cloud Accounting		2.994
Profitability		

Source: SmartPLS 4 Output (2024)

According to (Ghozali 2016) a VIF value below 10 indicates no sign of multicollinearity. The outcomes of the collinearity statistic (VIF) test indicate that there are no signs of multicollinearity issues for any variables in this study, since all values are below 10.

Hypothesis test
Direct Effect (Path Coefficients)

Table 7. Direct Effect (Path Coefficients)

Hipotesis	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values

Performance Expectation->Cloud Accounting	0.504	0.501	0.114	4.419	0.000
Knowledge of accounting software->Cloud accounting	0.689	0.680	0.104	6.650	0.000
Business Expectation-> Cloud accounting	0.144	0.122	0.130	1.103	0.270
Performance Expectation->Profitability	0.339	0.364	0.142	2.391	0.017
Knowledge of accounting software-> Profitability	0.188	0.186	0.171	1.096	0.273
Business expectation->Profitability	0.166	0.155	0.169	0.987	0.324
Cloud Accounting->Profitability	0.463	0.461	0.203	2.277	0.023

Source: SmartPLS 4 Output (2024)

Based on the test results that have been conducted, it can be concluded that:
1. H1 is accepted due to the substantial impact of performance expectations on cloud accounting, evidenced by p-values of 0.000 or less than 0.05.
2. H2 is accepted due to the strong impact of accounting software knowledge on cloud accounting, evidenced by p-values of 0.000 or less than 0.05.
3. H3 is rejected as business expectations do not significantly impact cloud accounting, evidenced by p-values of 0.270 or greater than 0.05.
4. H4 is accepted due to the strong impact of performance expectations on profitability, evidenced by p-values of 0.017 or less than 0.05.
5. H5 is rejected as understanding of accounting software does not significantly impact profitability, evidenced by p-values of 0.273 or greater than 0.05.
6. H6 is rejected due to the lack of a significant effect of business expectations on profitability, evidenced by p-values of 0.324 or greater than 0.05.
7. H10 is accepted due to cloud accounting's strong impact on profitability, evidenced by p-values of 0.023, which is less than 0.05.

Indirect Effect (Path Coefficients)

Table 8. Indirect Effect (Path Coefficients)

Hipotesis	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (|O/STDEV|)	P values
Performance Expectation->Cloud Accounting->Profitability	0.234	0.227	0.111	2.106	0.035
Knowledge of accounting software->Cloud accounting->Profitability	0.319	0.311	0.144	2.211	0.027
Bussines Expectation-> Cloud accounting-> Profitability	0.067	0.061	0.075	0.884	0.377

Source: SmartPLS 4 Output (2024)

The conducted test results indicate that:
1. Performance expectation significantly impacts profitability via cloud accounting, with a p-value of 0.035. The results indicate that cloud accounting serves as an effective moderator between performance expectation and profitability.
2. Knowledge of accounting software significantly impacts profitability via cloud accounting, with a p-value of 0.027. The results indicate that cloud accounting serves as an effective moderator between proficiency in accounting software and profitability.
3. Business Expectation does not significantly impact profitability via cloud accounting, as indicated by a p-value of 0.377.

The Influence of Performance Expectancy on Cloud Accounting
The conducted data analysis indicates that performance expectations have a significant influence on cloud accounting, so H1 is accepted. If a business has a good level of performance expectations, it will encourage the use of cloud accounting to be able to increase its business productivity and achieve its business performance. This study aligns with investigations carried out by (Al-Okaily et al., 2022) This indicates that performance expectations significantly affect the use of cloud accounting.

The Influence of Knowledge of Accounting Software on Cloud Accounting
The data analysis indicates that knowledge in accounting software significantly impacts cloud accounting, so H2 can be accepted. If a business has a good understanding of accounting software, It will promote the adoption of cloud accounting. This research is in line with research conducted by (Nikolic et al., 2020) and (Ibrahim et al., 2020) It was discovered that knowledge of accounting software and accounting software positively influences the adoption of cloud accounting in MSMEs.

