The effect of social influence and platform reputation toward trust, investment intention, and actual investment on SMEs with peer-to-peer lending platform

by Melinda Malau

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Article Info	ABSTRACT
	Most SMEs are funded by their own capital as they fall into the unbankable category. This is where financing services such as Peer to Peer (P2P) lending appear to be more flexible and faster in financing the capital needs of SMEs. This study is intended to examine the intention to invest in P2P lending platform specifically food sector of SMEs in Jakarta. 138 respondents from Jakarta were collected as potential investors through purposive sampling method using a questionnaire and processed furthermore using SPSS and SEM PLS. The research finds that social influence and reputation platform have a positive effect on trust. Meanwhile, trust has a positive effect on investment intention and investment intention has positive effect on actual investment. Moreover, if people already have the intention to invest, most likely they will do actual investment directly. The findings of this study will assist P2P platforms in enhancing their applications and marketing strategies to attract more investors, which will result in the funding of a greater number of SMEs businesses (SMEs), particularly in food industry.

INTRODUCTION

Digitalization has had a significant impact on the financial industry in the past few years, as seen by the birth of Financial Technology (FinTech), which represents the combination of finance and information technology. FinTech offers potential for creating the development new services and business models, while creating barrier for traditional financial service providers. The world of finance, specifically the banking industry, has an undeniable impact on the daily lives of people worldwide. Today, a new era of financial services known as FinTech has emerged, since traditional banking has evolved dramatically over the past century. This sector is very challenging because it has hardly ever been explored. There is no doubt that traditional financial technologies have experienced a significant transition over the past decade, and the new sorts of FinTech constitute an innovative and rising industry that has attracted the interest of the media and investors. The growth of FinTech allows financial services to have broader scope and enables society to gain cost-effective use of all financial tools and services (Zavolokina et al., 2016; Malau, 2021).

The FinTech industry in Indonesia is fascinating and dynamic. It evolves rapidly and today there is a wide range of services including lending, payment, blockchain, personal finance management, insurance technology, crowd funding, comparison and even POS service in the market. Among these various types of services, peer to peer (P2P) lending service is the most popular type of service in the industry with a composition of about 50%.
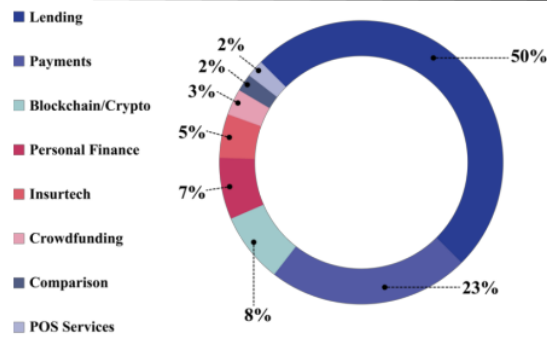
Figure 1 Composition of Indonesia's Fintech Industry
Source: Fintechnews Indonesia (2021)

P2P lending is an information technology-based lending and borrowing service. P2P lending acts as an intermediary platform for lenders and loan users to conduct transactions without going through banking financial institutions. P2P lending services try to attract potential users to borrow online by offering loans with attractive returns, measurable risks, and ease of transaction (Wang and Ma, 2015). The significant growth rate of fintech is inseparable from the easy and fast, transparent, and cost-effective transaction process. This condition is supported by the use of smartphones that can complete payment transactions more securely, quickly, and conveniently because they can be accessed anytime and anywhere. So this makes it possible for borrowers to obtain funds that can later be used for business capital and other investment needs. In its operational implementation, the system in fintech P2P lending is straightforward to be reached and accessed both by lenders and loan recipients. P2P lending fintech is a phenomenon of combining technology with financial features that are increasingly recognized and easy to use by stakeholders. This convenience is of course very different from conventional methods, which not all levels of society can access.

