

Tri Purwani; Listijo, Harto; Naziruddin Abdullah

Article

Determinants of re-borrowing intention in peer-to-peer lending

Global Business & Finance Review (GBFR)

Provided in Cooperation with:

People & Global Business Association (P&GBA), Seoul

Suggested Citation: Tri Purwani; Listijo, Harto; Naziruddin Abdullah (2024) : Determinants of re-borrowing intention in peer-to-peer lending, Global Business & Finance Review (GBFR), ISSN 2384-1648, People & Global Business Association (P&GBA), Seoul, Vol. 29, Iss. 4, pp. 43-54, <https://doi.org/10.17549/gbfr.2024.29.4.43>

This Version is available at:

<https://hdl.handle.net/10419/305982>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.



<https://creativecommons.org/licenses/by-nc/4.0/>



Determinants of Re-borrowing Intention in Peer-to-Peer Lending

Tri Purwani^{a†}, Harto Listijo^b, Naziruddin Abdullah^c

^aDepartement of Management, Faculty of Economics and Business, AKI University, Semarang, Indonesia

^bDepartement of Informatics Engineering, Faculty of Informatics Engineering, AKI University, Semarang, Indonesia

^cUniversiti Kuala Lumpur, Kuala Lumpur, Malaysia

ABSTRACT

Purpose: This study aims to determine the effect of perceived usefulness, perceived ease of use, and insecurity risk on re-borrowing intention in peer-to-peer lending moderated by the facilitating condition. P2P lending in Indonesia is still at an early stage of development so there are many challenges related to insecurity and public acceptance of P2P lending financial technology.

Design/methodology/approach: This study uses a quantitative approach for survey research. The research population was peer-to-peer lending borrower in the Special Region of Yogyakarta, Indonesia. The sample members were 207 online loan borrowers by chance contacted by the researchers in different online loan in Indonesia. The data analysis method used is the Structural Equation Modeling technique based on Partial Least Square.

Findings: The study found that perceived usefulness and perceived ease of use, has positive effect on online loan attitude. Insecurity risk has a negative effect on online loan attitude. Besides, online loan attitude seems proven to have a positive effect on re-borrowing intention. Likewise, effect of online loan attitude on re-borrowing intention moderated by the facilitating condition.

Research limitations/implications: This research has several limitations. The variables in this research are developed from the basic TAM model by adding other variables outside TAM. The factors influencing re-borrowing behavior on online loans can differ in different theoretical approaches. Hopefully, future research can compare the results of this study with other models outside TAM.

Originality/value: It often encourages irrational decisions by re-borrowing online loans even though they realize this decision is not wise. This article attempts to fill the gap in the literature by adding insecurity factors and facilitating conditions to attitudes and intentions in using technology in the context of online P2P lending from the borrower's side.

Keywords: Re-borrowing intention, Peer-To-Peer lending, Technology acceptance model, Insecurity, Facilitating conditions

I. Introduction

Peer-to-peer (P2P) lending has alternative loans for unbankable people to have loan facilities (Akhtar

et al., 2023; Bajunaied et al., 2023; Hu et al., 2019). The financial problem that exists in society is that low-income groups often cannot access banking services. This has resulted in the emergence of informal and even illegal financial institutions which actually make the problem worse (Amaroh et al., 2023). Peer-to-peer lending is considered a solution because it directly connects borrowers with lenders (Kim, 2021).

Received: Dec. 18, 2023; Revised: Feb. 16, 2024; Accepted: Feb. 23, 2024

† Corresponding author: Tri Purwani

E-mail: tpurwani@unaki.ac.id

The data of Indonesian Financial Services Authority show that the accumulation of loan distribution in Indonesia over the last three years keeps recording significant growth. In 2019, the accumulation of loan distribution nationally had a considerable increase compared to 2018, i.e., increasing by 269.4% year on year (YoY) with a total value reaching IDR 81.49 trillion distributed to 18,569,123 borrower accounts. During 2020, the increase was not as high as in 2019, which was 91.31% YoY, with accumulated loan distribution reaching IDR 155.9 trillion to 43,561,362 borrower accounts. It was recorded that up to the end of December 2021, there was an increase of 89.78% YoY, with accumulated loans nationally reaching IDR 295.86 trillion and distributed to 73,246,852 borrower accounts. In 2022, it will increase again by 20% with accumulated loan distribution reaching IDR 528.0 trillion to 99,795,780 borrower accounts. In 2023, accumulated loan distribution reaching IDR 696.8 trillion (increased by 32.0%) distributed to 121,955,315 borrower accounts.

