How Perceived Trust Mediates Indonesian Lenders' Intention to Use P2P Lending Platform

By

Minsani Mariani
Binus Business School, Bina Nusantara University
Email: mmariani@binus.edu ,

Angelina
Binus Business School, Bina Nusantara University
Email: angelina010@binus.ac.id,

Elizabeth Kurniadi
Binus Business School, Bina Nusantara University
Email: elizabeth.kurniadi@binus.ac.id

Gianne Gladisca Hendityasari
Binus Business School, Bina Nusantara University
Email: gianne.gladischa@binus.ac.id

Abstract

In 2020, P2P lending dominated 50% of the financial technology industry in Indonesia. The fast growth and development of the P2P lending industry is believed to be driven by the need of borrowing from the unbankable population and the ease of requirements when compared to traditional financial institutions. But when compared to penetration of Internet users and Fintech users, the penetration of lenders in P2P lending platforms is still considered low whereas Otoritas Jasa Keuangan (OJK) recorded the adoption for lenders accounts was valued below 1% in 2020 which is highly believed to influenced by the risks considerations of the industry and the negative publications that impact public trust towards P2P. Using Unified Theory of Acceptance and Use of Technology 2 (UTAUT2), this study aims to analyze key factors that affect lenders' behavioural intention to adopt lending on the P2P lending platform with perceived trust as the intervening variable. The population in this research focuses on lenders of P2P lending platforms in the DKI Jakarta and Banten area, and a sample of 138 lenders in P2P lending were analyzed using SmartPLS 3.0 for the hypotheses testing. The hypotheses results show an R2 value of perceived trust of 0.923 and an R2 value of behavioural intention of 0.882. The behavioural intention for lenders to use the P2P lending platform was proven to be influenced by performance expectancy, social influence, facilitating conditions, interest rate attractiveness, and perceived risk with perceived trust as the intervening variable. Meanwhile, effort expectancy intervened by perceived trust did not affect the behavioural intention for lenders to use P2P lending which is believed due to the familiarity of Indonesian users with technology and the Internet and the low level of complexity of the P2P lending application flow. This study concludes that it is crucial for the P2P lending platforms to increase public trust by utilizing public figures and the lenders' social environment to increase their confidence and trust in using the platform, evaluate interest rates regularly that could benefit the lenders, and minimize the risks of overdue payments to establish a foundation where P2P lending prioritizes the needs of their users. Additionally, regulations by governments and regulators were believed to be influential in protecting the lenders' rights and help in obtaining the trust of the lenders to attract them to P2P lending.

1   Introduction

In recent years, the rise of the Internet era and digital technology has opened new business opportunities for various industries, shaping how a business operates towards the usage of technology innovations to serve their consumers better with the aim to achieve a competitive advantage and profits. It can be seen that the internet indeed has grown and spread to an extent where today it is an indispensable element in the communication and media environment of many countries, cultures, and societies (Brugger, Goggin, Milligan, & Schafer, 2017). Hence, it is common to find internet users engage and their individual empowerment is an expression of what is called internet competence (Mota & Cilento, 2020). Furthermore, in a few decades, the internet era and digital technology have made people can constantly interact, and connect with each other by using digital devices and social media (Hoehe & Thibaut, 2020) that which has become the most recent long wave of humanity's socioeconomic evolution (Hilbert, 2020). The advancement of technological innovations has enabled many of the business processes and consumer interactions to be completed with an application, from money transfers to bill payments, transportation, flights, accommodation bookings, etc. (Wulan, 2017).