According to Financial Services Authority (OJK), the majority of borrower accounts in P2P lending are dominated by the SMEs sector. OJK supports the development of digital-based startup services for the capital loan provider for the development of SMEs (Bisnis Indonesia, 2022). The P2P lending financing model that is more flexible and has a faster process opens up opportunities for investors to fund SMEs businesses. In addition, P2P lending can be an alternative financing other than the banking sector and other non-banking financial institutions. (The Economic Times, 2018). SMEs accounts for about 60% of Gross Domestic Product (GDP). Bank Indonesia (2015) stated that as many as 60% - 70% of SMEs actors did not have access to banking financing for business capital. As of August 2018, the position of SMEs loans was Rp 1,025 trillion or only 19.74% compared to total bank loans which reached Rp 5,193 trillion. This means that most SMEs are funded by their own capital (BPS, 2021). This condition explains that the portion of SMEs credit is still tiny and few SMEs get credit from banks used for business capital. Most SMEs fall into the unbankable category (Chauhan, 2015; Demirguc-Kunt et al. 2015; Fungacova and Weill, 2014). The main problems faced by SMEs are limited capital, technology, marketing, limited access to market opportunities, and human resources who have low soft skills (Chughtai, 2014; Ogbuanu et al. 2014).

The current growth rate of SMEs is quite high. As shown by data from the Ministry of Cooperatives and Small and Medium Enterprises (KemenkopUKM) in March 2021, the number of SMEs reached 64.2 million with a contribution to the GDP of 61.07% or Rp 8,573.89 trillion. SMEs is able to absorb 97% of the total workforce and can collect up to 60.42% of the total investment in Indonesia. And based on a report from Bank Indonesia (BI), the ratio of bank lending to SMEs to GDP reached 7.15% in the first quarter of 2022. According to a report by Bank Indonesia (BI), the ratio of lending to SMEs to total bank loans was still at the level of 21.17% in March 2022. This value is still below the government's target of 30% of bank lending for SMEs.

However, amid the growth rate of SMEs, there are capital problems that are still obstacles to the survival and competitiveness of SMEs. According to a 2020 Central Statistics Agency survey, around 69.02 % of SMEs experienced capital difficulties in Indonesia. On the other hand, SMEs access and eligibility in terms of credit application for massive banking services are relatively low. So that the

development of SMEs does not escape the contribution of financing from banks and other financial institutions. This is where financing services appear to be more flexible and faster in financing the capital needs of SMEs, one of which is Fintech Lending (P2P Lending) services. Where in December 2021 the number of loan funds that had been distributed to SMEs, especially in Jakarta reached Rp 8,020.57 billion, with the number of lender accounts (entities) reaching 8,824,056.

One of the most growing sectors in SMEs is the food sector. This is as stated by the Central Statistics Agency (BPS), the number of SMEs in the food sector reached 1.51 million business units in 2020. The proportion of SMEs in the food sector reached 36% of all national SMEs, which in total of 4.21 million business units. The next most dominant sector is the wood industry and goods from cork, rattan, and bamboo (non-furniture) with a total of 632 thousand business units or 15% of the total national SMEs. One of the most growing sectors in SMEs is the food sector. This is as stated by the Central Statistics Agency (BPS), the number of SMEs in the food sector reached 1.51 million business units in 2020. The proportion of SMEs in the food sector reached 36% of all national SMEs, which in total of 4.21 million business units. The next most dominant sector is the wood industry and goods from cork, rattan, and bamboo (non-furniture) with a total of 632 thousand business units or 15% of the total national SMEs. The high contribution of the food sector to the SMEs business is supported by its large supply and user position. The food sector is one of the important sectors that supports the performance of the non-oil and gas processing industry. This was also confirmed by the Minister of Tourism and Creative Economy of the Republic of Indonesia, saying that the food business is the largest contributor to the GDP of the creative economy. The food sector absorbs 9.5 million workers. Thus, it can be understood that the majority of SME actors run their business in the food sector, and this sector is also proven to have the largest contribution to national GDP. This became the consideration why the author chose SMEs in the food sector as the object of this research. The focus of this study is Jakarta where many of the people have high income earning with enthusiastic attitude of investing behavior. This attracted the interest of the author to examine what factors influence the intention and actual investment in P2P Lending.

