

## **Get to Know P2P Lending and Investors Learning Process at Indonesia**

Yohannes Kurniawan, Aryo Bimo Yudhanto Putra, Naura Putri Cahyadewi

Information Systems Department, School of Information Systems, Bina Nusantara University, Jakarta, Indonesia 11480,  
[ykurniawan@binus.edu](mailto:ykurniawan@binus.edu) (Corresponding Author)

**Abstract.** The COVID-19 pandemic had cost lots of damage through lockdowns or restrictions. This cause a decline in personal revenue, as some people is laid off. For that reason, Indonesian needs to find a new income stream in this new situation such as investing through P2P lending application. At the same time, we are facing a high stream of information through the internet which makes investment in P2P lending application began rising. The research aims to find out the best learning scheme for investors as well as defining the best strategy for P2P lending in growing their market. The method used in this research is quantitative approach by collecting data through Google Form which is shared among social media. The result obtained by this research shown that 86.75% of P2P lending application users learnt before using the application. This result can be used by P2P lending application management team to define the right strategy to educate users in using the application and choosing the right borrowers.

**Keywords:** Financial Technology, Investment, Technology, Learning Process, P2P Lending

## **1. Introduction**

In the early 2020, the world faced an unprecedented global health and socio-economic crisis triggered by the COVID-19 pandemic. Including Indonesia, where the COVID-19 pandemic was officially declared to have transmitted in this country on March 2, 2020 (Hanggara, 2020). The crisis has turned the lives of many people around the world upended and the main cause is economic problems. This situation forces people to be aware of the importance of maintaining economic stability by increasing their assets and having a backup plan in terms of finances so that people can live properly during the pandemic.

Since there was an economic crisis during this pandemic, researchers have found that many people are trying to increase their long-term assets and prevent inflation by investing. Based on Forbes.com (Napoletano & Curry, 2022) explained that investing is the process of buying assets that increase in value over time and provide returns in the form of income payments or capital gains. As time goes by, Indonesian people's interest in investing has begun rising for the last couple of years. The Deputy of Central Bank of Indonesia (BI), Destry Damayanti, stated that due to the restriction or limitations of our mobilization during the pandemic, shifts our habit towards money to a limited condition. Thus, it pushes the society to be aware with their money management and preferred to carry out investment activities such as stocks and other kinds of investment product (Gunadha & Djailani, 2021).

There is lots of investment that an investor could choose, also with the technology advancement; investment is more variative and available digitally. The trend of technology advancement creates a new terminology called financial technology which platform accommodates automation of financial services. Seeing the popularity of fintech as a means of investing digitally, many fintech's have been supported by security and privacy protection so that investors can feel satisfied and trust to invest in the application (Zhang & Kim, 2020). Based on voi.id, there are some investment instruments that are quite popular in Indonesia like Deposits, Stocks, Mutual Funds, and Peer to Peer Lending (Kurniawan, 2021).

As the increase of technology advancement approach in financial services, researchers are interested in analyzing how investors learn when investing in one of the popular investment instruments in Indonesia, peer-to-peer lending, and what are the biggest factors that cause investors to be successful when investing in peer-to-peer lending applications. The type of investment in peer-to-peer lending is relatively new in Indonesia, but the growth of investors is also increasing every year since the platform was present and has legal clarity and simplicity. As we can see in the table below regarding the growth of P2P lending investors in Indonesia every month even during the pandemic it has increased.

Table 1: Accumulated number of lender's accounts in Indonesia (OJK, 2022)

	July 2022	August 2022	September 2022
<b>Java Island</b>	716.093 lenders	729.886 lenders	742.225 lenders
<b>Outside Java Island</b>	208.567 lenders	211.740 lenders	214.662 lenders
<b>TOTAL</b>	<b>924.660</b> lenders	<b>941.626</b> lenders	<b>956.887</b> lenders

On the table 1, it is shown that the active accounts of lenders in Indonesia are increasing every month in 2022. Based on these data, it can be concluded that the highest data for active users of most Indonesian P2P lending applications is on the Java Island. Seeing the great interest shown by the Indonesian public towards P2P lending, this has made researchers interested in finding out more about investors' views on P2P lending applications and how their learning process is to deepen their knowledge to increase their potential for success in investing and reduce possible risks.

Peer-to-peer (P2P) lending is a form of financial technology that allows people to lend or borrow money from one another without going through a bank (Kagan, 2022). There are many peer-to-peer lending applications in Indonesia. Each of the application have its own feature and different in terms of funding marketplace and overall systems. Summarizing all the use cases in peer-to-peer applications in Indonesia, use case diagram will be presented as figures 1 below to understand activities that users could carry out in most of Indonesian peer-to-peer applications.

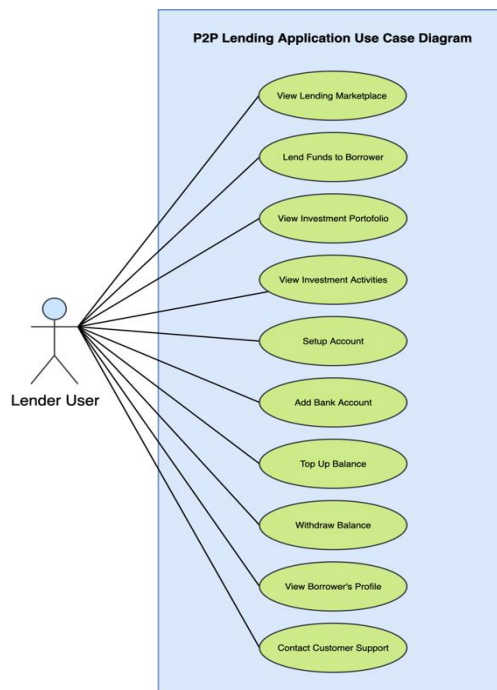


Fig. 1: P2P Lending Application Use Case Diagram

With that in mind, to have a clear understanding about peer-to-peer lending platforms works and flows, researcher will provide a rich picture to see how each stakeholder are related within each other in the systems which will be presented below (figure 2).

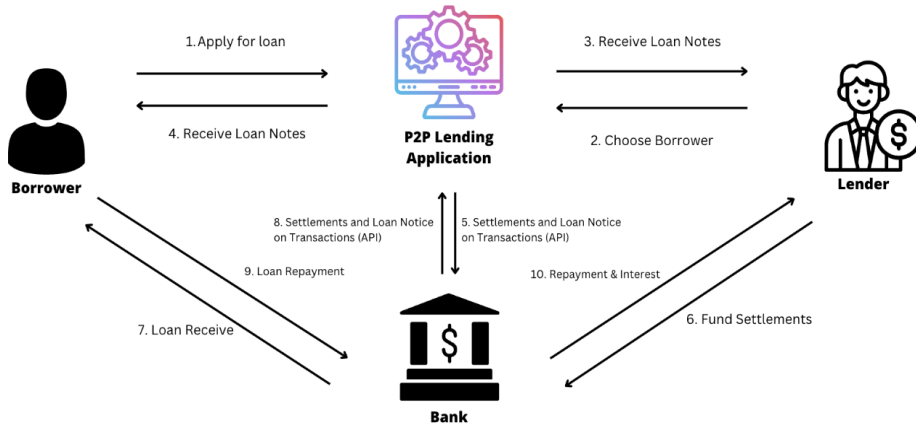


Fig. 2: P2P Lending Platform Rich Picture

Basically, it is a contact between lenders or investors with borrower who might be a SMEs or individuals or company. The application will bridge the communications and do all the curating process needed to ensure whether borrower could get a funding from their lenders. While lenders are validated by their identification card to ensure the responsibility of the loaned fund. Bank is carrying out repayment and settlements process to lender or borrowers through the information sent or gathered from the peer-to-peer lending applications.