The internet digitalization and technology innovations are further evolving to penetrate the financial industry which is commonly referred to as financial technology or Fintech (Yahaya & Ahmad, 2019). Fintech is a technology combining conventional financial products with technological innovations with the purpose to improve financial efficiency and reduce financial transaction costs (Liu et al., 2018). As finance has always relied on and co-evolved with technology (Knight & Wojcik, 2020), it is also driven by a variety of emerging frontier technologies (Li & Xu, 2021). The term Fintech has emerged on a broad scale and made the transformation of the financial industry visible to everybody (Alt, Beck, & Smits, 2018) that has the power to transform the provision of financial services, drive the creation of novel business models, applications, processes, and products, as well as lead to consumer gains (Murinde, Rizopoulos, & Zachariadis, 2022) that has an impact on the real economy (Luo, Sun, Yang, & Zhou, 2022). One of the most used and emerging Fintech sub-sectors is online lending or often referred as peer to peer (P2P) lending. It is an emerging Fintech business model (Taleizadeh, Safaei, Bhattacharya, & Amjadian, 2022). The P2P lending platform is a financial institution that offers online loan funds through applications without any personal relationship between the borrowers and the lenders (Milne & Parboteeah, 2016). Besides, P2P lending uses two-sided platforms to link borrowers with a crowd of lenders (Ribeiro-Navarrete, Pineiro-Chousa, Lopez-Cabarcos, & Palacios-Marques, 2021). It has passed the shakeout period and entered a steady growth period (Wang & Drabek, 2021). According to (Tritto et al., 2020), Asian countries, especially Southeast Asia have great opportunities for online loans because these countries have large young populations, high internet penetration, high use of smartphones, the rapid development of the shopping market, and most of the population does not have bank accounts. The online lending phenomenon in Indonesia continues to emerge as a future trend that can meet the needs of people who need their funding problems to be resolved quickly and practically.

By 2020, the Fintech industry in Indonesia was dominated by P2P lending (50%) followed by digital payments (23%) and blockchain/crypto (8%) (Fintech News, 2020). Digital payments can be seen as the activity done by users who pay digitally and those who do not have such accounts are known as unbanked or non-financially included and their payment ecosystem is primarily confined to cash, prepaid cards, e-money, and giros (Aurazo & Vega, 2021). Meanwhile, crypto currencies are digital assets that are designed to be used as forms of

exchange somewhat like traditional money (Tredinnick, 2019). The blockchain is seen as a mechanism to bypass the traditional financial system that is severely criticized because of its lax regulation which leads to the aforementioned crisis (Aslanidis, Bariviera, & Lopez, 2022).

The P2P lending platform itself in Indonesia is highly regulated by the Financial Services Authority (Otoritas Jasa Keuangan) under Regulation (POJK) No. 77/POJK.01/2016 regulating the tech-based lending and borrowing activities in Indonesia. The P2P companies operating in Indonesia must be registered and monitored under the Financial Services Authority (Otoritas Jasa Keuangan) while coordinating with Indonesia's Ministry of Communication and Information (KOMINFO) to operate their websites and applications. By May 2021, a total of 116 P2P lending platforms were recorded in OJK with 77 licensed platforms and 39 registered platforms (Otoritas Jasa Keuangan, 2021a). Among these platforms, it was recorded about 40% are focusing on the productive category, while the rest are in the consumptive and sharia category (Daily Social, 2020). According to Crowdfund Insider (2020), it was estimated that over 70% of Indonesia's MSMEs are open and accepting of Fintech technologies, but 80% of these MSMEs revealed that they do not have any supported access or reliable credit to be able to register on these Fintech lending platforms. In running a business, additional capital is much needed to develop its business, and most of it comes from loans. The P2P lending platform comes to help by providing financial loans that have relatively simpler and easier procedures when compared to banks and conventional financial institutions. Data from Otoritas Jasa Keuangan (2021b) recorded the P2P lending accumulated loan amount was estimated at Rp 3 trillion in January 2018 and grew significantly in August 2021 valuing at Rp 14.9 trillion which indicates a 396% growth of the value in the span less than 3 years. Furthermore, OJK also recorded growth for both lenders' and borrowers' accounts in the P2P lending platforms even in the midst of the pandemic COVID-19 that is hitting Indonesia. From the accumulated account of borrowers and lenders, the numbers of lenders and borrowers' accounts were increasing from Q1 to Q4 2020. But in 2021, borrowers' accounts kept increasing while lenders' accounts had a drop in January 2021 and by August 2021, the number of lenders managed to exceed its peak numbers in December 2020.