Michael Spence created signalling theory based on observed knowledge gaps between organizations and potential employees. Education credentials signal aptitude in Spence's job-market signalling model. The company feels the certificate is positively connected with increased ability and difficulties for low-ability employees to achieve, giving it informative value. Thus, the credential lets employers consistently distinguish low-ability individuals from high-ability workers (Spence, 1973). Several previous studies found that the trust factor was a crucial factor for lenders before deciding to invest on a P2P lending platform. This was also found by Chen et al. (2014); Khuong et al. (2022); Chen et al. (2015). Furthermore, Wang et al. (2015); Yang and Lee (2016) emphasized the existence of information asymmetry between lenders and borrowers, so that a high level of trust was required from borrowers (lenders) to have the intention to borrow funds in P2P lending. Juliana et al., (2022) discovered a link between attitude and propensity to purchase from a vending machine. This suggests that anytime a person's mood is positive, they are more likely to want to buy anything from a vending machine. If some of the researchers above tested P2P lending from the point of view of borrowers, then the research by Lee et al., (2018); Zhai et al. (2022); Natsir et al. (2022) examined P2P lending from an investor's point of view, where their findings confirmed that investors' intention to invest in P2P lending was influenced by social influence factors, trust, perceived risk, product knowledge. On the contrary, Lin, and Huang (2021) discovered that without making significant long-term efforts on source credibility and argument quality, trust could not be enhanced over-night. To increase the trustworthiness of their sources, online marketers should research market segmentations to determine the suitable aspects and promises to include in adverts.

Meanwhile, a research by Ummah et al. (2021) focused more on the role of information technology in influencing investor interest to invest in P2P lending. Khan (2022) although income was shown to be positively associated to P2P lending platforms, younger investors were less inclined to trust P2P lending platforms. Retail investors' faith in P2P lending systems has improved in Malaysia. The results of a review of several previous studies indicates that the P2P lending model has been extensively researched on investor interest, but it is still rare for researchers to examine the factors that influence actual investment, especially for SMEs investors, in terms of perceived security, social influence, platform reputation, and how the trust factor can increase interest in investment, which ultimately will have an impact on actual investment. For this reason, this study wants to fill the gap in the previous

researches by examining the factors that influence the actual investment of SMEs investors in P2P lending platforms. The novelty of this study is to examine the intention to invest in P2P lending platform model specifically for the food sector of SMEs, where the food sector is the sector that contributes the most to SMEs growth in Jakarta. This research model is also tested to the actual investment variable, this is different from the previous researches, which only tested the investment intention variable. In the previous studies, most researchers used perceived risk as a variable However, this research will use perceived security as a new independent variable.

RESEARCH METHODS

The objective of this study is to explain how one variable influences or is accountable for changes in other variables using a quantitative methodology and an explanatory or causal design (Cooper and Schindler, 2017). Meanwhile, the design of this study places it in the category of causal comparative research. The independent variable in this study is perceived security, social influence, and platform reputation, the dependent variables in this study are trust, investment intention, and actual investment. Primary data sources are employed in the data collecting process for this investigation. By completing the questionnaire, primary data was gathered. Primary data for this study was gathered through a survey using a Google Forms-powered online questionnaire. The portions of this survey that already have alternate responses on a Likert scale were closed.

The population in this study is potential investors for SMEs food sector in P2P lending who live in Jakarta. It is Indonesia's capital and the country's biggest city, as well as the world's most populated agglomeration/metropolitan region. It has a population of more than 11 million people and located on the coast of Java. According to BPS in 2020, Jakarta is considered as a global city and one of the fastest growing economy cities in the world. The sample of this research is potential investors in Jakarta who have or have not invested in P2P lending and are interested in investing in SMEs, specifically in food sector. Therefore, the sample for this study was selected based on several criteria, such as respondents having to live in Jakarta, so that it called purposive sampling. The Structural Equation Model (SEM) technique is used in this study, with a measurement model utilizing the Smart PLS program version 3.2.9 to quantify the intensity of each research variable and a structural model to analyze data and research hypotheses.
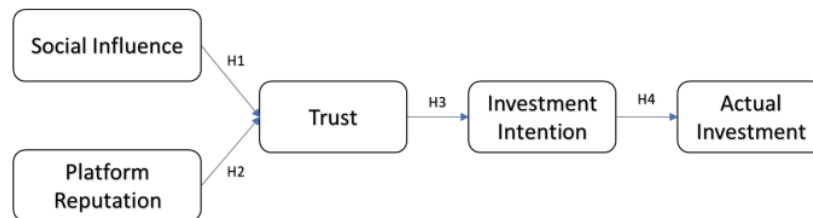

Figure 2 Research Framework

The assumptions in this investigation are depicted in the diagram above:
H1: Social Influence has a positive effect on trust
H2: Reputation Platform has a positive effect on trust
H3: Trust has a positive effect on Investment Intention
H4: Investment Intention has a positive effect on actual investment

RESULTS AND DISCUSSION
Descriptive Statistic

Prior to performing further analysis on hypothesis, it is necessary to verify that the data gathered from the distributed questionnaire meet the criteria. The central tendency consists of the mean, median, standard deviation, and coefficient of variation, which reflects dispersion, are also examples of measurement. After being cleaned and filtered, the data were processed to create descriptive statistics that have two functions: to give a dataset's variables' essential information and to draw attention to any possible links between those variables. In this research, the variables measured were Social Influence

(SOI), Reputation Platform (REP), Trust (TR), Investment Intention (INV), and Actual Investment (ACI).