The Influence of Business Expectations on Cloud Accounting
The data analysis indicates that business expectations do not significantly impact cloud accounting, so H3 is rejected. Even though a business has good business expectations, this does not encourage a business to use cloud accounting. This research contradicts the findings of Dewantoro (2019), who asserts that business expectations positively influence the utilization of accounting information systems. This research aligns with the findings of Suvia et al. (2024), who contend that corporate expectations exert no substantial influence on cloud accounting.

The Influence of Performance Expectation on Profitability Through Cloud Accounting
The Conducted data analysis indicates that performance expectations have a significant influence on profitability through cloud accounting, so H4 is accepted. This study aligns with Hadi (2022), which suggests that elevated performance expectations positively impact the adoption of cloud accounting, it positively influences cash flow management and diminishes operational expenses, resulting in enhanced profitability for a corporation.

The Influence of Knowledge of Accounting Software on Profitability Through Cloud Accounting
The data study indicates that knowledge of accounting software significantly impacts profitability via cloud accounting, so H5 is accepted. This study aligns with research conducted by (Kumar et al., 2021) which has the result that companies with a higher understanding of cloud-based accounting software show better profitability because they can be more efficient in recording transactions, managing taxes, and analyzing financial reports. In addition, research conducted by (Salim et al., 2022) have the same idea that companies that have a good understanding of accounting software can reduce errors, save time by using cloud accounting and can manage resources more effectively, which ultimately increases profitability.

The Influence of Business Expectation on Profitability Through Cloud Accounting

The data analysis indicates that business expectations do not significantly impact profitability via cloud accounting, so H6 is rejected. This finding is inconsistent with the existing study (Shaikh et al., 2021) who argues that positive business expectations from a business regarding the use of cloud accounting can increase business profitability. This research aligns with previous studies by (Hidayat et al., 2021) who argue that business expectations do not have a significant influence on profitability through the use of cloud accounting. Other factors such as managerial capabilities and marketing strategies have a much greater influence on profitability compared to business expectations which are moderated by cloud accounting technology.

The Influence of Performance Expectation on Profitability

The conducted data analysis indicates that performance expectations have a significant influence on profitability, so H7 is accepted. This study aligns with the findings of Zhao et al. (2023), which demonstrate that good long-term performance expectations tend to improve the company's financial performance. Optimistic performance expectations can increase motivation to design more effective strategies so that business profitability increases.

The Influence of Knowledge of Accounting Software on Profitability

The data analysis indicates that proficiency in accounting software does not significantly affect profitability, so H8 is rejected. This research is inconsistent with the existing studies (Nugroho et al., 2020) it demonstrates that companies that use sophisticated accounting software with in-depth understanding tend to have better financial report management, increasing profitability. This research aligns with studies conducted by (Kamil et al., 2018) contends that while proficiency in accounting software positively affects operational efficiency, it does not significantly impact profitability, a claim substantiated by research conducted by Adeyemi et al. (2017), which indicates that knowledge of accounting software does not significantly influence a company's profitability. Many other factors have a greater influence, such as business strategy, resource management, and market conditions.

The Influence of Business Expectation on Profitability

The performed data analysis reveals the business expectations have no significant effect on profitability, so H9 is rejected. This result is inconsistent with the existing study (Hao et al., 2021) who argues that well-managed business expectations, especially those related to risk management, can positively influence company profitability. This research aligns with studies conducted by (Prasanna et al., 2020) who argue that business expectations do not have a significant impact on profitability.

The Impact of Cloud Accounting on Profitability

The conducted data analysis indicates that cloud accounting has a significant influence on profitability, so H10 is accepted. This study aligns with existing research (James et al., 2021) which concludes that cloud accounting has a positive influence on profitability because it can reduce accounting errors and increase efficiency in inventory management and research. (Mariam et al., 2020) which concludes that cloud accounting technology has a significant influence on profitability because it increases the efficiency of a business in financial management.

