

Fintech P2P Lending: A New Avenue for Community Funding in Manado

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Abstract:- Fintech Peer-to-Peer (P2P) lending has emerged as a transformative financial tool, bridging access gaps in Manado City, Indonesia. By leveraging digital platforms, P2P lending enables efficient and accessible financing, particularly for individuals and businesses traditionally excluded from formal banking services. With the rise of smartphones, P2P services offer a seamless, user-friendly experience that bypasses conventional banking complexities, providing fast approvals, flexible terms, and lower operational costs. This study explores the potential of P2P lending to enhance financial inclusion, promote digital literacy, and support small businesses in Manado, while addressing the challenges of internet dependence, regulatory needs, and risk management. As a financial alternative, P2P lending plays a critical role in modernizing the financial landscape, offering a sustainable, inclusive approach to community financing in an increasingly digital economy.

Keyword:- Fintech, P2P, Alternative Financing.

I. INTRODUCTION

In its operations, Fintech provides convenience access and services for society. With using a smartphone or computer, society can with easy connected with Fintech services through application web based. This digital system allow public For do transaction finance or submit capital loan more fast and efficient. Various The benefits offered by Fintech encourage public For switch to service This as method For adapt self with the digital era. This is not without reasons, such as technology proceed others, Fintech offers convenience in matter accessibility, registration, and usage. Although the Fintech business model is increasingly accepted and have Lots excess, still there is a number of impact negative that must be be noted. Some Fintech's shortcomings include the potential misuse of customer funds, fraud undercover investment or loans, and threats for banking traditional. In addition, dependence on the internet and the increasing amount Fintech applications on mobile phones are also becoming challenge alone.

The development of the digital world and the increasing use of smartphones wide participate support Fintech growth. Almost everyone now have a smartphone, and the digital trend is moving fast make it easier access to Fintech products that offer advantages and convenience.

Today's society No need Again visit bank office or institution finance For do transaction. With technology and internet connection, transactions finance can done Where have you been using a smartphone or other digital devices. One of them The most popular types of Fintech is Peer to Peer Lending (P2P). Through this platform, customers can with easy submit loan For need business without must come to bank office. Enough with computer or smartphone, the funds required Can obtained with more conditions easy compared to with requirements at the bank.

Development digital technology brings Lots benefit for various layer community. Services that used to be complicated now become more simple and fast, get started from order food until get loan funds. Services finance has experience transformation big with the presence of Fintech, which offers various solution start from digital wallet, investment, online credit, to loan funds. The presence of Fintech helps Indonesian society for access service more finances flexible and modern. In addition, the trend online shopping is increasingly increasing also triggers current more finances rushing in the digital world. Seeing opportunity big one, Fintech is starting present in Indonesia since in 2007, providing various service digital finance. Fintech in Indonesia has evolved to span various sectors, with steady advancements over time. Specifically, Peer-to-Peer Lending (P2PL) has become a vital financial technology, delivering easy and convenient financial access to a broad range of communities. This is make the existence of fintech is increasing accepted and assessed participate contribute to development as well as economy national.

However thus, still There is part society that has not touched service formal finance. They consider No have sufficient funds or feel No need service banking. The height amount society that has not own access to service banking This become potential big for development Fintech Peer to Peer Lending services. Because, access public to service banking conventional Still classified as low. The presence of P2PL Fintech aims For make it easier public in access loan funds. According to Bank Indonesia, Fintech P2PL is combination between technology and services financially capable changing business model as well as remove various obstacle access (barrier to entry). With more system simple and use technology in operationally, fintech can become solution For overcome limitations access financial in Indonesia.

As comparison , in the distribution process loans , conventional banks must through various stages long and requires cost significant administration , starting from selection profile candidate borrower , check collateral , up to reminder payment . While that , P2PL fintech is capable run those processes with more fast , cheap and easy blessing help technology . As For example , submission and disbursement of funds in fintech only need telephone smart . Improvement amount borrower as well as mark loans on fintech platforms with P2P lending mechanism shows height need public will service financing . Fintech P2P lending becomes alternative for community whose needs No can fulfilled by the institution finance traditional . However , the development this also requires attention from authority finance related the impact that can arise , good for user service and also for banking .