Although there is a lot of potential and evidence for P2P lending growth, this is also offset by the challenges the industry may face, especially in Indonesia. The main challenge is the adoption of P2P lending platforms that are still relatively low, especially on terms of the lenders' side. From the percentage adoption of Internet vs Fintech penetration in Indonesia 2018-2020, a gap between the percentage of Internet users with the P2P lending users is evidence of low awareness and low level of technology adoption from Indonesia's population, especially for lenders' adoption. A survey by APJII (2020) recorded that by the end of 2020, around 70.66% of Indonesia's population are active Internet users. Meanwhile, AFTECH (2020) only recorded 30%+ of Indonesia's population as Fintech users. On the other side, data from Otoritas Jasa Keuangan (2021b) recorded a low number of user account adoption in terms of the nation's population with 16.2% for borrowers' accounts and a much lower adoption for lenders' accounts with a value around 0.30% in 2021. Data from Otoritas Jasa Keuangan (2021b) also showed the great discrepancy between borrowers' accounts and lenders' accounts, especially between the DKI Jakarta and Banten region with other regions. From accumulated accounts of borrowers and lenders by locations, distribution of lenders and borrowers accounts in Indonesia P2P lending platform by locations, most of the borrowers and lenders are contributed from DKI Jakarta and Banten region with 34.5% of lenders account contributions and 51.8% of borrowers account contributions. Compared to the other regions, DKI Jakarta and Banten have the highest gap difference among contributions of lenders and borrowers further highlighting the discrepancy of Fintech adoption between lenders and borrowers' accounts. A survey by CIMB Niaga (2020) further supported the claims above with the survey

results exclaiming that around 52.3% are not aware of Fintech lending indicating the minimum understanding of financial products and services in Indonesia Internet users, including the risks and benefits Fintech may provide.

The gap that occurred is also highly believed due to the doubts and hesitations in lending to borrowers caused by the issues related to investment in the P2P lending platforms, such as the potential for default from debtors and non-performing loans (Kompas, 2021). Meanwhile, from the lender's perspective, the regulations are still vague that in the event of a dispute between the lender and the P2P lending platform, the lender must fully bear the risks, such as investment losses, misuse of loan funds, possible platform failure and bankruptcy (Duwitmu, 2019). While there are licensed P2P lending platforms that work with insurance brokers to cover losses, it was never been fully covered and not every platform has provided this alternative until now. It is not clear whether these efforts are sufficient or not to protect lenders due to distortion of information. A study conducted by Amalia et al. (2020) also identified that various platforms carry out a series of safeguard policies, but it is still not clear whether they are useful and sufficient to protect lenders from lending risk on the platform, and many P2P lending platform policies usually state a disclaimer that all credit risk and failure to repay will be fully borne by the lender. In Indonesia, information asymmetry is still a common problem because P2P lending platforms are still new and developing, and there is no proper regulation for lenders (Afaf A et al., 2017). Until now, it is unclear whether the protections offered by P2P lending platforms are sufficient enough to protect lenders from risk and maintain their trust.

Considering the fact that P2P lending is a technology-based application, this study used the Unified Theory of Acceptance and Use of Technology 2 (short for UTAUT2) model to analyse the factors that influence the use and adoption of the P2P lending platforms in Indonesia (Soegesty et al., 2020). Compared to the preceding UTAUT model, the UTAUT2 model was proven to have a large contribution towards the improvements in behavioural intention explanations from 56% to 74%, and also in technology use explanations from 40% to 52% (Zulfauzy & Rachmawati, 2018). In this study, the UTAUT2 model with Performance Expectancy, Effort Expectancy, Social Influence, Facilitating Conditions, Interest Rate Attractiveness and an additional factor of Perceived Risk are analysed through Perceived Trust to review the influence on the Behavioral Intention of the P2P lending platform. This study was conducted with the aim of analyzing the factors that can influence the investment intention of the people in Indonesia on the P2P Lending Platform through perceived trust. With this research, it is hoped that it can become a foundation for service providers or financial industry providers, especially P2P Lending Platforms in Indonesia in understanding the needs and desires of investors as consumers and evaluating strategies to embrace investors, develop scope to increase lenders on the P2P Lending Platform.

2   Theoretical foundation

Performance expectancy has been found to influence behavioural intention in using a P2P lending platform according to previous research by Wang et al. (2019). Similar results are found in Alazzam et al. (2018), Chao (2019), and Isaac et al. (2019) research. According to Li (2021), effort expectancy has a positive effect on perceived trust where a good impression given by the platform will increase user trust because users will think the platform is trustworthy and can be used. Previous research done by Wang et al. (2019) showed that there is a significant positive relationship between social influence and behavioural intention in using a P2P lending platform. Facilitating conditions also showed a positive relationship to behavioral intention from previous research by Alam et al. (2018), Alfanzi & Daulay (2021),

and Yahaya & Ahmad (2019). In addition, according to Singh et al. (2017), users will trust the technology if the infrastructure provided is adequate. When the interest rate is perceived to be higher than the funds and/or costs to be borne by the lenders, this will increase their trust on the platform as well. This was supported by a study by Seo (2020) that price value has a positive influence on trust.