Table 1 Descriptive Statistic

	Social Influence (4 items)	Reputation Platform (8 items)	Trust (6 items)	Investment Intention (4 items)	Actual investment (6 items)
N	138	138	138	138	138
Mean	3.6203	3.9746	3.9464	3.9746	3.6420
Std. Deviation	.71727	.63154	.62212	.62175	.63703
Minimum	2.00	2.10	2.00	2.00	1.80
Maximum	5.00	5.00	5.00	5.00	5.00

The overall descriptive results show that Social Influence has a minimum score of 2.00 and a maximum score of 5.00 (dominated by neutral to strongly agree), Platform Reputation has a minimum score of 2.10 and a maximum score of 5.00 (dominated by neutral to strongly agree), Trust a minimum score of 2.00 and a maximum score of 5.00 (dominated by neutral to strongly agree), Investment Intention has a minimum score of 2.00 and a maximum score of 5.00 (dominated by neutral to strongly agree), Actual Investment has a minimum score of 1.80 and maximum score of 5.00 (dominated neutral to strongly agree).

PLS-SEM Analysis

In order to evaluate the data and test the research hypotheses, the Structural Equation Model (SEM) approach is employed in this study. A measurement model that makes use of the Smart PLS software version 3.2.9 to quantify the intensity of each research variable. A reflective model is used to calculate the distance between each inner construct/variable latent and its dimension, i.e. the arrow connecting each circle to the boxes. As illustrated in Figure 3 below, based on the Partial Least Square estimation method, the path diagram of the Full Structural Model is obtained.
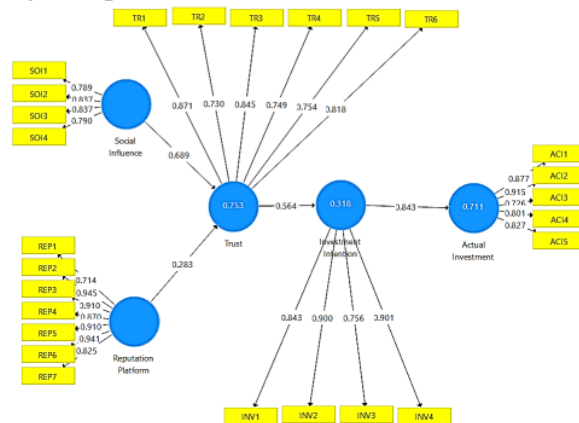

Figure 3 Structural Model
Source: PLS-SEM Result (2022)

Through the structural model above, it can be seen that the yellow box shows each indicator and the blue circle shows the latent variable. And there is a score on each arrow showing the value of the validity of each indicator and to test the reliability of the constructs of the variables studied. The indicator is said to be valid if it has a factor loading value > 0.7.

Measurement Model or Outer Model

Confirmatory factor analysis is used to evaluate the measurement outcomes of the measurement model (outer model) (CFA by testing the validity and reliability of latent constructs). Convergent validity, discriminant validity, and reliability tests make up the measurement model test.

Table 2 Average Variance Extracted (AVE)

Variable	Average Variance Extracted (AVE)
Social Influence	0.662
Reputation Platform	0.769
Trust	0.634
Investment Intention	0.726
Actual Investment	0.692

Source: PLS-SEM Result (2022)

As can be seen, all five latent variables in the table above have AVE values larger than 0.50. All variables are deemed legitimate in explaining latent variables in order to show that the usage of manifest variables complies with the AVE criterion. As a result, it is argued that all manifest variables have complied with convergent validity's conditions.