Profitability

Profitability, as defined by Sanjaya (2018), is a company's capacity to generate profit. Profitability is a critical issue that requires particular care, since a company must maintain a

profitable status to ensure its survival. Profitability serves as a criterion to evaluate a company's efficacy in utilizing working capital to achieve a predetermined amount of anticipated profit (Gustiady 2018). Profitability is crucial for ensuring long-term viability, since it indicates the future prospects of the company entity (Asila et al., 2024). Indicators used to measure profitability according to Ahmad et al., (2015) :
1. Return on Assets (ROA)
2. Return on Equity (ROE)

Cloud Accounting

Cloud Accounting is a modern concept of accounting processes in computers based on cloud computing, presented as a distributed computer service, using applications, simple access to data storage and information without requiring users to be in one place and understand the system configuration of this service provider (Muliawan, 2018). Users can access company accounting information data via the internet and what the company purchases is the use of services offered by the accounting software, not the software itself. Cloud-based accounting makes it easy for accountants to get reports for management. College financial management is certainly very accurate and timely. In addition, accountants can save time on routine calculations that are no longer done because of cloud accounting. To make decisions on existing problems, information is needed that is in accordance with management expectations (Rahardja, 2018).

The advantages of using Cloud Accounting according to (Dimitriu et al., 2014) reduce costs because there is no need to spend capital to buy IT equipment and software licenses, pay IT staff to install, upgrade, and install servers. Can be accessed anywhere, one of which can be accessed via the website and users can update financial information anywhere and anytime. Increase business flexibility performance because using fast internet can transfer data faster and information obtained in real time. Unlimited data storage space makes clients not have to worry about backing up data. According to research (Muhammad et al.,2021) indicators in the use of cloud accounting: system security, operational costs, and feature availability.

Micro, Small and Medium Enterprises (MSMEs)

According to (Khoiruddin et al., 2023) MSMEs are independence, profitable business units that operate across all economic sectors and are run by people or organizations. The criteria for MSMEs according to (Rosyda, 2021) :
a. A microbusiness is defined as one with capital or net worth of at least Rp 50,000,000 and a profit of Rp 300,000,000. The criteria can be an individual, an organisation, or a business.
b. Small firms are those with lower revenue or profit margins. Sales in the small-scale enterprise category generate profits ranging from Rp 300,000,000 to Rp 2,500,000,000.
c. According to legal requirements, medium-sized enterprises are those that are operated by people, organisations, or groups. There are two requirements for a business to be classified as medium-sized. First, a medium-sized company can make between Rp 2,500,000,000 and Rp 50,000,000,000 in a single year. In a single year, a medium-sized business's net assets total Rp 500,000,000.

Information from the Ministry of SMEs and Cooperatives (Kemenkopukm) in 2019 showed that MSMEs were able to contribute to GDP by 60.51% or equivalent to IDR 9,580 trillion. In terms of job creation, MSMEs were able to provide jobs for 119.56 million individuals, or 96.92% of Indonesia's entire labor force.

Performance Expectation

According to (Venkatesh et al., 2012) performance expectations represent an evaluation of a person's perception that using a system or the use of technology can have an influence in helping to achieve business performance or activities. According to (Venkatesh et al., 2003)

Performance Expectation indicators are divided into : perceived usefulness, relative advantage and outcome expectations.

Knowledge of accounting software

Accounting software is an accounting application program that is specifically designed to manage a business's financial records. This program is used by companies so that data about transactions can be more easily managed (Soltius, 2024). According to (Tychalas et al., 2020) and (Arcega, 2015) by utilizing a computerized accounting system enables respondents to do their tasks effectively, hence enhancing both the amount and quality of their output. One can complete financial calculations quickly, accurately, and precisely by understanding and becoming competent using accounting apps or software. Accounting software can reduce financial management mistakes that could have disastrous effects on the business. Consequently,

In this modern era, it is hoped that accountants can understand accounting software. According to research conducted by Tarek S and Yasser H. (2017), knowledge of accounting software indicators consist of the ability to operate software, understanding of accounting functions and modules, and the ability to adapt software to business needs.