In Manado City, the community now more choose solution financing from company non-bank financing , which previously use service company finance conventional . The presence of fintech with a more digital process easy , fast and efficient become choice main . Without need big promotion , only with internet access and digital devices , Peer to Peer (P2P) lending becomes choice popular for Manado community . The P2P lending system connects giver and receiver financing through technology platforms . The investor group as fund provider does not evaluate based on the bankable status of recipient financing , different with banking that requires bankable status for give credit . In the P2P lending mechanism , approval financing can done with fast provided project the own aspect clear legality and certainty law . Although P2P lending is a relatively new model new , still Lots aspects that require improvement . More supervision strict need applied For protect investors and Customer from possible risks happen .

Writer interested For research problem This more continue , especially Because Topic This own mark important related precious essence as well as add understanding about utilization of digital platforms in this modern era.

II. METHOD

Types of research qualitative is do observation and interaction with subject study For try understand language and interpretation they on his world . For make it easier get the required data informant rank as guides help the research process , then it will also taken informant main in study this , namely fintech p2p employees and the community or consumer fintech p2p users . Research This use informant as primary data source , which is determined by snowball sampling, at the time study in progress with utilise elements existing government and society at the Manado City location.

As for the technique study are : 1). Direct observation , 2). In-depth Interviews , 3). Documents are written data/archives, videos, images/photos, pamphlets, brochures, billboards, brochures, news/advertisements in the media etc.

Data analysis techniques in qualitative research forbidden started since beginning . Data obtained in the field must quick poured out in writing and analyzed . One of the the way that can recommended is : reducing data. Displaying data. In order to be able to see description the whole thing or part certain from That research must be attempted make various type matrices , graphs , charts , *networks* and *charts*. With thus , the researcher can mastering data and not sink in pile of details. Final , take conclusion and verification . For that , researchers must look for patterns , themes , relationships , similarities , things that often happen arise , hypotheses and so on . So the data obtained during the research period , the researcher always verified before take conclusion.

III. RESULTS

Loan Multipurpose and Loans Consumptive are two products common finance offered by the institution financing , including Peer-to-Peer (P2P) lending platforms as well institution finance conventional . Both type loan This interesting significant interest among public Manado city . Although both of them can utilized by individuals For fulfil diverse needs , there are difference fundamental between both of them in matter objective as well as allocation its use.

Table 1 Difference Loan Multipurpose and Loans Consumptive

Aspect	Loan Multipurpose	Loan Consumptive
Purpose of Use	Flexible : Can be used for need consumptive or productive (eg , business capital , education , health) .	Special For need consumptive , such as purchase goods , services , or needs personal other .
Collateral / Guarantee	Can with or without collateral (depending on the institution) giver loan) .	Usually without collateral .
Interest rate	More low , especially If There is collateral .	More tall Because considered more risky .
Loan Tenor	Could be more long (1-5 years) or more) .	Usually more short (some month up to 2 years) .
Type of Needs	Education, health , renovation , business capital .	Gadgets , electronics , clothing , travel , etc.

Second type loan this is what it becomes focus in study I related with the role of peer to peer (p2p) fintech as alternative Community financing in Manado city . Loans Multipurpose with platform or institution that carries out Loan The multipurpose banks in Manado are : BCA Bank (Credit) Multipurpose), Adira Finance, FIFGROUP, and Kredit Plus. Loans Consumptive with platform or institution that enforces Loan Consumptive is Kredivo (Installment) without card credit), Akulaku , Home Credit (Financing) consumer and installments), Indodana , Julo (Online loans for need consumptive).

IV. DISCUSSION

From the results research conducted so researcher can give explanation in form discuss what is becoming results study related with fintech P2P Lending: A New Avenue for Community Funding in Manado.