Table 3 Fornell-Larcker Validity Result

	Actual Investment	Investment Intention	Reputation Platform	Social Influence	Trust
Actual Investment	0.844				
Investment Intention	0.832	0.852			
Reputation Platform	0.715	0.614	0.877		
Social Influence	0.525	0.559	0.509	0.834	
Trust	0.570	0.564	0.634	0.797	0.814

Source: PLS-SEM Result (2022)

Based on the results of the table above, it can be concluded that the root value of each variable is higher than the correlation therefore the model has good discriminant validity.

Internal Consistency is measured by composite reliability of the indicator that measures a construct and Cronbach's alpha. The table 4 below reflects the internal consistency of the research model.

Table 4 Internal Consistency Result

Variable	Cronbach's Alpha	Criteria	Result	Composite Reliability	Criteria	Result
Social Influence	0.830	0.7-1.0	Accepted	0.887	> 0.7	Accepted
Reputation Platform	0.949	0.7-1.0	Accepted	0.959	> 0.7	Accepted
Trust	0.884	0.7-1.0	Accepted	0.912	> 0.7	Accepted
Investment Intention	0.872	0.7-1.0	Accepted	0.913	> 0.7	Accepted
Actual Investment	0.888	0.7-1.0	Accepted	0.918	> 0.7	Accepted

Source: PLS-SEM Result (2022)

Table 2 demonstrated that each variable's Cronbach's Alpha value is more than 0.7, that the value satisfies the requirements for that variable's acceptance, and that the data collected for each variable is accurate and dependable. The second indication is Composite reliability, which demonstrated that all variables had Composite reliability values more than 0.7, ranging from 0.830 to 0.949, indicating a remarkable degree of consistency.

Structural Model or Inner Model

The structural model is comprised of the system's objects and the static relationships between them. The structural model was evaluated using some important parameters as; Coefficient of Path coefficient, determination (R^2), and Effect size (f^2).

Table 5 Evaluation of Path Coefficients Result

	Path Coefficients
Social Influence → Trust	0,689
Reputation Platform → Trust	0,283
Trust → Investment Intention	0,564
Investment Intention → Actual Investment	0,843

Source: PLS-SEM Result (2022)

As the above path coefficient result shows, Investment Intention to Actual Investment gives the strongest result at the first place with score 0,843. From this we can relate that if a person already has the intention to invest, most likely they will really do actual investment considering sufficient information they have received about offering and benefit of P2P lending platform. The second place is Social Influence to Trust with score 0,689, we can relate that recommendation from colleagues and educative marketing campaign help to build a person's trust toward P2P lending platform. The third place is Trust to Investment Intention with score 0,564 meaning that if a person already gives trust to a fintech platform, they will have an intention to try investing through that platform. The fourth place is Reputation platform to Trust that relatively has a small effect with score 0,283 meaning that Reputation Platform is not gaining a person's trust too much, most likely if the investment method is profitable and platform information is clear then they will go for it despite the platform reputation itself.

Table 6 Result R^2

Variable	R^2	Category
Actual Investment	0.711	Moderate
Investment Intention	0.318	Weak
Trust	0.753	Good

Source: PLS-SEM Result (2022)

Through R^2 contained in the table above, it can be seen that the structural model has an R^2 value of the Actual Investment variable of 0.711, which indicates that the variable is moderate. Meanwhile Investment Intention variable has an R^2 of 0.318 indicating that the variable is weak to moderate. Other structural model of Trust variable has an R^2 of 0.753, which indicates that the variable is good. Referring to this result, the structural model is sufficient to perform storing foundation and reliable to give accurate analysis.

Table 7 Result F^2

Path Diagram	Effect Size Value	Conclusion
Social Influence → Trust	1.428	Large Effect
Reputation Platform → Trust	0.240	Medium Effect
Trust → Investment Intention	0.467	Large Effect
Investment Intention → Actual Investment	2.464	Large Effect

Source: PLS-SEM Result (2022)

The table 7 describes that there are three relationships showing large effects, which is the relationships between SOI and TR with value of 1.428, the relationship between TR and INV with value

of 0.467, the relationship between INV and ACI with value of 2.464. Meanwhile the relationships between REP to TR has a medium effect at 0.240.

The following formula can be utilized to determine Q^2:

$Q^2 =1-(1-R12)(1-R22)(1-23)$
$Q^2 = 1 – (1-0,711)(1-0,318)(1-0,753)$
$Q^2 = 0,951$

The attained Q^2 value of 0.951 indicates that the Q^2 value is above zero, demonstrating the predictive usefulness of the model.