All kinds of investments have their own advantages and risks, as well as peer to peer lending applications. There are some advantages for the lender as an Investor in Peer-to-Peer Lending Application, where's possible for the lender to get a higher rate of return than the other investments such as deposits or bonds. Then, it is more accessible for lender finding the source of funding and the lender can choose the level of risk to accept in terms of the profile of the borrowers to whom they want to lend money to (Beachey & Philips, 2022). Beside of that, there are risks that might occur when investing in peer-to-peer lending like the liquidity risks and when the Borrowers may default on their loans and might not be able to repay their monthly dues to the lender (CompareHero, 2021)

Getting to know investment activities in a right and safe way could benefit investor in many ways, as it was quoted from Kompas.com (Shaid, 2022), from investment activities, investors could increase their wealth, and protect their assets from inflation. Financial freedom also could be achieved as the investment activities become a passive income to fulfil our long-term needs. Looking at different side of

investment which also poses risk if investor did not undergo adequate research about the investment product. Moreover, the uncertainty of several aspects like politics, trends, and commodities does affect the amount of yield in the investment. therefore, it is recommended for investors before carrying out investment activities, must research and understand a specific investment product based on their risk profile. Determining to have a diverse asset might help to reduce the risk of investment (OCBC NISP, 2021). But do peer to peer lending investors study in-depth about peer-to-peer lending applications, borrower profiles or borrower finance before investing? and what effective steps do they take as learning to reduce the risk of default by borrowers?

The emergence of technology and investment creates lots of options for investors to choose their desired way of investing based on individuals risk profile. Introductory knowledge is delivered in many ways and in high abundance in this modern era. Social media such as Instagram, Facebook, and Twitter engage the learning process to consumer adopt several investment technologies (Annur, 2022). Uniquely, this research will deliver everything you want to know about investors learning process on P2P lending platforms in Indonesia.

Learning process itself have the following meaning, based on IGI Global (Thomas & Muga, 2014), it is a process to acquire new knowledge which influence attitudes, decision, and actions. In this research, there will be a discussion about how investors acquire, maintain, and enhance their knowledge towards the use of P2P Lending platforms. As the latest trend in Indonesia, there are an abundant of investors that are willing to learn investment instruments, but several cases happened related with fraud and scam which interesting to be analyzed based on the learning process.

## **2. Literature Review**

There are lots of studies that discussing about peer-to-peer lending with its different nature of research. Researcher have found recent research related to peer-to-peer lending platforms. Most of the research analyze the interest of investors in investing through peer-to-peer lending application. The research was done in several country such as Indonesia, China, and Malaysia. 'Examining the Factors Contributing to Fintech Peer-to-peer Lending Adoption' (Sunardi, Suhud, Purwana, & Hamidah, Examining the Factors Contributing to Fintech Peer-to-peer, 2021) is one of a study conducted in Indonesia which resulted that usefulness is the main factors that influence the use of peer-to-peer lending applications because the platforms offer more beneficial solutions than multi-finance or banks. Referenced from other research, titled 'Factors and Benefits that Affect Lender's Interest in Giving Loans in Peer to Peer (P2P) Lending Platform' (Dharmastuti & Laurentxius, 2021), which covers more on how does the 4C credit and benefits of the platform influence investors' to invest through the platforms. According to the research, it is shown

that the investors does not possess to a serious risk, also having a higher interest with the ratio of loan terms does influence investors intentions.

Another research done in Indonesia titled ‘The Investment Intention Among Indonesian Millennials via Peer-to-Peer Lending Applications’ (Poeteri, Simanjuntak, & Hasanah, 2021) was conducted to see millennials habit as an investor which will be focuses more into investment intention, perceived risk, trust, financial literacy, relative advantage, perceived reputation, perceived structural assurance, and perceived information quality. Some other related research titled ‘Why Are Youth Intent on Investing Through Peer-to-Peer Lending? Evidence From Indonesia’ (Ichwan & Kasri, 2019). The studies are mainly finding about users’ behavior, trust towards the platforms, and intentions.

There is also another unique research titled ‘Detection of fintech P2P lending issues in Indonesia’ (Suryono, Budi, & Purwandari, 2021), which reviewed about systematical issues regarding peer-to-peer lending applications in terms of user understanding, user data privacy, fraud, and regulations. Other related research titled ‘Peer to Peer (P2P) Lending Problems and Potential Solutions: A Systematic Literature Review’ (Suryono, Purwandari, & Budi, 2019) where the studies is talking about how P2P lending in Indonesia rises with its unmaturred policies and regulations. By having each of factors determined for example technical and non-technical solutions, the research identified important elements that determine the success of a systems specifically in P2P Lending platforms.

There is also another research titled ‘Analysis the use of P2P lending mobile applications in Indonesia’ (Wang, Richad, & Ong, 2019), which was conducted to see the effect of performance expectancy, effort expectancy and social intention on behavioral intention of using P2P lending mobile applications using regression statistical test which resulted in performance expectancy, effort expectancy and social influence that influence behavioral intention independently. Another research done titled ‘Online Peer-to-Peer Lending: Determinants of Loan Performance’ (Shahar, 2021) which this paper analyses the factors that determine loan performance in online peer-to-peer lending. By analyzing 306,439 matured loans funded on the online peer-to-peer lending platform ‘Lending Club’.

There’s research that can help lenders in choosing investments in peer-to-peer lending in a paper titled ‘A multi-objective instance-based decision support system for investment recommendation in peer-to-peer lending’ (Babaei & Bamdad, 2020), which this paper is to propose a data-driven investment decision-making framework for the competitive market. Another research done in Indonesia titled ‘The Impact of Automated Investment on Peer-to-Peer Lending: Investment Behavior and Platform Efficiency’ (Chen, Li, Fan, & Qin, 2021) this study talking about investment behavior in peer-to-peer lending platforms. Mainly focusing on the herding effect to analyze the change of investment behaviors of P2P market

platforms users which resulted that investment automation affect investors' behavior and weakened the herding effect. This also affects the P2P lending platforms efficiency which prolong the bidding duration with no significant changes in loan performance.

Financial technology are growing and developing superior experience than traditional loan banking. But the only consumer concern is about personal information collected by the platforms stated from a research titled 'An Analysis on Customer Perception towards Fintech Adoption' (Rajan, George, Saravanan, Kavitha, & C.S., 2022). The rapid growth of peer-to-peer fintech also shown by the increase of market share and beating traditional bank loan. Stable and resilient during the Covid-19 pandemic is the key in winning the competition stated by a research titled 'COVID-19 bust, police response, and rebound: equity crowdfunding and P2P versus banks' (Cumming, Martines-Salgueiro, Reardon, & Sewaid, 2021). As it was stated in the introduction, Covid-19 pandemic resulted a significant impact to financial sector, specifically in lending during the year 2020. Analyzed by a research titled 'COVID-19 pandemic risk and probability of loan default: evidence from marketplace lending market', assessed borrowers with low credit score and located in countries with low fintech adoption is the most risky borrowers (Nigmonov & Shams, 2021). Supporting the previous research, it is also stated that during the Covid-19 pandemic, it is proven that P2P lending is the most viable method available to borrowers by a research titled 'Understanding the implications of FinTech Peer-to-Peer (P2P) lending during the COVID-19 pandemic' (Najaf, Subramaniam, & Atayah, 2022).