Online loan service products in developing countries, such as Indonesia, have the potential to expand financial inclusion (Akhtar et al., 2023; Bajunaied et al., 2023; Hu et al., 2019). However, P2P lending in Indonesia is still at an early stage of development, so it has many challenges related to regulations, security, the number of problem loans, the psychosocial conditions of society, and the readiness of the technological system (Disemadi et al., 2020; Ichwan & Kasri, 2019). Online loan preference is a person's tendency or intention to re-borrow. The borrowers usually have no credit history, are unemployed, and most of them are unable to provide collateral (Cooper & Ross, 2011). Intention to re-borrow has been widely used as a factor in various studies related to the Technology Acceptance Model (TAM) in the context of P2P Lending (Hu et al., 2019; Ichwan & Kasri, 2019; Putri et al., 2023; Widyanto et al., 2022). Understanding the factors influencing technology acceptance is necessary for developing online P2P lending platforms inclusively and sustainably (Au et al., 2020).

The TAM-based previous studies (Hu et al., 2019; Ichwan & Kasri, 2019; Putri et al., 2023; Widyanto

et al., 2022) found a relationship between perceived usefulness (PU) and perceived ease-of-use (PEOU) has positive affect on attitudes and intentions in using technology. However, previous studies have not found consistent results whether the influence of PU goes directly to intentions by Lee et al. (2022) or through attitudes by Hikmah et al. (2023), Sabir et al. (2023) and Yang et al. (2021). On the other hand, the variables in TAM do not yet represent the characteristics of online loans related to insecurity and conditions that facilitate borrowers. (1) Online loan products, as technology-based service products, have their own characteristics that provide benefits, convenience, and also the risk of insecurity (Au et al., 2020). Online loan platforms use data, information, online services, and algorithms to understand customers, social communities, and customer records in financial and non-financial aspects. This technology can pose a risk of customer insecurity (Parasuraman & Colby, 2015), such as data misuse, personal data dissemination, detrimental applications, and technological errors. (2) Those who re-borrow using online loans are often in urgent situations, such as to meet needs or pay debts (Au et al., 2020). Facilitating conditions such as meeting urgent needs often encourage irrational decisions by re-borrowing online loans even though they realize that this decision is not wise.

This article attempts to fill the gap in the literature by adding insecurity factors and facilitating conditions to attitudes and intentions in using technology in the context of online P2P lending from the borrower's side. The novelty of this research is: (1) adding the insecurity risk factor as a factor that influences re-borrowing intention, (2) adding facilitating conditions as a moderator of the influence of attitudes on re-borrowing intention. Facilitating conditions are used as moderator variables because: (1) they are environmental characteristics that support or hinder, characteristics that are relatively stable/not easily changed, which become background or contextual variables, (2) facilitating conditions can explain when cause and effect occur (Wu & Zumbo, 2008).

II. Literature Review

Financial technology (FinTech) is a form of digital technology revolution in the financial industry (Xie et al., 2021). The development of digital technology innovation in the financial sector is not limited to banking services such as mobile payment, internet banking, and microfinance. However, it has grown into a FinTech ecosystem such as crowdfunding, Blockchain and Bitcoin, Big Data, and Peer-to-Peer (P2P) Lending (Ajambo et al., 2023; Anifa et al., 2022; Barroso & Laborda, 2022; Mhlanga, 2020). Fintech is a general financial services product not limited to one particular industry. Fintech Lending is limited to only financial service innovation in lending and borrowing transactions. Peer-to-peer lending (P2P lending) is an information technology platform system (electronic system) that uses an internet network for financial services that can bring together loan givers and recipients. This digital technology innovation in the financial industry is developed to improve service quality and ease of financial transactions and to increase access to monetary financing for a wider range of borrowers. Financial services are expected to help improve the local economy, environment, and society (Mansoori & Bakri, 2023).

The technology acceptance model (TAM) is a widely known model for understanding technology acceptance from the customer's perspective. The TAM framework can be seen at Figure 1. It was first introduced by David in 1989, and TAM is a development of the Theory of Reasoned Action (TRA) (Ajzen, 2005; Buhmann & Brønn, 2018; Fishbein & Ajzen, 2009). In TRA, beliefs and attitudes related