In the P2P lending platforms, the transaction is complete on the platform whereas when compared to traditional financial institutions, P2P lending platform has relatively low information to ensure preventive instruments in place which could result in high risk of borrowers not repaying and ending up as bad debts. These imperfect credit systems could cause many problems for the P2P lending platform such as regulatory risk, technology risk, management risk, and credit risk that could affect the lender's benefits and their intention toward the lending platform. P2P lending platform users will increase when they feel confident about the consistency of the information contained in the application so that psychologically users will feel safe to use the application. Hence, the proposed hypothesis of this study is as follow:

Hypothesis 1: Performance Expectancy has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust.
Hypothesis 2: Effort Expectancy has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust.
Hypothesis 3: Social Influence has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust.
Hypothesis 4: Facilitating Conditions has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust.
Hypothesis 5: Interest Rate Attractiveness has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust.
Hypothesis 6: Perceived Risk has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust.
Hypothesis 7: Perceived Trust has an effect on the Behavioral Intention of P2P Lending Platform.

3   Methodology

This study uses quantitative methods that are commonly used to examine certain populations and samples. The design of this research uses causal associative research where the research has the aim of knowing the relationship between two or more variables that will be built from a theory that functions to explain, predict, and control a phenomenon (Sujarweni, 2015:16). This research uses a survey method in which information collection is carried out by compiling a list of questions to be asked to respondents so that the unit of analysis of this research is Indonesia's DKI Jakarta and Banten area P2P lending platforms' lenders and information from respondents collected only once at a certain time or using a cross-sectional time horizon. The data sources used in this research are primary data and secondary data. Primary data is data that is acquired directly from the respondents with questionnaires, interviews, focus groups, and panels (Sujarweni, 2015:89). This research uses a method of distributing questionnaires directly without intermediaries to lenders of P2P lending platforms in the DKI Jakarta and Banten area and secondary data is data retrieved from information on books, journals, news, and accurate information on the internet as secondary data for this research.

4   Discussion

The pre-test was conducted before distributing the final questionnaire to the targeted respondents with the purpose to ensure all the variables in this study and its constructs are valid and reliable. The pre-test was done on 13rd September 2021 with questionnaires distributed to 30 respondents. Validity tests can be conducted through 2 (two) events, namely convergent validity and discriminant validity. In SEM-PLS analysis with a reflective measurement model, convergent validity is assessed using indicator reliability and average variance extracted (AVE). Based on the pre-test assessment, all outer factor loadings were above 0.7, thus all the indicators are confirmed to be valid. Meanwhile, the AVE value should be greater than 0.5 to indicate that the construct explains more than half of the variance of its indicators (Hair et al., 2017). The AVE values were above 0.5, hence the variables or constructs are confirmed to be valid. Discriminant validity is assessed using the Heterotrait-Monotrait Ratio (HTMT), in which the ratio of the between-trait correlations to the within-trait correlations. The confidence interval of the HTMT statistic should not include the value 1 for all combinations of constructs (Hair et al., 2017). Meanwhile, all the HTMT confidence intervals did not include the value of 1, therefore the variables are valid. The next stage of assessment is to analyse internal consistency reliability. Internal consistency reliability was analysed with composite reliability. all composite reliability values were greater than 0.6 and less than 0.9, therefore the variables are reliable. In summary to the explanation above, all research variable instruments are considered valid and reliable hence no variable instruments are deleted.

This research uses snowball sampling techniques with questionnaire distribution conducted through the help of relationship managers (RM) in licensed P2P lending platforms distributed to lenders' domiciles primarily in DKI Jakarta and the Banten area. The data collection was conducted from 17th September 2021 to 27th September 2021 and received responses from 150 respondents. Of the 150 respondents, only 138 respondents' data were used in the analysis, while the remaining 12 respondents were screened to have biased answers and therefore excluded for further testing analysis. The biggest contributions among all characteristics are female (55%) respondents with age 30 years old and below (62%), domicile primarily at DKI Jakarta area (67%) with educational level S1 (Bachelor) degree (63%) and a monthly income ranging around more than Rp 20,000,000 (37%). From the characteristics above, the respondents are primarily active lenders which are lenders who have had a lending record and/or experienced more than once in P2P lending platforms and currently remain active in lending (72%).