Table 8 Research Variable Causality Test

	Coefficient
Investment Intention -> Actual Investment	0.843
Social Influence -> Trust	0.689
Trust -> Investment Intention	0.564
Reputation Platform -> Trust	0.283

Source: PLS-SEM Result (2022)

The table above displays the strength of each variable's effect as determined by the coefficient value (original sample). It is clear from the statistics above that the Investment Intention variable, with a coefficient of 0.843, has the most impact on Actual Investment. Despite the Reputation Platform variable's impact on Trust, which is equivalent to 0.283, is the least significant.

Hypothesis Testing

To ascertain whether there is a significant effect for each hypothesis in this study, the path coefficient value, T value, and P value will be examined. The next phase in data analysis to evaluate the hypothesized link, and in this study, there are 4 hypotheses created from the literature review in order to construct the research model mentioned in the previous section. PLS-SEM result will reveal whether or not the given hypothesis is supported.

Table 9 Hypothesis Testing of The Relationship Between Variables

	Path Coefficient	Result	T Values	Result	P Values	Result
SOI → TR	0,689	Positive	11.900	Significant	0.000	Significant
REP → TR	0,283	Positive	4.500	Significant	0.000	Significant
TR → INV	0,564	Positive	7.833	Significant	0.000	Significant
INV → ACI	0,843	Positive	30.994	Significant	0.000	Significant

Source: PLS-SEM Result (2022)

The impact of social influence on trust of potential investors who have interest or have already invested in P2P lending platform

The data processing in the preceding section indicated that social influence in the form of reference to invest is unlikely given commonly by their colleagues, relatives or family. This could be the impact of society's lack of knowledge regarding P2P lending platform utilization of benefit. Other result for Social Influence also shows that all profit or other beneficial offerings from P2P lending platform are not clearly shown in the first place. This could be the impact of minimum marketing activity, publication or education for P2P lending platform to society. Furthermore, when social influence data is combined and processed in regression method through PLS-SEM, it turns out that this independent variable gives significant effect on investor's trust in P2P lending platform. Social influence could be elevated through synergized marketing activity and education to give comprehensive highlight on its benefit and competitive offering that will lead to investor's assurance that they will

make the right choice on P2P lending platform. This result is in line with the previous study in literature review, and will give additional support for theoretical and practical improvement in the future.

Research from Spence (2021), stated that in the era of big data, information asymmetries are decreased by discovering how signalling and search costs are lowered by big data analytics for credit risk management of P2P lending. ICT (information and communication technologies) innovations, like big-data-based Fintech, have been highlighted as a key disruptive factor in the lending business. Methods for acquiring, presenting, and evaluating information have changed dramatically in the age of big data. The costs of looking for credit information have fallen dramatically, and credit data collection has shifted from passive information retrieval to proactive information gathering. Significantly, these changes enable financial institutions to provide previously disadvantaged regions with services such as loans. The importance of digital technology in improving market inclusion should not be ignored. These also supported social influence to give direct impact for investor's trust.

The impact of reputation platform on trust of potential investors who have interest or have already invested in P2P lending platform

The data processing in the preceding section indicated that reputation platform in the form of service quality showed easy-to-use apps and security assurance are important factors and available in P2P lending platform. Next result from quality information showed that complete information in P2P lending platform is helping them to get a clear understanding about terms and condition, also benefits of investing in P2P lending platform. Other results for online transaction security and protection showed that currently the platform has already provided them. The descriptive statistic result for corporate social capital showed that social media for P2P lending platform is easy to access with many kinds of necessary information and publication. But on that social media, lender and borrower could not interact and have a direct communication. Furthermore, when reputation platform data is combined and processed in regression method through PLS-SEM, it turns out that this independent variable gives a significant effect on investor's trust in P2P lending platform. Reputation platform could be elevated through OJK certification, expanding online presence, wide social media reach, increase brand visibility, keep users satisfied and create online reviews to boost reputation. This result is in line with the previous study in literature review, and will give additional support for theoretical and practical improvement in the future.