Peer-to-peer lending mostly related to credit-interest. The rapid growth of peer-to-peer lending platform as fintech has attracted many stakeholders and it is interesting. The research titled 'FinTech Credit: A Critical Review of Empirical Research Literature' resulting in three major points about the concern, the first is lenders growth with innovative business is affected by local economic development and competition with banking, the second is new data and methods should be implemented to enhance borrowers screening process, and the third is peer-to-peer lending borrowers may lack of access to finance than bank borrowers (Branzoli & Supino, 2020). In the next research titled 'Peer-to-peer lending to businesses: Investors' characteristics, investment criteria and motivation', researchers are analyzing most lenders' characteristics and habits. Resulting in most of the lenders are male with high education in finance or business which the most consideration aspects in choosing borrower is company quality and investment risk (Pierrakis, 2019). But, in order to have peer-to-peer lending platform survive, they need to define the right credit risk management such as models to outperform default scoring based on the research titled 'Default or profit scoring credit systems? Evidence from European and US peer-to-peer lending markets' (Lyócsa, Vašaničová, Misheva, & Vateha, 2022).

In Malaysia, digital funding could act as a platform that enables business to seek funds and capital this would be interesting as they are trying to have an advance approach in terms of law based on the research titled 'Public Venture in Private Companies Through Crowdfunding Method of Peer to Peer Lending in Malaysia' (Salleh, Hamid, Bidin, & Harun, 2022). As a supporting argument, some unlisted SMEs raised a medium-term loans through peer-to-peer lending platforms rather than through a bank loan stated from a research titled 'P2P lending and outside entrepreneurial finance' (Coakley & Huang, 2020). Lending platforms in Malaysia is also facing a rapid growth in the process, several aspects such as credit rating does not differ based on credit purpose, shorter duration of loans are providing higher interest than longer duration from the research titled 'P2P lending platforms in Malaysia: What do we know?' (Nguyen, et al., 2021). Unfortunately, peer-to-peer lending in Malaysia does not have a high level of awarness among the adults as expected giving tons of support for SMEs based on the research titled 'Awareness and Perception Analysis of Small Mqedium Enterprise and Start-up Towards FinTech Instruments: Crowdfunding and Peer-to-Peer Lending in Malaysia' (Ghazali & Yasuoka, 2018). As a supporting literature, it is unfortunate that adults with high education and financially literate are not aware with the platform, and this would be due to lack to no of investing experience as it was stated in the research titled 'P2P Lending platforms in Malaysia: the awareness among Malaysian adults' (Nguyen, Muthaiyah, Sy, & Kalabeke, 2021).

In Indonesia, most of the research are analyzing how users are influenced to use peer-to-peer lending platforms, as well as knowing their motivation and intention. P2P lending platforms does influence a minimal value on Indonesia's economic development, SMEs' loans triggerred lots of employment and spendings which could increase economic growth and gradually accepted in the community based on research titled 'The Influence of Fintech Digital Payment and P2P Lending on Indonesia's Economic Growth' (Maulana, Komarudin, Gunawan, & Yusuf, 2022). A research titled 'The influence of familiarity and personal innovativeness on the acceptance of fintech lending services: A perspective from Indonesian borrowers' mentioned that Indonesian adoption in P2P lending platform requires familiarty and personal innovativeness in the acceptance of the platform (Wirani, Randi, Romadhon, & Suhendi, 2022). Supported by other research titled 'Examination of the Factors Contributing To Financial Technology Adoption in Indonesia using Technology Acceptance Model: Case Study of Peer to Peer Lending Service Platform' that percecived benefits, trust, usefulness, and ease of use contribute a high impact of consumer using a Fintech platform (Kurniawan R. , 2019). It was also stated in the early paragraph that traditional lending systems is outdated and P2P lending platform have become a major alternative with aspect such as trust, relative advantage, perceived usefulness, and perceived ease of use to maximize the adoption of the platform which is stated in the research titled 'Factors Determining



Adoption of Fintech Peer-to-Peer Lending Platform: An Empirical Study in Indonesia' (Sunardi, Hamidah, Buchdadi, & Purwana, 2022). A case in one of Indonesian peer-to-peer lending platform, Pohon Dana, it is shown that benefits of using the platforms and the security in using the platforms have a significant relationship to customer perception from the research titled 'Finding Customer Perception of Peer-to-Peer (P2P) Lending Financial Technology in Pohon Dana' (Tandiono, Djojo, Candra, & Heriyati, 2020). E-trust also gained from determining perceived usefulness, perceived ease of use, attitude to adopt, and intention to use based on the research titled 'Revisited the Technology Acceptance Model with E-Trust for Peer-to-Peer Lending in Indonesia (Perspective from Fintech Users)' (Candra, Nuruttarwiyah, & Hapsari, 2020). Analyzing the millennial, a research had shown that the motivation of maximizing the use of P2P lending application are influenced by perceived usefulness and risk averse, technology advancement will pushes millennials to maximize the platform based on the research 'Millennial Motivation in Maximizing P2P Lending in SMEs Financing' (Lina, Nani, & Novita, 2021).

In solving problems, peer-to-peer lending provides a different ways to solve loan problems easily, but it also comes with other pain which violates Indonesian laws which interest-debt concept should be regularized, from the research titled 'Problems in Determining Interest in Peer-to-Peer Lending in Indonesia' (Annas & Ansori, 2021). Above all, financial literacy is very important in maximizing the peer-to-peer lending platforms, both parties (lenders and borrowers) have to have a better understanding of financial knowledge based on research titled 'The Role of Financial Literacy in Online Peer-to-Peer Lending: An Empirical Approach' (Ran, Tan, Phan, & Keppo, 2019).

Conclude the literature above, it is very clear that peer-to-peer lending platforms is great innovation to help SMEs and many parties. Some research also discussed about intentions, motivations and the trends of peer-to-peer lending platforms. In this research, there are some similarities that is highlighted such as in-depth to consumer intentions, motivations and learning process and channels. Researcher will also add more detailed insights to learning process including duration, channels, and habits, which is not covered in the recent literature review as it is very least to be found and would be something unique for stakeholders

### **3. Methods**

This research will go through five flows, represented by figure 3.

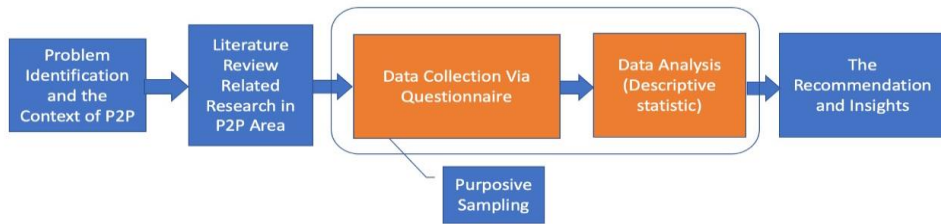


Fig. 3: Research Flow

Starting the first flow is problem identification and the context of the P2P lending platform. Next, the researcher gathered data and information from several Indonesian P2P lending application websites. Then, maintain a robust background through references, the researcher did a literature review related to P2P lending concept and platforms, which will help to determine indicators in data collection. Data collection has been done by questionnaire and analyzed by a descriptive statistic which will be explained below. Lastly, this research will give recommendations and insights regarding findings for future investors or lenders and P2P lending platforms.

### 3.1. Data Collection

This research was conducted using primary data from the survey results by distributing questionnaires containing questions related to the respondents' experiences with their investments in P2P lending application and how investors 'adopt' the application as new ways to invest. The questionnaire was distributed to respondents who are actively invest in P2P lending applications as lenders, with an age range of 20-35 years, and domiciled in Greater Jakarta. The sampling method used when distributing the questionnaire is purposive sampling. Where we provide specific criteria to respondents who will participate in filling out the surveys that are distributed to fit the criteria for research needs.