Similar to the pre-test assessment, validity and reliability analysis was conducted using convergent validity tests by overviewing the loading factor and AVE, discriminant validity using HTMT, and internal consistency reliability using Cronbach's alpha and composite reliability. Results of the analysis are shown in table 1 and 2 as follows:

Validity analysis is split into 2 (two) stages, namely convergent validity and discriminant validity. Convergent validity results can be seen from table 2, the factor loading value of all questionnaire items is greater than 0.70, therefore it can be believed that all questionnaire items are valid. Meanwhile, the overall AVE value of the questionnaire items is greater than 0.50 hence all questionnaire items are considered valid as well. In addition, this study uses discriminant validity by means of the heterotrait-monotrait ratio (HTMT) which is intercepted from table 3 that all research variables' value is less than 0.90, therefore all research variables are declared to have passed the validity test. Reliability analysis results can be seen in Table 2. results by analyzing the values of Cronbach's alpha and composite reliability. Based on table 2, the value of Cronbach's alpha and composite reliability of all questionnaire items ranges

between 0.60-0.90 hence all questionnaire items for each variable are considered reliable.

Table 1. *Validity and Reliability Test Results Summary*

| Variable | Item | Convergent Validity | | Internal Consistency Reliability | |
| | | Factor Loading > 0.70 | AVE >0.50 | Cronbach's Alpha | Composite Reliability |
				>0.60-0.90	
Performance Expectancy	PE1	0.746	0.630	0.809	0.871
	PE2	0.860			
	PE3	0.742			
	PE4	0.820			
Effort Expectancy	EE1	0.887	0.735	0.781	0.817
	EE2	0.863			
	EE3	0.864			
	EE4	0.812			
Social Influence	SI1	0.857	0.676	0.840	0.893
	SI2	0.794			
	SI3	0.835			
	SI4	0.801			
Facilitating Conditions	FC1	0.814	0.685	0.851	0.897
	FC2	0.887			
	FC3	0.798			
	FC4	0.809			
Interest Rate Attractiveness	IRA1	0.893	0.761	0.798	0.827
	IRA2	0.883			
	IRA3	0.850			
	IRA4	0.863			
Risk	PR1	0.803	0.663	0.804	0.822
	PR2	0.851			
	PR3	0.805			
	PR4	0.828			
	PR5	0.880			
	PR6	0.710			
Trust	PT1	0.771	0.577	0.755	0.845
	PT2	0.722			
	PT3	0.714			
	PT4	0.825			
Behavioural Intention	BI1	0.727	0.602	0.778	0.858
	BI2	0.857			
	BI3	0.792			
	BI4	0.719			

Source: Researchers (2021)

Table 2. *Discriminant Validity Test Results Summary*

	Performance Expectancy	Effort Expectancy	Social Influence	Facilitating Conditions	Interest Rate Attractiveness	Risk	Trust	Behavioral Intention
Performance Expectancy								
Effort Expectancy	0.546							
Social Influence	0.544	0.850						
Facilitating Conditions	0.433	0.256	0.731					
Interest Rate Attractiveness	0.241	0.133	0.426	0.803				
Risk	0.389	0.333	0.518	0.762	0.897			
Trust	0.321	0.397	0.463	0.509	0.812	0.671		
Behavioral Intention	0.530	0.482	0.164	0.386	0.678	0.619	0.821	

Source: Researchers (2021)

The hypothesis testing for this study uses a significant level of 5% with the accepted and/or significant hypothesis criteria being the t-statistic value > 1.96 and p-value < 0.05. If the t-statistic value < 1.96 and p-value > 0.05, then the hypothesis is rejected and/or insignificant. The hypothesis testing results for this study are as follows shown in table 3 whereas the initial

7 proposed hypotheses resulted in 6 accepted and/or significant hypotheses and 1 rejected as an insignificant hypothesis.