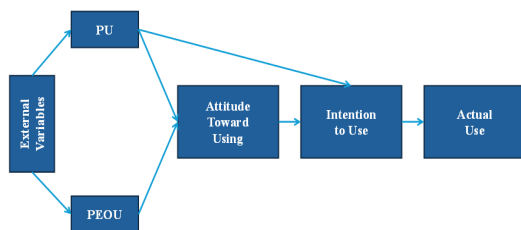


Figure 1. Technology acceptance model

to an individual's intention to use technology depend on two factors, namely perceived usefulness (PU) and perceived ease of use (PEOU). Individuals may use technology if they find it useful, convenient, and socially important. TAM has been empirically proven to provide an overview of behavioral aspects of technology users, including being able to easily accept information technology (IT) since it suits their wishes. An individual who engages in re-borrowing behavior in P2P lending starts with intention. Many empirical studies (Bajunaied et al., 2023; Flavián et al., 2022; Hassan et al., 2022; Hu et al., 2019; Widyanto et al., 2022) have proven the determinants of behavioral intentions, although not in the context of online loans. Meanwhile, the intention to re-borrow can arise due to many things: attitude, perceived usefulness, perceived ease-of-use, insecurity risk, and facilitating condition.

A. Attitudes Towards Re-Borrowing Intention

Attitudes towards re-borrowing online loans are feelings of likes, dislikes, or happy or unhappy towards online loans. Attitudes towards re-borrowing online loans consist of evaluating the benefits and ease of making online loans. Theoretically, the more people are happy, or like re-borrowing from online loans, the more they intend to re-borrow on P2P lending (Ajzen, 1991). The relationship between attitudes and intentions is also supported empirically by previous studies Shih & Fang (2004), Lee (2009), Adam & Shauki (2014), Yadav et al., (2015), Raut et al. (2018), Raut (2020), Akhtar et al. (2023) and She et al. (2023) although not in the context of online loans. The first hypothesis can be formulated as follows:

H1. The attitude of re-borrowing has a positive effect on the re-borrowing intention.

B. Perceived Usefulness

Perceived usefulness is the level at which an individual believes that the user of a particular system

can increase a work performance of a person's. Based on this resolution, it can be interpreted that the benefits of using technology can benefit the people who use it. Thompson (1991) concluded that information technology's benefits are the benefits users expect when carrying out their tasks. Thompson (1991) also states that individuals will use ICT if they know its positive benefits or usefulness. Previous studies by Sabir et al. (2023) found the influence of perceived usefulness on attitudes towards using Robo-Advisors in Fintech Industry, China. The influence of perceived usefulness on attitudes was also found in other studies (Yang et al., 2021), but not in the context of the Fintech Industry. Other studies by Putri et al. (2023) and Song & Jo (2023) did not find a direct effect of perceived usefulness on intention, which could be caused by another mediating variable, namely attitude. The next hypothesis can be formulated as follows:

H2. Perceived usefulness has a positive effect on attitudes towards re-borrowing.

C. Perceived Ease-of-Use

Perceived Ease-of-Use (PEOU) is the extent to which a person believes that using certain technology provides ease of use. According to previous research (Hu et al., 2019; Ichwan & Kasri, 2019; Putri et al., 2023; Widyanto et al., 2022), users acknowledge that IT is more flexible, easy to understand, and easy to operate is characterized by ease of use. In addition, considerations for using such technology may depend on the comfort level in learning to use it. The easier a technology is to use, the more positive the user's attitude towards it, and vice versa (Hu et al., 2019; Ichwan & Kasri, 2019; Putri et al., 2023; Widyanto et al., 2022). Therefore, this study uses PEOU as a predictor variable for re-borrowing attitudes of P2P online loan users. The next hypothesis can be formulated as follows:

H3. Perceived Ease-of-Use has a positive effect on attitudes towards re-borrowing.

D. Insecurity Risk

Insecurity is one of the dimensions of the Technology Readiness Index (TRI) (Parasuraman & Colby, 2015). Insecurity is one of the inhibiting factors in developing a technology application. Application insecurity arises due to technological and regulatory systems that are still developing, especially in developing countries like Indonesia. Insecurity occurs due to data misuse, dissemination of personal data, harmful applications, direct physical interaction, and the possibility of direct communication (Parasuraman & Colby, 2015). Empirical studies show that insecurity negatively influences the use of new technologies (Bajunaied et al., 2023; Flavián et al., 2022). When users feel insecure about technology, they tend not to try and find out about the latest technology and will avoid using it, except when forced to. A user must want guaranteed security and privacy when using technology (Martens et al., 2017). The next hypothesis can be formulated as follows:

H4. Insecurity risk of use has a negative effect on attitudes towards re-borrowing.