The questionnaire consists of four sections which covers demography questions, basic introductory to define personal experience of using P2P Lending applications as a lender, questions to know users' learning habit or process in the adoption of the application, and questions about users' ability in experiencing feature of the application after carrying out learning process. The researcher created an online survey made in Google Forms to make it accessible for respondents. The distribution was done online through several social media platform such as Telegram, Facebook, Discord, LINE, and Instagram. We reached out to several P2P Lending application communities through online platforms to gain more insights towards their learning process.

The online survey was distributed more than 150+ times through different communities started from 16th April 2022 to 30<sup>th</sup> August 2022. The total

respondents obtained from the results of distributing the questionnaires were 151 respondents.

### **3.2. Data Analysis**

In this research we used quantitative approach, where do we analyze the data that has been collected previously by emphasizing the analysis on numerical data which will then be processed in the form of descriptive statistics. The purpose of analyzing the data using descriptive statistical method is to obtain a complete explanation and description of the data we have collected, either verbally or numerically, regarding investors' learning process when investing in peer-to-peer lending applications.

In terms of explaining the results, in addition to the form of an explanation description, the results of the research will be presented in the form of graph with the aim to make it easier for readers to understand the results and conclusions of the survey that has been distributed.

## **4. Results**

Researchers have collected from 16<sup>th</sup> April 2022 until 30<sup>th</sup> August 2022. In the collection of data, researcher has gathered 151 respondents via Google Forms. And from the data collected, all the respondents are domiciled in Greater Jakarta (Jabodetabek) and dominated from Jakarta as the capital city of Indonesia. Breaking down to respondent's profile, most of the respondents are aged 20 to 25 years old, this means many of peer-to-peer lending users are mostly Generation Z. As most of the respondents' last education is bachelor's degree, followed with high school in the second rank, and post-graduate as the ranked third which makes the data gets richer in variety. Results in respondents' occupations which ranked first is private sector company employee, the second is graduate students, and the third rank is civil servant. The rest of the respondents' occupations varies such as students, housewife, lecturer, and entrepreneur.

Based on the data collected, peer-to-peer lending applications trends in Indonesia has grown rapidly, researcher found that there are 19 different peer-to-peer lending applications mentioned in the data. The result shown that the most used application by respondent is Investree as ranked first, Asetku ranked second, and the third is KoinWorks. In depth data results will be analyzed in the next sections of the chapter regarding each questions' result and analysis of every information collected.

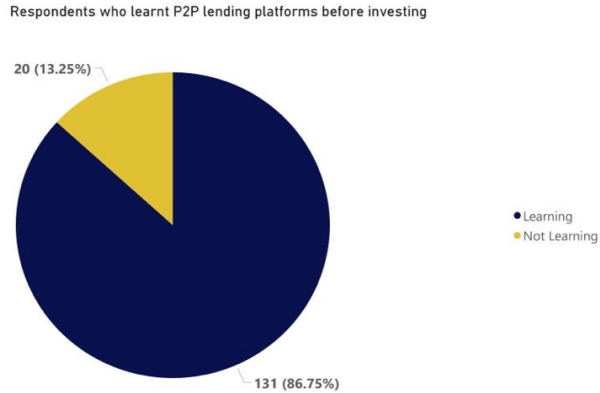


Fig 4: Respondents who Learnt P2P Lending Platforms before Investing

Based on data above (figure 4), it is shown that most of the respondents understand how peer-to-peer lending platform works. 86.75 % of the respondents are aware to learn the peer-to-peer lending platforms before investing, and 13.25 % of the respondents did not learn before initiating their first investment through peer-to-peer lending platforms. This would result in interesting ways which research will be discussing about.

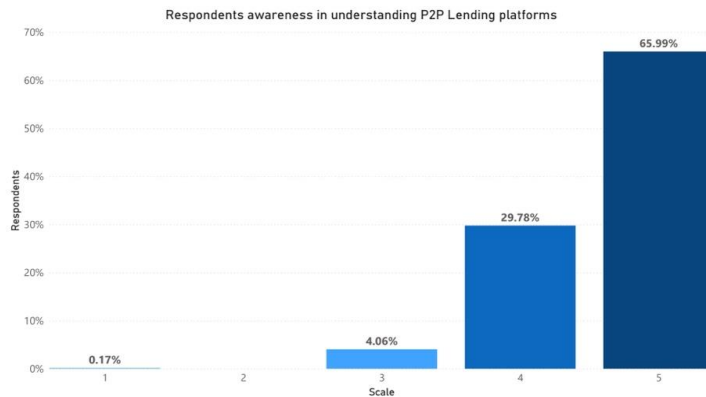


Fig. 5: The Respondents' Awareness in Understanding P2P Lending Platforms

Then, researcher starts to analyze what traits does every learner have and learn their habits. It resulted that most of peer-to-peer lending platform learners have the awareness to understand by learning through the internet which is shown in the figure 5 above. It is shown that 65.99 % of the peer-to-peer lending investor learners are aware of the importance of understanding peer-to-peer lending concept on platforms.

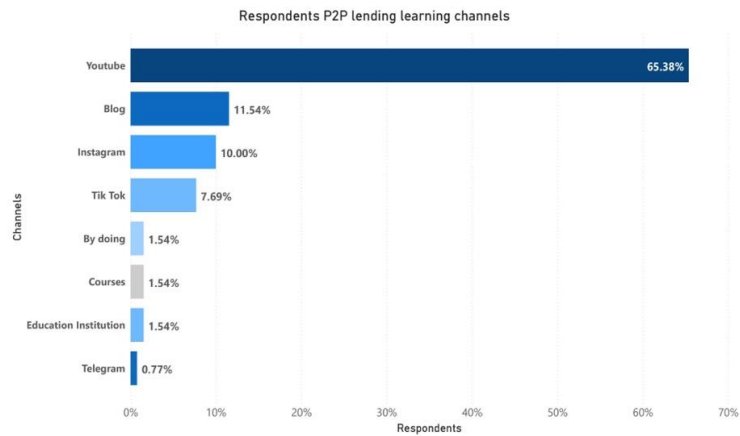


Fig. 6. The Respondents of P2P Lending Learning Channels

The figure 6 shown that most of the respondents were influenced from Youtube. Showing 65.38 % an absolute strong number, followed by 11.54 % respondents who is learning from blogs, and ranked third followed by Instagram with 10 %. From each of the platforms, we have seen a significant difference from the ranked first to the rest of the results.

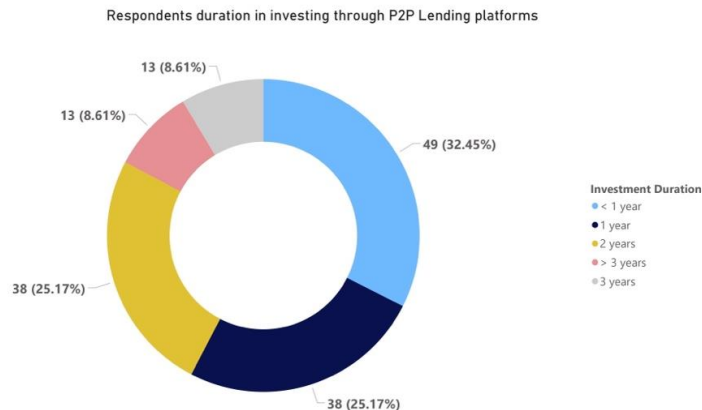


Fig. 7: The Respondent's Duration in Investing through P2P Lending Platforms

From 151 respondents, it is shown that respondents have been investing in peer-to-peer lending platforms mostly in under a year, for 32.45 % (see figure 7). This means peer-to-peer lending in Indonesia still have so much opportunity to grow their users when comparing to how many users that had grown their awareness in understanding the platform concept. Results also shown that most of the respondents are still new users comparing to more than three years of investment investors in peer-to-peer platforms which are not as significant as the others.