Table 3. *Hypothesis Testing Results*

Hypothesis	Path	Path Coefficient	t-Statistic	p-Value	Significance	Conclusion
H_1	PE → PT → BI	0.165	3.661	0.000	Significance	Accepted
H_2	EE → PT → BI	-0.028	0.859	0.390	Not Significance	Rejected
H_3	SI → PT → BI	0.592	12.955	0.000	Significance	Accepted
H_4	FC → PT → BI	0.280	3.853	0.000	Significance	Accepted
H_5	IRA → PT → BI	0.448	6.481	0.000	Significance	Accepted
H_6	PR → PT → BI	0.305	6.489	0.000	Significance	Accepted
H_7	PT → BI	0.940	75.093	0.000	Significance	Accepted

Source: Researchers (2021)

This study has a coefficient of determination (R2) of 0.882 on the variables of Performance Expectancy, Effort Expectancy, Social Influence, Facilitating Conditions, Interest Rate Attractiveness, and Perceived Risk on Behavioral Intention through Perceived Trust. From the results, it can be believed that Performance Expectancy (PE), Effort Expectancy (EE), Social Influence (SI), Facilitating Conditions (FC), Interest Rate Attractiveness (IRA), and Perceived Risk (PR) affect Behavioral Intention (BI) through Perceived Trust (PT) with a value of 88.2%, while the remaining value 11.8% are believed to be influenced by other variables that are not included in the variables in this study. While the coefficient of determination (R2) of perceived trust is 0.923. It showed that Performance Expectancy (PE), Effort Expectancy (EE), Social Influence (SI), Facilitating Conditions (FC), Interest Rate Attractiveness (IRA), and Perceived Risk (PR) affect Perceived Trust (PT) with a value of 92.3%.

4.1 Performance Expectancy has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust

Based on the hypothesis test of H1, Performance Expectancy has an effect on the Behavioral Intention through Perceived Trust. Performance Expectancy is related to the perception of the use of users' technology which can increase investment opportunities or chance to invest, to be the main factor that is considered to have an impact on respondents being able to become lenders on the P2P lending platform. In the context of P2P lending, Performance Expectancy is closely associated with the extent of the use of the platform to the daily productivity of the lenders. With the testing hypothesis accepted and significant, the P2P lending platform is proven to have an impact on the daily life and productivity of the users, especially lenders which may gain more additional benefits than merely financial value. This hypothesis result is in accordance with research by W. Li (2021) that identified Performance Expectancy has a positive influence on Perceived Trust. Performance Expectancy has a positive influence on trust and shows that the service can be trusted by lenders if lenders feel the platform is effective and efficient Alazzam et al. (2018), Chao (2019), Isaac et al. (2019), Singh et al. (2017), and Wang et al. (2019) also supported this result in showing that there is a significant positive relationship between Performance Expectancy and Behavioral Intention in using a P2P lending platform where the study results found that performance expectancy is related with the daily productivity in the daily life of the users and the platforms or technology services providers are strongly suggested to enhance their systems and benefits that could provide more beneficial value to the users rather than merely a financial value. Furthermore, the platforms are suggested to provide characteristics and features that could differentiate

themselves from the other platforms.

4.2 Effort Expectancy does not have an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust

Based on the hypothesis test of H2, Effort Expectancy does not have an effect on the Behavioral Intention through Perceived Trust. Effort Expectancy is related to the perception of users' convenience. These results prove that the level of convenience associated with using the technology does not affect the use of technology where ease of use, availability of customer service, and ease of access are not reasons to increase the intention to use technology and the convenience offered by the P2P lending platform is not a determining factor for respondents to be able to use the technology in which in this study context, it is not a determining factor for users to become a lender in the P2P lending platform. The rapid growth of technology produces many new technologies that challenge the users to use the technology despite its complexity in using it. The ability to use the technology becomes a need for users; since most people are able to use it, hence it is expected for users to be able to adopt it too. This phenomenon can be seen in the financial payment industry where previously people were required to go to bank counters or ATMs physically to transfer money. But with the innovation of mobile and internet banking, people can transfer money and do other banking transactions using smartphones and gadgets Since the majority of people are able to use it and the technology gives more convenience, the adoption of the technology or ease of use in technology become less significant, especially for Indonesian people who do not want to seem to be outdated or behind the times for the technology era. In addition, the hypothesis rejection result is in contrast with the previous studies conducted by Alazzam et al. (2018), Chao (2019), and Wang et al. (2019) who they have proven that there was a significant positive relationship between Effort Expectancy and Behavioral Intention directly. Wang et al. (2019) determined that the level of individual effort and the level of ease of use of technology can help work and support a job so that it can affect interest in using the technology and this was supported by Alazzam et al. (2018) and Chao (2019) that identified the convenience offered makes a positive contribution to platform adoption and Effort Expectancy represents beliefs related to convenience which are the strongest determinants of users' Behavioral Intention to adopt a technology; while according to W. Li (2021), Effort Expectancy also has a positive effect on Perceived Trust. But this study identified that Effort Expectancy to Behavioral Intention is not as significant as the influence of other UTAUT2 variables. Previous studies by Kwateng et al. (2018), Najib et al. (2021), and Septiani et al. (2020) also provided the same results where there is no significant relationship between Effort Expectancy and Behavioral Intention directly. These previous studies have shown that Effort Expectancy does not appear to be attractive anymore for the users to adopt the P2P lending platform due to current technological advances that have enabled the public to easily understand the use of digital technology, hence Effort Expectancy does not have an impact on the intention of users to adopt the P2P lending platform anymore and these are further supported through this study results that proved even when Effort Expectancy is tested for its influence on Behavioral Intention through Perceived Trust, the hypothesis was insignificant and rejected.