Research from Spence (2021), remarked that the reason why the informative gaps are getting less thanks to digital technology powering contemporary giant platforms. Lenders and investors can now find each other, and mega-platforms have found a way to overcome the trust problem, converting one-off markets and transactions into recurring ones. Both the market's incentive structure and its informational structure are changed as a result. Yet before the development of such platforms, this knowledge would have been lost, and the offender may have kept renting, perhaps leaving a trail of demolished flats in their wake. Businesss may find facts and make conclusions about individuals that would be difficult without such data through evaluation systems, payment systems, and the large amount of data that can be obtained, leading in more inclusive patterns. The emergence of mega-platforms outlined above is continuous and has virtually changed how economies emerge and function. We must keep two important characteristics of mega-platforms in mind: their huge market power and their ability to serve as innovation-supporting hubs.

The impact of trust on investment intention of potential investors who have interest or have already invested in P2P lending platform

The data processing in the preceding section indicated that trust in the form of ability, benevolence and integrity is already established by P2P lending platform which ensures confidentiality of their customer data both borrower and especially lender. They feel assured that their personal data will only be owned by P2P lending platform and all information related to loan is relatively accurate. Furthermore, when trust data is combined and processed in regression method through PLS-SEM, it turns out that this dependent variable gives a significant effect on investor intention in P2P lending platform. Investor's trust was built over time after satisfaction of usage, comfort and overall good experience when using it alongside with impact from positive social influence and reputation platform. This result is in line with the previous study in literature review, and will give additional support for theoretical and practical improvement in the future.

Research from Spence (2021), said that from an economic standpoint, Partially erasing the information gaps and asymmetries that characterize almost all markets would have enormous positive effects as well as negative ones. Utilizing data responsibly can build and propel markets that previously did not exist. Credit, for example, can be granted to persons who are mostly unknown to the traditional banking system. This is quite effective and promotes inclusive economic growth.

The impact of investment intention on actual investment of potential investors who have interest or have already invested in P2P lending platform

The data processing in the preceding section indicated that investment intention in the form of influencing to invest is already established by P2P lending platform and they will recommend it to their colleagues in terms of good offering and benefit they will probably get from the apps. Other result of product knowledge also showed that they will seek for more information about offering and benefit of investing before they do it. Furthermore, when investment intention data is combined and processed in regression method through PLS-SEM, it turns out that this dependent variable gives a significant effect on actual investment in P2P lending platform. The author concluded that if a person already has investment intention, most likely they will do actual investment right away. Some improvement to keep P2P lending as leading choices for investment platform is to make sure that the offering, benefit and interest rate of P2P lending platform are suitable and interesting for investors, whether in short term or long-term period. This result is in line with the previous study in literature review, and will give additional support for theoretical and practical improvement in the future.

An extra externality has resulted from the digital economy. Individuals' information is beneficial to others in the digital economy. For example, in order to develop a new medicine, information from people who have tried the drug is essential. Instead, if a buyer plans to buy a product, they will seek advice from other consumers who have had similar experiences. This kind of externality advances everyone's social wellbeing and produces useful public information. Last but not least, by making decision in the social sector easier to make, the data element of production has also improved social welfare. The social sector will be able to maximize the beneficial impact of social investment on societal well-being as more data is converted into information and decision-making is supported by technology for predictive analysis (Spence 2021).

The current condition of actual investment overview from investor in P2P lending platform

The data processing in the preceding section indicated that actual investment in the form of real usage, frequency of use and user satisfaction is already in a good condition. Investors are willing to use P2P lending platform as investment tools, especially to earn profit. But on the other hand, they are neutral in doing more investing in P2P lending platform, comparing to other choices. But they totally agree that they will continue to use this application often in the future. This is quite representative to current people's behaviour to do investment in various ways, in which P2P lending is one of them.

CONCLUSION

Based on result and discussion, the author makes conclusion that social influence is highly needed to elevate investors' trust shown from the highest path coefficient result. Recommendation and good review from others will gain trust and convince investors. Reputation platform is needed to elevate investors' trust, because the application will manage fund related transactions which require assurance managed by a good platform. Trust is needed and important to ensure investors who want to invest in P2P lending platform. Most likely if people are convinced and have intention to invest, they will go for actual investment. Future studies can expand the market's reach to include areas than Jakarta. The results of this study might be different from those of other studies since different cultures, levels of education, household income, and work habits may have distinct effects. Further studies in other areas, where there are more people, will improve the local findings and be able to support additional food SMEs. Second, further studies may look at the employment of the populace (entrepreneur, freelancer or employee). A study focusing on occupation would also be intriguing, because the market behaviour especially on earning timing and risk trait will give more enlightenment.

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