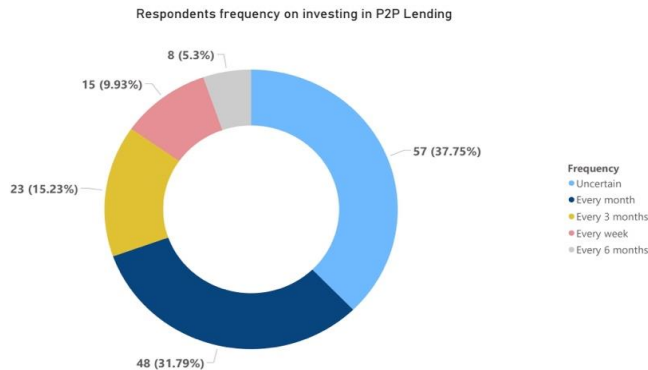


Fig. 8: The Respondent’s Frequency on Investing in P2P Lending

Take a look figure 8 at the respondent's frequency in investing through peer-to-peer lending platforms which are ranked with uncertain frequency of investment for 37.75 %, followed with 31.79 % respondents who are investing in monthly basis, and the third rank as respondents who are investing in every 3 months with 15.23 %. Chances are still high for peer-to-peer lending platforms to grow at the market, as the uncertain frequency users are still dominating and even have a close result with users who is investing in monthly basis.

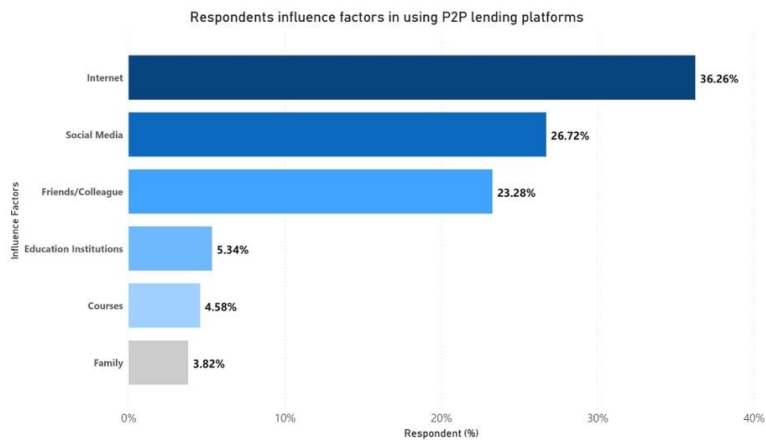


Fig 9: The Respondents Influence Factors in using P2P Lending Platforms

These factors also boost the growth of peer-to-peer lending platforms in Indonesia such as from internet streams around 36.26 % of the respondents (see figure 9), social media for around 26.72 % and followed with friends/colleague with 23.28 %. These channels are mostly based on community streams.

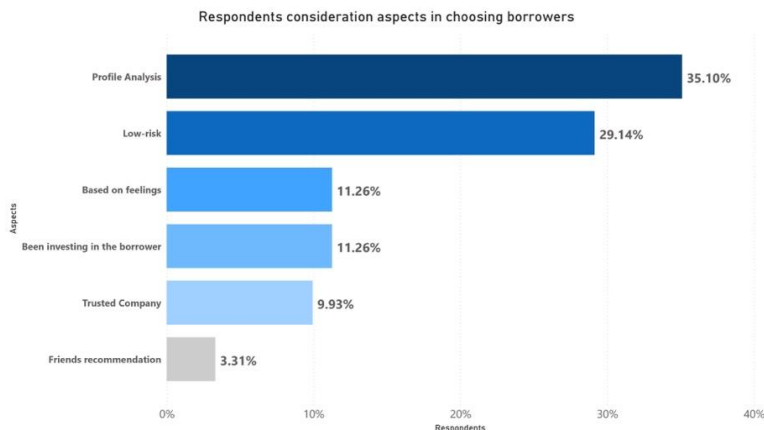


Fig. 10: The Respondent's Consideration Aspects in Choosing Borrowers

Based on the data collected (see figure 10), it was seen that respondents pretty sure know how they will choose their borrowers in the platforms. With the data above, most of respondents choose to analyze borrowers based on profile analysis with 35.10 %, followed with 29.14 % responded to choose the low risk of investment.

## 5. Discussion

Based on the results of the respondents' researchers have collected, an analysis is carried out and we can draw conclusions based on the habits of peer-to-peer lending investors. Researcher finds that most of the respondents who invest in peer-to-peer lending platforms are 20-25 years old and most of them are employees, where they set aside their monthly salary as a fund to invest in peer-to-peer lending platforms. In relation with the number of investors who are still young, some of them have income from their monthly salary, which is not much, so that the amount of funds they invested is also small because it is adjusted to their percentage in diversifying their finances, thus making many of them make profit from the investment results as additional income. And based on the results there are still many of them who wants a quick and instant profit, so some of them are looking for loan types that have short tenors and categorized as short-term investments.

Well, there is nothing wrong with making short-term investments. This is done in accordance with the financial objectives of the investors. But it is necessary to educate young investors that making short-term investments must also be based on sufficient knowledge regarding peer-to-peer lending and how to choose a good lender. Investors can learn about the lender's habits from their financial history, how often the lender pays the installments on time, and compared to the expenses and income that the lenders get, can they cover their debts so that there will be no future defaults?

Then, based on the result, some users of peer-to-peer lending platforms are still inconsistent yet in setting aside money to be invested, and after an analysis, the person who is inconsistent in investing in a certain period is a young investor aged 20-25 years old. This can happen due to several factors that influence it. It could be because they are just trying to start investing, or it could be because their income is not consistent in size, so they are still adapting in adjusting their finances. But even so, their potential to grow in terms of income and profits in investing is there and this is also based on their knowledge in analyzing borrowers who want to be loaned and knowledge of the peer-to-peer lending application. The greater the knowledge and experience of investors in investing in peer-to-peer lending, they will have their own tricks to choose the best lender with large profits accompanied by a small risk of default. and after they know the gap to get the best lenders, their consistency in investing in peer-to-peer lending will increase along with the income they have from their work.

Looking at the increasing number of young investors, even demographically whose last education was high school, it appears that basically they are aware of their financial and their future by investing in peer-to-peer lending platforms. So, it would be better if there is a counseling or discussion session as a part of knowledge transfer session for high school students related to knowledge of peer-to-peer lending investment or financial literacy, to reduce the risk of loss caused by lack of knowledge in choosing the right borrower or moreover investment products. Starting from how to choose the right peer-to-peer lending application and according to the needs and behavior of the investor, to how to choose the right borrower and suitable to be lend. Based on the results of respondent data, most of them chose peer-to-peer lending application as their investment platform based on applications that have been validated, secured guaranteed by OJK and BI (Central Bank in Indonesia) and are well known among investors.