4.3 Social Influence has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust

Based on the hypothesis test of H3, Social Influence has an effect on Behavioral Intention through Perceived Trust. Social Influence is related to the use of technology according to the user's social environment where recommendations to invest in the P2P lending platform from people whose opinions are valued are the main factors that are considered to have an impact on respondents being able to become lenders on the P2P lending platform. This is also supported by the daily behaviours of Indonesia, where the country's people are

collectivists who have a high preference for a social framework towards people who are considered important to them, and these high preference people will have an influence on the use of the new system. This result has further proven that lenders' will to invest in the P2P lending platform would be higher and affected when the social surroundings of the lenders are supporting their decisions to invest. On the contrary, if the social surroundings of the lenders are not supportive and have a negative perception towards P2P lending, this would as well strongly discourage the lenders' interest to invest in the platforms. This hypothesis is supported by previous research by Wang et al. (2019) that found there is a significant positive relationship between Social Influence and Behavioral Intention in using a P2P lending platform that when someone the users valued suggested or recommended them to use the technology, it will highly influence their level of interest and intention to use the technology. And research by Singh et al. (2017) identified Social Influence has a positive effect on trust that when the users are recommended to use the system services, they will start trusting the technology offers.

4.4 Facilitating Conditions has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust

Based on the hypothesis test of H4, Facilitating Conditions has an effect on the Behavioral Intention through Perceived Trust. Facilitating Conditions is related to the perception of available resources to help adopt technology where users find it easiness to received help various sources such as customer service and relationship managers (RM) when encounter with difficulty investing in P2P lending platforms being the main factor considered to have an impact on respondents to become a lender on the P2P lending platform. Previous research by Alam et al. (2018), Alfanzi & Daulay (2021), and Yahaya & Ahmad (2019) support this result in which Facilitating Conditions showed a positive relationship to Behavioral Intention. When the platforms' online service and the technology infrastructure exists to fully support the users when using the technology, it will highly influence and motivate them to use the technology. In addition, Singh et al. (2017) also identified that users will trust the technology if the technology infrastructure and technology support provided is adequate. The availability of supporting services by the platforms when the users are facing obstacles using the platforms was found to be having an impact for the users to obtain trust to use the technology.

4.5 Interest Rate Attractiveness has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust

Based on the hypothesis test of H5, Interest Rate Attractiveness has an effect on the Behavioral Intention through Perceived Trust. Interest Rate Attractiveness is related to the perception of benefits compared to costs where getting interest that is equivalent to the risk that will be received on the P2P lending platform is the main factor that is considered to have an impact on respondents being able to become lenders on the P2P lending platform. The ability and competence of the P2P lending platforms to offer attractive interest rates and be able to repay it with the same value it offered would strongly encourage lenders' intention to invest in the platforms. At the same time, if the P2P lending platforms are unable to repay the interest as it offered, it would also strongly discourage the lender's intention to lend and/or re-lend. This hypothesis result is in accordance with studies by Kwateng et al. (2018), Najib et al. (2021), and Septiani et al. (2020) which identified that Interest Rate Attractiveness has a positive influence on Behavioral Intention where previous researchers stated that price value can replace monetary costs, then there is a higher contribution for users to be able to adopt new technologies, especially in lenders' perspectives where they see P2P Lending Platform as an investment tools. Seo (2020) also identified that Price Value or Interest Rate Attractiveness has a positive influence on Trust and determined that Trust is the basis of these values where through Trust, the values will be transferred to Behavioral Intention. Thus, it is necessary to

increase trust regarding the value of the price between the users and the technology.