Business Expectation

According to (Venkatesh et al., 2003) business expectation is a measure of system usability that can lower people's effort (time and energy) when completing their jobs. If individuals feel the ease of using a system (technology) then it will create a sense of comfort when using it. According to Widia (2022), effort expectation is a level or degree in terms of the aspect of using something. Something that is meant is that someone does not need to feel the difficulty in using technological innovation, ease is an indication that users find it easy to adapt to the new system because not much time and energies is spent to be capable of to understand the technology. According to (Venkatesh et al. 2003) Business expectations are measured by 3 indicators adopted from better solutions, getting convenience and innovation.
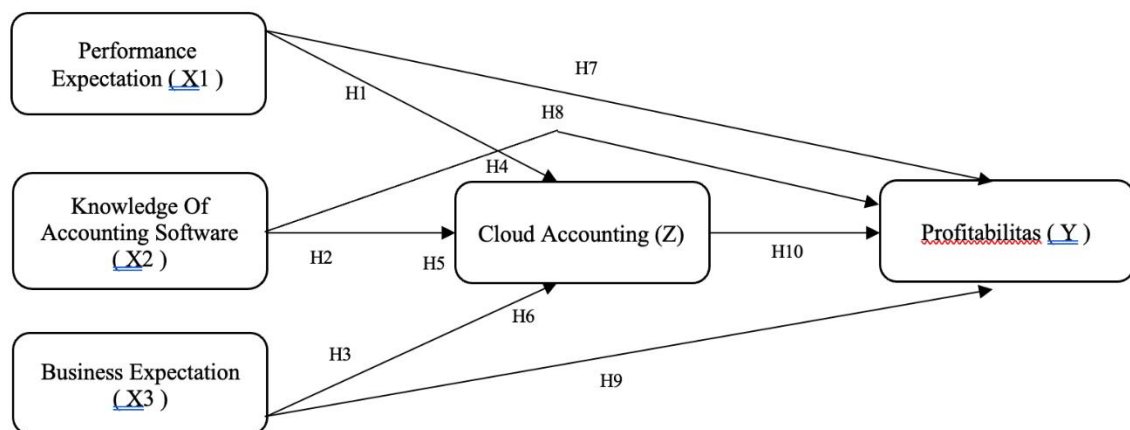

Figure 2. Conceptual Framework of Research

Hypothesis Development
The Influence of Performance Expectations on Cloud Accounting

The research of (Venkatesh et al. 2003) interpreting performance expectations as a measure of user trust in the system they use to benefit their work. If someone believes that the system they use can help improve work productivity and efficiency and provide a sense of security, they will be interested in using it. Previous studies show how performance expectations impact interest in cloud accounting. (Al-Okaily et al., 2022). The use of cloud

accounting is dominated by the expectation that performance is going to improve the quality, performance and efficiency in work (Al-Okaily et al., 2022).
H1: Performance expectations has an affect on cloud accounting

The Influence of Knowledge of Accounting Software on Cloud Accounting
According to (Nikolic et al., 2020) and (Ibrahim et al., 2020) who discovered that knowledge of accounting software is correlated with understanding of accounting concepts in MSMEs. In this study by (Thottoli, 2021) Strong correlations exist between fundamental accounting knowledge (including IFRS knowledge) and the adoption or use of accounting software to document the financial operations of a company.
H2 : Knowledge of accounting software has an affect on cloud accounting

The Influence of Business Expectations on Cloud Accounting
According to research conducted by (Venkatesh et al., 2012) interest in utilizing technology is significantly influenced by business expectations. Research conducted by (Gunawan et al., 2019) concluded that business expectations have a positive effect on habits that indicate a desire to utilize technology. Several studies that support the influence of business expectations on the use of accounting information systems were conducted by (Dewi et al., 2018) and (Dewantoro, 2019) assume that business expectations have a positive effect on the application of accounting information systems.
H3 : Business expectations has an affect on cloud accounting

The Influence of Performance Expectations on Profitability Through Cloud Accounting
According to research conducted by (Salim et al., 2021) High performance expectations act as a strong mediator in the relationship between cloud accounting usage and company profitability. Cloud accounting technology helps companies to improve operational efficiency, which ultimately increases profitability. Research of (Hadi, 2022) concluded that high performance expectations are positively related to the level of cloud accounting adoption, which has a positive impact on cash flow management and operational cost reduction, leading to increased profitability.
H4 : Performance expectations has an affect on profitability through cloud accounting

The Influence of Knowledge of Accounting Software on Profitability Through Cloud Accounting
Research (Kumar et al., 2021) has the result that companies with a higher understanding of cloud-based accounting software show better profitability because they can be more efficient in recording transactions, managing taxes, and analyzing financial reports. Research (Salim et al., 2022) shows that expertise in using cloud-based accounting software is proven to mediate the relationship between cloud accounting usage and higher profitability. Companies with higher expertise can reduce errors, save time, and manage resources more effectively, which in turn increases profitability.
H5 : Knowledge of accounting software has an affect on profitability through cloud accounting.