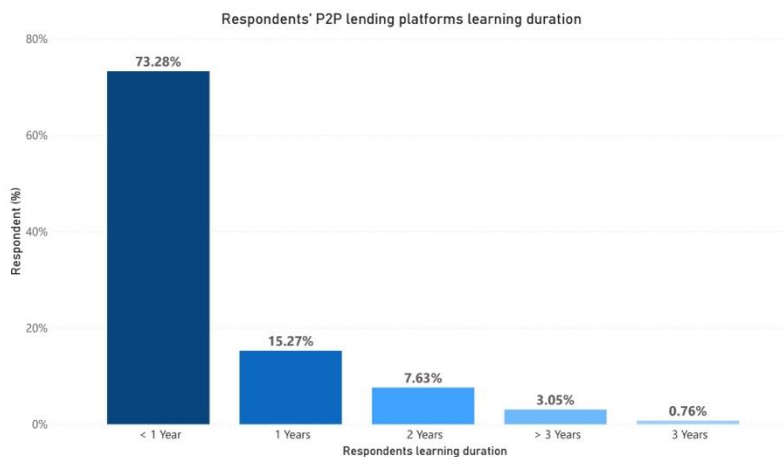




Fig. 11: Respondents' P2P Lending Platforms Learning Duration

Based on Figure 11, researcher used the data from respondents who learnt peer-to-peer lending platforms in advance to analyze their learning durations. The result dominated by respondents with learning duration in below a year with a percentage of 73.28 %, followed with respondent with duration in a year with 15.27 %, and ranked third with respondent who learnt in two years for 7.63 %. From comparing both charts, it is defined that peer-to-peer lending is easy to learn, it requires not more than a year for users to easily operate and understand the platforms.

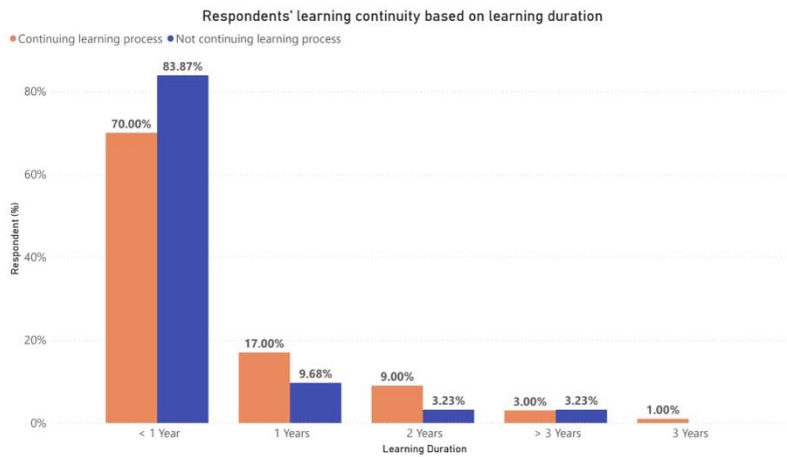


Fig 12: Respondents' Learning Continuity based on Learning Duration

Moreover, in Figure 12, researcher will be comparing on each of respondents learning duration towards their continuity of respondents learning process. Based on Figure 12, it was stated above that respondents mostly have a quite short duration of learning which does not require much time to understand peer-to-peer lending platforms. The respondent's continuity in learning graphs shows that respondents are mostly not continuing their learning journey with a strong cluster in respondents who learnt under a year. A percentage of 83.87 % of the respondents with under a year of learning duration choses to ends their learning journey. Interestingly, respondents with one to two years of learning duration continue their learning journey compared to respondents with below one year of learning journey. Seeing more how peer-to-peer lending's platforms easiness to learn will be analyzed in the next figure.

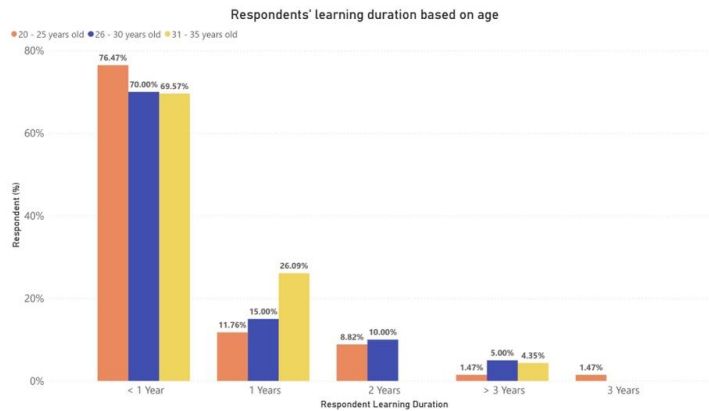


Fig. 13: Respondents' Learning Duration based on Age

Some might be wondering how age affects the performance of user's exploration and adaptability in using peer-to-peer lending platforms. In Figure 13, researcher will discuss how ages are compared to their learning durations. It is shown that respondents are mostly aged 20 to 25 years old for 52.32 %, followed with 26 to 30 years old for 29.8 %, and 17.88 %. It can be concluded that most of peer-to-peer lending platform users are youngsters, but is it also friendly for most of the upper generations? Based on analysis on the Figure 13, it is shown that most of respondents learnt the platforms for less than a year. The percentage of respondents with learning durations less than a year dominated the results with 76.47 % of 20 to 25 years old, followed with age 26 to 30 years old for 70 percentage and a percentage of 69.57 % of age 31 to 35 years old ranked third. Supporting results above, meaning peer-to-peer lending platforms in Indonesia have maintained a good knowledge transfer which makes users could have a lower time on learning their investment products.

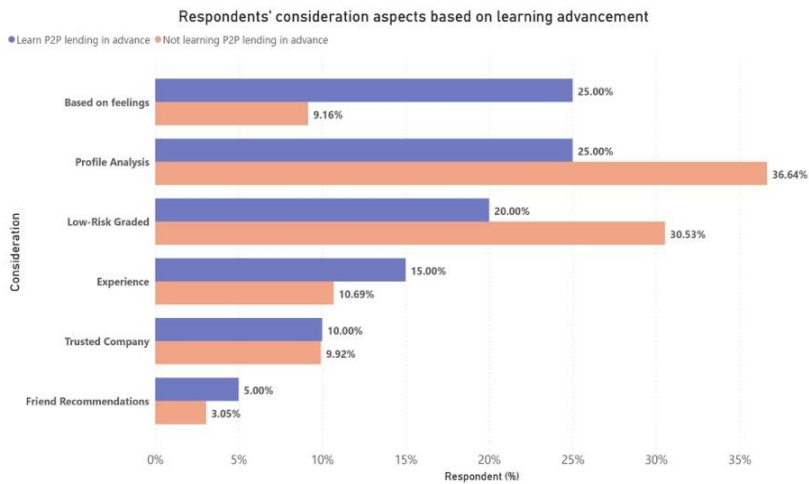


Fig. 14: Respondents' Consideration Aspects based on Learning Advancement

Next, Figure 14 will be comparing how respondents who does not learn peer-to-peer platforms, and peer-to-peer lending platforms learner on aspects they consider on lending a capital or money. Most of peer-to-peer platform learners tend to consider profile analysis for 36.64 %, followed with 30.53 % of respondents who choose low-risk grade investment. Surprisingly, the rank of each aspects is the same when compared to respondents who does not learn before investing in peer-to-peer lending. This could mean that peer-to-peer lending platforms have maintained a good information management in their platform. As some of the respondents had responded that they are learning by doing as it is easier for them have a clear visualization in decision making.

After detailing to learning qualities, next will be discussed about how learning channels are developed, and which is the best learning channels for peer-to-peer lending platforms.

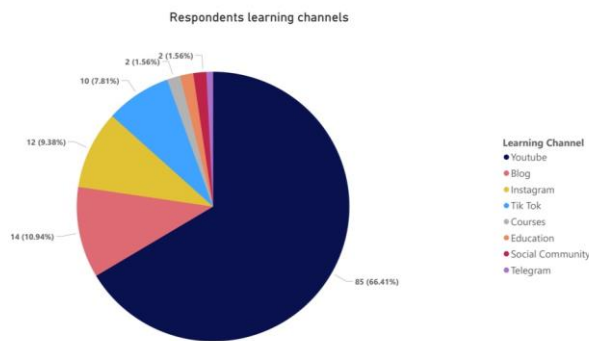


Fig. 15: Respondents Learning Channels

In Figure 15, an in-depth learning channels will be detailed based on platforms.