Fintech p2p has be one of alternative important financing for society , including in Manado City, where access to service finance traditional Possible limited . P2P lending offers a financing model based on technology , where individuals or businesses that need funds can connected direct with investors or giver loan through digital platforms. Here is a number of role main P2P lending in financing people in Manado City:

- Easy Access; Fintech peer-to-peer (P2P) lending provides more access easy for people in need get financing from institution finance traditional . In Manado City, this is very relevant. for communities living in remote areas or not own access direct to the bank. Digital technology enables the application process loan done online , so that can accessed When anywhere and from anywhere , just with use device electronic like a smartphone.
- Simple Process; P2P lending system offers a simpler process simple compared to institution finance traditional. Users No need through Lots procedure complicated bureaucracy. With utilization digital technology , verification identity and assessment credit can done in a way automatic and more fast . This process allow Manado society which has documentation limited or without history credit at the bank for still access financing .
- Inclusion Finance ; P2P lending supports inclusion finance with reach the community that previously No touched by service banking . Many residents in Manado City, especially in the informal sector , are experiencing difficulty in access product finance conventional . P2P lending expands opportunity for group public. This For involved in system finance , help they get financing for bussiness personal use .
- Flexibility; P2P lending offers flexibility in matter amount loans and terms time payment , which can customized with ability borrowers . This flexibility is especially important in Manado, where lenders business small Possible requires capital that is not big and can paid off in time short in accordance with their cash flow . P2P platforms also allow existence choice loan without guarantee , which is more make it easier for borrowers.
- Play role important in P2P lending, notes finance , patterns payment , for evaluate risk borrower in a way more accurate . In Manado City, where the records formal credit possible limited , the use of big data allows giver loan make more decisions right , expand access financing for group society that does not own history formal credit .
- Alternative for Business Actors ; P2P lending provides alternative attractive financing for perpetrator business in Manado, especially for those in trouble access bank loans because strict requirements or high interest rates . With P2P lending, lenders business can to obtain loan from individual or institutions that are willing invest in the platform, offering ethnic group competitive interest rates and better terms light compared to with institution traditional finance .
- Efficiency Cost and Time; P2P lending lowers cost operational Good For giver loan and also borrowers . In Manado City, where the infrastructure banking Possible less than optimal, this fintech offer more solutions efficient . With digital platforms, processes that were previously eat time , such as evaluation credit and application loan , can completed in hours or day . This is reduce cost administration and time spent by all parties involved.
- Transparency ; Technology used in P2P lending allows more transparency well , where is the borrower can see with clear ethnic group interest , fees administration , and conditions loan before they take decision . Transparency This build trust among users in Manado, which may not familiar with service modern finance , so that they more comfortable in use P2P lending services .
- Literacy Digital Finance ; P2P lending also plays a role in increase literacy digital finance of the people in Manado. With access service this , society exposed to information about management finance , interest and risk loans . Education about use technology in transaction finance become part from this process , so that increase understanding public about management finance and encourage use service digital finance in more wide .

V. CONCLUSION

Fintech Peer to Peer Lending has role important in overcome gap access finance , especially in Manado City which has characteristics different demographics and economies from cities big . With utilise digital technology , Peer to Peer Lending offers solution more financing Inclusive , Flexible , Efficient , and Transparent , as well as support Literacy Finance society . This role making Peer to Peer Lending a relevant alternatives for people in need financing but difficulty access service from institution finance conventional .

RECOMMENDATION

Study more carry on about condition economy and technology in Manado will help to clarify how far can peer to peer lending go? truly help overcome gap access finance in Manado city . Development Infrastructure Technology so that without matter this , benefits digital technology may No can felt completely , especially in areas where access is limited the technology Still limited . Clear and strong regulations are essential for society protected from risk like fail pay or fraud . In addition , education about How use peer to peer lending services with wise for society can utilise service This in a way responsible answer . Cooperation with local banks or collaboration This Can reach more many people who previously No can access service banking , so that strengthen inclusion finance . Need done evaluation periodic For see impact term peer to peer lending length , meaning how much Good public can pay return loan , is it business small develop , and how change literacy finance happening in society . This will help measure effectiveness service the in a way more clear . With these suggestions , peer to peer lending can more effective and appropriate with need community in Manado.

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