The Influence of Business Expectations on Profitability Through Cloud Accounting
According to research (Abdou et al., 2020) the use of cloud accounting can reduce administrative costs and speed up accounting processes, which ultimately increases the company's profit margins and profitability. (Shaikh et al., 2021) argues that a business's positive expectations of using cloud accounting to improve operational efficiency and cost management are directly related to the decision to adopt this technology. Companies that adopt cloud accounting report significant increases in profitability, thanks to its ability to reduce operational costs and speed up accounting processes.

H6 : Business Expectations has an affect on profitability through cloud accounting

The Influence of Performance Expectations on Profitability

According to research conducted by (Zhao et al., 2023) in the article entitled "*Impact of Performance Expectations on Firm Profitability: Evidence from China"* shows that high long-term performance expectations tend to improve a company's financial performance. Optimistic performance expectations can increase managers' motivation to design more effective strategies, improve operational efficiency, and encourage innovation, which in turn has the potential to increase the company's profitability.

H7 : Performance expectations has an affect on profitability

The Influence of Knowledge of Accounting Software on Profitability

Based on studies carried out by (Nugroho et al., 2020) shows that companies that use sophisticated accounting software with in-depth understanding tend to have better financial reporting management. This is directly related to increased profitability, because business decisions that based on accurate data are more likely to lead to financial success.

H8 : Knowledge of accounting software has an affect on profitability

The Influence of Business Expectations on Profitability

Based on studies carried out by (Hao et al., 2021) shows that well-managed business expectations, especially those related to risk management, can positively affect company profitability. The study found that entrepreneurs with realistic expectations and effective risk strategies tend to have more stable profitability, because they are better able to manage market uncertainty. According to the study (Liu et al.,2022) revealed that expectations about digital technology and innovation affect corporate profitability, especially in the context of a rapidly growing digital economy. Expectations that focus on digitalization and technological transformation have the potential to increase efficiency and open new markets, which in turn can increase profitability.

H9 **:** Business Expectations has an affect on profitability

The Impact of Cloud Accounting on Profitability

According to research (James et al., 2021) who researched the adoption of cloud accounting on retail business profitability concluded that cloud accounting helps reduce accounting errors and increases efficiency in inventory management, thereby contributing to increasing retail business profitability. In addition, studies carried out by (Laura et al., 2018) also encourages the adoption of cloud-based accounting solutions that can help startups increase their profitability. The results of the study indicate that cloud accounting allows startups to access financial reports in real time and reduce IT infrastructure costs, which increases profitability. This thinking is also driven by research (Mariam et al., 2020) which examines the influence of cloud accounting technology on financial outcomes and profitability of SMEs. This study found that companies that adopt cloud accounting technology are more efficient in financial management, which contributes to increasing their profitability.

H10 : Cloud Accounting has an affect on profitability

CONCLUSION

This research aims to determine the impact of performance expectations, knowledge of accounting software, and business expectations on profitability moderated by cloud accounting in MSMEs in Bandar Lampung. The conclusions obtained from the results of this study indicate that performance expectations have a significant positive effect on profitability while business expectations and knowledge of accounting software do not have a significant positive effect on profitability. Furthermore, performance expectations and knowledge of accounting software

exert a substantial positive influence on profitability via cloud accounting, whereas business expectations do not significantly enhance profitability through this medium. Additionally, performance expectations and knowledge of accounting software significantly promote the utilization of cloud accounting, while business expectations do not have a notable positive impact on its adoption. Upcoming study is anticipated to incorporate additional variables that can encourage the use of cloud accounting for MSMEs in order to increase business profitability and can expand the population and sample of MSMEs that can be studied.

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