It is discovered about 66.41 % of the result channeled from Youtube. Ranked second is blogs with 10.94 % of the results, followed with third ranked which is Instagram with 9.38 % of the result. This means Youtube dominated the market of peer-to-peer lending learning channels in Indonesia.

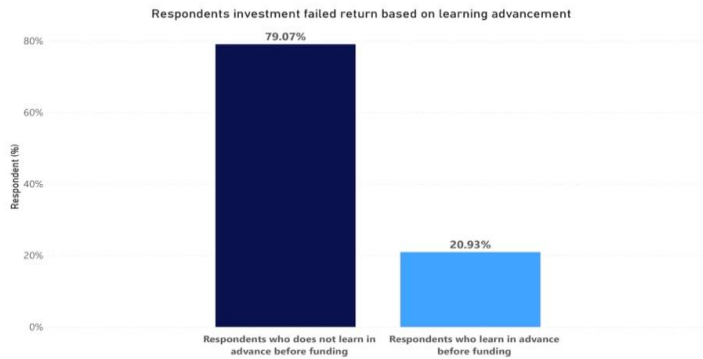


Fig. 16: Respondents Investment Failed Return based on Learning Advancement

As a new investor, they might be thinking what the best learning strategy for them is to understand or master peer-to-peer lending platforms analysis and lead to success of funding or lending. As seen on figure 16, respondents who learn in advance resulted in fail investment return which is shown with a strong number of 79.07 %. While respondents who learnt the platform in advance have an output of 20.93 % failed return which shown significant difference compared to respondents who does not have the knowledge of peer-to-peer lending in advance. This conclude that having a certain amount of knowledge on investing in peer-to-peer lending concept could plays a major role in determining user's success.

## 6. Conclusion

After the Covid-19 outbreak, many Indonesians have realized the importance of doing investment, because investors can increase their wealth, and protect their assets from inflation, so that they can balance the personal economy with the global economic crisis that is rife in pandemic. Peer-to-peer lending is one of an investment platforms that can be used by investors, where investors could act as a lenders who lend their money to borrowers with the hope of benefit from the interest paid by the borrowers. To invest in peer-to-peer lending, knowledge and mastery related to peer-to-peer lending are needed to reduce the risk of loss that may occur and increase the success rate of investors in choosing the right borrower.

Researchers have compared different kinds of learning combinations such as learning before investing and analyzing borrower's profile, and following the results, the best practice to understand peer-to-peer lending platforms is to learn the concept and having the ability to analyze borrower's profile. Secured the first rank of

learning aspect combination with 54 %, followed with respondents who is learning and does not have the ability to analyze profile, and others with the ability to analyze only profiles without learning any ranked third.

Based on the analysis above, researcher had found several insights that conclude the research of Get to Know P2P Lending at Indonesia and Investors Learning Process. As the objective of the research is to determine the best learning scenario or process of peer-to-peer lending investment that investors could find, these are points that conclude the analysis:

- User's learning process does determine their success rate of the investment based on the research users who had the sufficient knowledge use of the application before investing have the higher chance of success (higher return chance) in their investment.
- Peer-to-peer lending platforms are digital platforms as part of financial technology which also pushes the same traits of learning channel, which is through online platforms, Youtube.
- Considered as a new investment product in digital platforms, peer-to-peer lending platforms are mostly learnt in under a year of duration by users in Indonesia.
- After the analysis, it is concluded that the best learning material to have the higher chance of success in peer-to-peer lending investment platforms are to have the application concept knowledge before investing and having the ability to analyze borrower's performance in lending.

Then, researcher also found interesting facts in the respondents' results where the average young investor is around 20-25 years old which is still inconsistent in setting aside money to invest in peer-to-peer lending, and some of them choose to invest their money in borrowers with short tenors, so that this can be used as a suggestion in the future to educate young investors so that they can invest in peer-to-peer lending wisely, and based on the results, most of the respondents learned to invest through social media, especially YouTube, so it is hoped that in the future influencers can pushes more education content about peer-to-peer lending investments through YouTube.

Due to several limitations, the research Get to Know P2P Lending at Indonesia and Investors Learning Process are limited to respondents ages which focuses on 20 to 35 years old to see whether an adult age can determine a person's maturity in investing in peer-to-peer lending and domiciled in Greater Jakarta (Jabodetabek) which is metropolitan in Indonesia to see what the knowledge needs in investing in the peer-to-peer lending platform are for other cities.

## **References**

Annas, M. & Ansori, M. A. (2021). Problems in Determining Interest in Peer-to-Peer Lending in Indonesia. *Jurnal Media Hukum*, 28(1), 102-117

Annur, C. M. (2022, February 15). Survei KIC: Media Online Jadi Rujukan Utama Masyarakat dalam Berinvestasi. Retrieved from Databoks: <https://databoks.katadata.co.id/datapublish/2022/02/15/survei-kic-media-online-jadi-rujukan-utama-masyarakat-dalam-berinvestasi>

Babaei, G., & Bamdad, S. (2020). A multi-objective instance-based decision support system for investment recommendation in peer-to-peer lending. *Expert Systems With Applications*, 150, 1-11

Beachey, A., & Philips, R. (2022, August 19). Advantages and Disadvantages of Peer to Peer Lending. Retrieved from Nerdwallet: <https://www.nerdwallet.com/uk/loans/what-is-peer-to-peer-lending/>

Branzoli, N., & Supino, I. (2020). FinTech Credit: A Critical Review of Empirical Research Literature. *Bank of Italy Occasional Paper No. 549*

Candra, S., Nuruttariyah, F., & Hapsari, I. H. (2020). Revisited the Technology Acceptance Model with E-Trust for Peer-to-Peer Lending in Indonesia (Perspective from Fintech Users). *International Journal of Technology (IJTech)*, 11(4), 710-721

Chen, C., Li, G., Fan, L., & Qin, J. (2021). The Impact of Automated Investment on Peer-to-Peer Lending: Investment Behavior and Platform Efficiency. *Journal of Global Information Management*, 29(6), 1-22

Coakley, J., & Huang, W. (2020). P2P lending and outside entrepreneurial finance. *The European Journal of Finance*. doi:10.1080/1351847X.2020.1842223

CompareHero. (2021, November 9). Understand the Risks of P2P Lending Before You Invest. Retrieved from CompareHero.my: <https://www.comparehero.my/investment/articles/investment-risks-p2p-lending-invest>

Cumming, D. J., Martines-Salgueiro, A., Reardon, R. S., & Sewaid, A. (2021). COVID-19 bust, policy response, and rebound: equity crowdfunding and P2P versus banks. *The Journal of Technology Transfer*(47), 1825–1846.