E. Facilitating Condition

Sometimes, online loan customers often take out online loans due to conditions such as meeting urgent needs or paying overdue debts. Facilitating conditions (the presence or absence of conditions that enable the performance of a particular behavior) are considered constraints and current situational conditions (Kim & Bae, 2020). Facilitating conditions refer to the person's ability to perform the behavior, the individual's passion for serving the action, and the person's knowledge of how to perform the behavior (Fishbein & Ajzen, 2009; Moody & Siponen, 2013). In an environment that is not conducive (such as crisis and uncertainty), it is often irrational to still intend to re-borrow despite a negative attitude towards online loans. It does not happen in conducive (supportive) environmental conditions, meaning a negative attitude will be followed by a low intention to re-borrow. In urgent

conditions, it will encourage individuals to re-borrow from online loans positively. In critical conditions, individuals do not reconsider the interest rate, risks, usage, and how to pay the installments. Common people only think short term because the online loan process is easy and fast (Osbourne & Clarke, 2008). The next hypothesis can be formulated as follows:

- H5.** Facilitating conditions moderate the influence of re-borrowing attitudes on re-borrowing intentions.

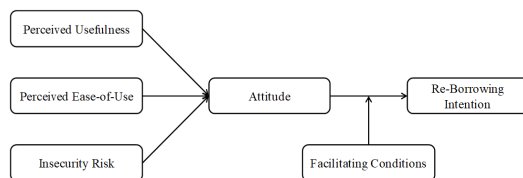


Figure 2. Conceptual framework

III. Method

This study surveyed 207 respondents who had tried online loans in Yogyakarta, Indonesia. The intention to re-borrow was measured using five indicators modified from adapting indicators from (Boonroungrut & Huang, 2021). The re-borrowing attitude was measured using five indicators revised from previous research (Buhmann & Brønn, 2018; Hu et al., 2019; Ichwan & Kasri, 2019; Putri et al., 2023; Widyanto et al., 2022). The perceptions of ease of use and usefulness were measured using scales developed by previous research (Flavián et al., 2022), with four items per variable. The insecurity regarding online loans was measured using previous research indicators (Parasuraman & Colby, 2015). The facilitating condition was measured using six indicators modified from previous research (Boonroungrut & Huang, 2021). Based on the test results, all variables' instruments had high reliability (the Cronbach alpha value was from 0.813 to 0.966). All scales used self-reported measures based on 7-point Likert-type response formats, from 1 (completely disagree) to 7 (completely agree).

Partial Least Square based on structural equation modeling (SEMPLS) technique is used as a data analysis method in this research (Hair Jr. et al., 2023). Assessing the reliability and discriminant validity of the outer model. The cross-loading value demonstrates discriminant validity. An indicator is said to have good validity in reflective latency if it has a loading factor value greater than 0.70. The reliability of indicators in measuring constructs can be seen from the average variance extracted (AVE), Cronbach's Alpha and Composite Reliability values. The construct used is said to be valid if the average variance extracted (AVE) value is > 0.5 , the composite reliability value is > 0.7 , and the Cronbach's Alpha value is > 0.7 (Hair et al., 2017). Hypothesis testing uses PLS by looking at the p value or t value for each hypothesis. The hypothesis is proven if the probability value (p-value) is less than 0.05 or 5%.

IV. Result

The results of descriptive statistics are shown in Table 1. The results show that most borrowers in P2P lending online loans are from 19 to 34 years old, contributing 56.04%; people in these ages are the millennial generation that grows along with technological developments. Most respondents are from 19 to 34 years old since young people are commonly easily adapt to digital technology, productive (some are already working), and have their own income; people in these ages also have money for shopping and daily needs (García-Rodríguez et al., 2022). However, the need for funds in the short term and the ease of technology and lifestyle make this segment use online loans the most. The other largest borrowers are from 35 to 54 years old at 33.33% and above 54 years old at 7.25%. Some respondents (3.38%) are also under 19 years old. People under nineteen can already access online loans since the requirement for applying for an online loan or opening a bank account only needs a residential identity; citizens who can have a residential

Table 1. Characteristics of respondents

	Frequency (n)	Percent (%)
Sex		
Woman	116	56.04
Man	91	43.96
Total	207	100
Ag		
< 19 years old	7	3.38
19 years old - 34 years old	116	56.04
35 years old - 54 years old	69	33.33
> 54 years old	15	7.25
Total	207	100
Income (IDR)		
<2 million	59	28.5
2-4 million	75	36.23
4-6 million	55	26.57
>6 million	18	8.7
Total	207	100
Education		
Elementary school	4	1.93
Middle school	42	20.29
High school	96	46.38
University	65	31.4
Total	207	100
Average Loans (IDR)		
<500 thousand	59	28.5
500 thousand -2 million	69	33.33
2 million - 5 million	58	28.02
>5 million	21	10.14
Total	207	100
How many times		
1 time	24	11.59
2-3 times	42	20.29
4-5 times	57	27.54
6-10 times	41	19.81
> 10 times	43	20.77
Total	207	100

Source: Primary data (2023)

identity are those above 18 years old or already married. On average, people between 18 and 19 are still students or young laborers (OJK, 2020).