4.6 Perceived Risk has an effect on the Behavioral Intention of P2P Lending Platform through Perceived Trust

Based on the hypothesis test of H6, Perceived Risk has an effect on the Behavioral Intention through Perceived Trust. Perceived Risk is related to the uncertainty of adopting technology where investing in the P2P lending platform will provide the desired results, which is the main factor that is considered to have an impact on respondents being able to become lenders on the P2P lending platform. The platforms are strongly encouraged to have a sufficient risk mitigation plan, starting from evaluating and scoring the borrowers, and preparing for the worst-case scenario as well if the borrowers failed to repay, the platforms are strongly encouraged to have alternative plans to provide the repayment on-time to the lenders. Partnership with insurance companies is one of the alternatives where most lending platforms are currently still unavailable for this alternative. This result is supported by Faradynawati (2018), who found Perceived Risk has a positive influence on trust which shows that the embedded risk in financial technology will not build user trust, and Ichwan & Kasri (2019) and J. Li et al. (2016) further identified Perceived Risk as a significant factor that affects the usage of the P2P platform, specifically when the risks are being felt by the lenders, they will reduce their investments or withdraw their investment.

4.7 Perceived Trust has an effect on the Behavioral Intention of P2P Lending Platform

Based on the hypothesis test of H7, Perceived Trust has an effect on the Behavioral Intention. Perceived Trust is related to the perception that other parties are reliable and will not take advantage of consumers, be it through written promises or words which provide commitments and maintain to giving interest as promised are the main factors that are considered to have an impact on respondents to be able to become lenders on the P2P lending platform. Furthermore, the marketing of the P2P lending itself plays a vital role for establishing trust to the lenders and potential lenders. Social media, app store reviews and complaint resolution rate are several of the example mediums to establish trust for the P2P lending platforms. A positive brand image with regulation-complied platforms would strongly attract the intention of the lenders to maintain using the platforms. This hypothesis result is also supported by Chao (2019) and Kwateng et al. (2018) that found Perceived Trust significantly influences the usage of financial technology. Perceived Trust was found to be a major contributor and intervening factor in establishing the intentions for lenders to use P2P. The trust could be the reliability from the technology and the users' opinion towards the technology and the higher the level of trust towards the technology, the more likely users will use and recommend the technology to the others.

5   Conclusion

From this study, it is found the coefficient of determination (R2) of 0.882 which mean that Performance Expectancy (PE), Effort Expectancy (EE), Social Influence (SI), Facilitating Conditions (FC), Interest Rate Attractiveness (IRA), Perceived Risk (PR) affect Behavioral Intention (BI) through Perceived Trust (PT) with a value of 88.2%. While the coefficient of determination (R2) of Perceived Trust is 0.923. It showed that Performance Expectancy (PE), Effort Expectancy (EE), Social Influence (SI), Facilitating Conditions (FC), Interest Rate Attractiveness (IRA), and Perceived Risk (PR) affect Perceived Trust (PT) with a value of 92.3%. Based on hypothesis testing, the result found that from 7 hypotheses proposed in the study, there are 6 hypotheses that are accepted or influence the Behavioral Intention to use of the P2P lending platform from the lender's side and 1 hypothesis was rejected or determined as having no effect on the Behavioral Intention to use of the P2P lending platform to the lenders.

Six hypotheses that are accepted or have an influence on the adoption of P2P lending platforms are namely: Performance Expectancy, Social Influence, Facilitating Conditions, Interest Rate Attractiveness, Perceived Risk has an effect on the Behavioral Intention of P2P lending platform through Perceived Trust and Perceived Trust has an effect on the Behavioral Intention of P2P lending platform. Therefore, these relevant variables need to be implemented to increase the adoption of the P2P lending platform from the lender's perspective. Meanwhile, there is 1 hypothesis that is rejected or has no influence on the adoption of the P2P lending platform, namely Effort Expectancy. Meanwhile, based on the coefficient value, Perceived Trust was the main variable affecting Behavioral Intention, followed by Social Influence, Interest Rate Attractiveness, and Perceived Risk respectively.

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