Dharmastuti, C. F., & Laurentxius, J. (2021). Factors and Benefits that Affect Lender's Interest in Giving Loans in Peer to Peer (P2P) Lending Platform. *Binus Business Review*, 12(2), 121-130

Ghazali, N. H., & Yasuoka, T. (2018). Awareness and Perception Analysis of Small Medium Enterprise and Start-up Towards FinTech Instruments: Crowdfunding and Peer-to-Peer Lending in Malaysia. *International Journal of Finance and Banking Research*, 4(1), 13-24

Gunadha, R., & Djailani, M. F. (2021, August 13). Pandemi Covid-19 Membuat Masyarakat Senang Investasi, Ini Data BI. (Suara.com) Retrieved February 27, 2022, from <https://www.suara.com/bisnis/2021/08/13/182404/pandemi-covid-19-membuat-masyarakat-senang-investasi-ini-data-bi>

Hanggara, A. G. (2020, May 29). Jakarta Response to COVID-19 Outbreak: A Timeline. Retrieved from [corona.jakarta.go.id: https://corona.jakarta.go.id/en/artikel/lini](https://corona.jakarta.go.id/en/artikel/lini)<https://corona.jakarta.go.id/en/artikel/linimasa-kebijakan-penanganan-pandemi-covid-19-di-jakarta>

Ichwan, & Kasri, R. A. (2019). Why are youth intent on investing through Peer-to-Peer Lending? Evidence from Indonesia. *Journal of Islamic Monetary Economics and Finance*, 5(4), 741-762

Kagan, J. (2022, May 21). What Is Peer-to-Peer (P2P) Lending? Definition and How It Works. Retrieved from Investopedia: <https://www.investopedia.com/terms/p/peer-to-peer-lending.asp>

Kurniawan, D. (2021, January 25). These Are 6 Popular Investment Choices That Are Profitable In Indonesia, One Of Which Is Stocks. Retrieved from Voi: <https://voi.id/en/news/28730/these-are-6-popular-investment-choices-that-are-profitable-in-indonesia-one-of-which-is-stocks>

Kurniawan, R. (2019). Examination of the Factors Contributing To Financial Technology Adoption in Indonesia using Technology Acceptance Model: Case Study of Peer to Peer Lending Service Platform. 2019 International Conference on Information Management and Technology (ICIMTech), 432-437. Jakarta/Bali: IEEE

Lina, L. F., Nani, D. A., & Novita, D. (2021). Millennial Motivation in Maximizing P2P Lending in SMEs Financing. *Journal of Applied Business Administration*, 188-193

L. L. Zhang and H. K. Kim, "The Influence of Financial Service Characteristics on Use Intention through Customer Satisfaction with Mobile Fintech," *Journal of System and Management Sciences*, 10(2), 82-94, 2020

Lyócsa, Š., Vašaničová, P., Misheva, B. H., & Vateha, M. D. (2022). Default or profit scoring credit systems? Evidence from European and US peer-to-peer lending markets. *Lyócsa et al. Financial Innovation*, 8(32).

Maulana, Y., Komarudin, M. N., Gunawan, W. H., & Yusuf, A. A. (2022). The Influence of Fintech Digital Payment and P2P Lending on Indonesia's Economic Growth. *International Journal of Economics, Business and Accounting Research*, 6(3), 1573-1582.

Najaf, K., Subramaniam, R., & Atayah, O. (2022). Understanding the implications of FinTech Peer-to-Peer (P2P) lending during the COVID-19 pandemic. *Journal of Sustainable Finance & Investment*, 12(1), 87-102

Napoletano, E., & Curry, B. (2022, April 4). What Is Investing? How Can You Start Investing? Retrieved from Forbes Advisor: <https://www.forbes.com/advisor/investing/what-is-investing/>

Nguyen, L. T., Kalabeke, W., Muthaiyah, S., Cheng, M. Y., Hui, K. J., & Mohamed, H. (2021, October 26). P2P lending platforms in Malaysia: What do we know? F1000Research

Nguyen, L. T., Muthaiyah, S., Sy, M. O., & Kalabeke, W. (2021, October 28). P2P Lending platforms in Malaysia: the awareness among Malaysian adults. F1000Research.

Nigmonov, A., & Shams, S. (2021). COVID-19 pandemic risk and probability of loan default: evidence from marketplace lending market. *Nature Public Health Emergency Collection*, 7(1), 83

OCBC NISP. (2021, December 27). Pengertian Risiko Investasi dan Cara Meminimalisirnya. (OCBC NISP) Retrieved February 28, 2022, from <https://www.ocbcnisp.com/en/article/2021/12/27/risiko-investasi#:~:text=Risiko%20investasi%20adalah%20kondisi%20dimana,lurus%20engan%20imbal%20hasil%20investasi>

OJK. (2022). Statistik Fintech. Indonesia: [ojk.go.id](http://ojk.go.id)

Pierrakis, Y. (2019). Peer-to-peer lending to businesses: Investors' characteristics, investment criteria and motivation. *The International Journal of Entrepreneurship and Innovation*, 20(4), 239-251

Poeteri, N. A., Simanjuntak, M., & Hasanah, N. (2021). The Investment Intention Among Indonesian Millennials via Peer-to-Peer Lending Applications. *Jurnal Keuangan dan Perbankan*, 25(4), 787-803

Rajan, N., George, A., Saravanan, S. V., Kavitha, J., & C.S., G. (2022). An Analysis on Customer Perception towards Fintech Adoption. *Journal of Logistics, Informatics and Service Science*, 9(3), 146-158

Ran, X., Tan, T., Phan, T. Q., & Keppo, J. (2019). The Role of Financial Literacy in Online Peer-to-Peer Lending: An Empirical Approach. *Fortieth International Conference on Information Systems*. Munich: AIS Electronic Library (AISel).

Salleh, K., Hamid, N. ', Bidin, A., & Harun, N. (2022). Public Venture in Private Companies through Crowdfunding Method of Peer-to-Peer Lending in Malaysia. *International Islamic University Malaysia Law Journal*, 30(S1), 91-128



Shahar, M. L. (2021, June 18). Online Peer-to-Peer Lending: Determinants of Loan Performance

Shaid, N. J. (2022, January 6). Mengenal Apa Itu Investasi: Definisi, Jenis, dan Contohnya. (Kompas.com) Retrieved February 27, 2022, from <https://money.kompas.com/read/2022/01/06/120500926/mengenal-apa-itu-investasi--definisi-jenis-dan-contohnya-?page=all>

Sunardi, R., Hamidah, Buchdadi, A. D., & Purwana, D. (2022). Factors Determining Adoption of Fintech Peer-to-Peer Lending Platform: An Empirical Study in Indonesia. *The Journal of Asian Finance, Economics and Business*, 9(1), 43-51.

Sunardi, R., Suhud, U., Purwana, D., & Hamidah. (2021). Examining the Factors Contributing to Fintech Peer-to-peer. *Journal of Information Systems Engineering and Business Intelligence*, 7(2), 91-101

Suryono, R. R., Budi, I., & Purwandari, B. (2021). Detection of fintech P2P lending issues in Indonesia. *Heliyon*, 7(4), 1-10

Suryono, R. R., Purwandari, B., & Budi, I. (2019). Peer to Peer (P2P) Lending Problems and Potential Solutions: A Systematic Literature Review. *Procedia Computer Science*, 161, 204-214

Tandiono, J., Djojo, B. W., Candra, S., & Heriyati, P. (2020). Finding Customer Perception of Peer-to-Peer (P2P) Lending Financial Technology in Pohon Dana. *Binus Business Review*, 11(1), 51-58

Thomas, K. D., & Muga, H. E. (2014). *Handbook of Research on Pedagogical Innovations for Sustainable Development*. IGI Global

Wang, G., Richad, & Ong, Y. B. (2019). Analysis the use of P2P lending mobile applications in Indonesia. *International Conference On Engineering, Technology and Innovative Researches*. Purwokerto

Wirani, Y., Randi, Romadhon, M. S., & Suhendi. (2022). The influence of familiarity and personal innovativeness on the acceptance of fintech lending services: A perspective from Indonesian borrowers. *Jurnal Ilmiah Teknologi Sistem Informasi*, 8(1), 81-93

Zhang, L. L., & Kim, H. K. (2020). The Influence of Financial Service Characteristics on Use Intention through Customer Satisfaction with Mobile Fintech. *Journal of System and Management Sciences*, 10(2), 82-94