The female online loan borrowers are slightly more (56.04%) than men. Based on income, 28.50% of the people who have used online loans have incomes below IDR 2 million, 36.23% earn from IDR 2 million to IDR 4 million, 26.57% earn from IDR 4 million to IDR 6 million, and 8.7% earn above IDR 6 million. Based on the proportion of income, most borrowers' income on online loans is under IDR 4 million. It shows that online loans provide financial access for the lower middle class (OJK, 2019).

The online loan segment with the highest number (46.38%) is high school graduates or equivalent education, followed by bachelor's degree or associate degree (31.40%), junior high school graduates (20.29%), and elementary school graduates (1.93%). No data is found for those who have never attended school or have not completed elementary school or postgraduate studies (S2/S3). Few respondents have completed elementary school, and this could be related to access to technology for the respondents with elementary school education or below. In contrast, junior high school, high school, associate's, and bachelor's degrees have more access and ease in using technology.

The average online loan for a one-time loan is small, with a maximum from IDR 500 thousand to IDR 2 million (33.33%), even under IDR 500 thousand (28.50%), but most of it is done repeatedly (more than once). The loan amount under IDR 5 million is because online loans are generally used as alternative funding in the short term. For lenders, small loan amounts and, in a short time, pose little risk. Most respondents (100%-11.59=88.41%) use online loans repeatedly (more than once). Most respondents (27.54%) use online loans four to five times. Even 20.77% use online loans more than ten times.

Inner model evaluation is an analysis of the results of the relationship between constructs. Based on Figure 3 show R-Square for the variable Intention Re-Borrowing (INT) is 0.638 which means that the independent variable contributes an influence of 63.8% to Intention Re-Borrowing (INT). Meanwhile, the remaining 36.2% is the influence of other unobserved factors. R- Square for the attitude variable

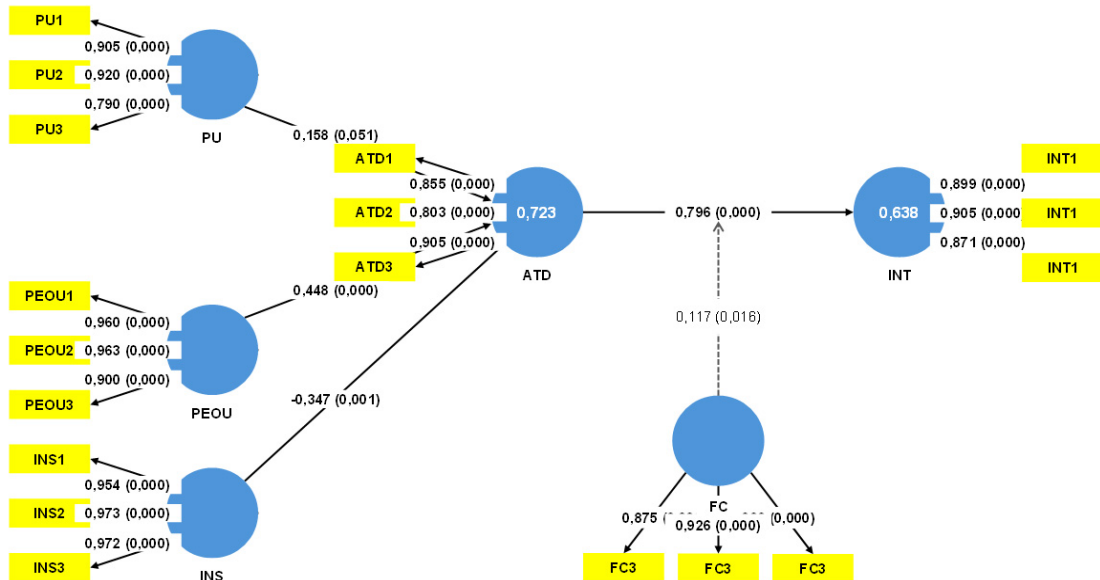


Figure 3. Structural model

(ATD) is 0.723 which means that the independent variable contributes an influence of 72.3% to attitude (ATD). Meanwhile, the remaining 27.7% is the influence of other unobserved factors.

Based on Table 2, it can be explained that of the five hypotheses proposed, four hypotheses were accepted because the significance value (p value) was <0.05 . Based on Table 2, the influence of attitude (ATD) on Intention Re-Borrowing (INT) is significant in the 2-tailed test ($p\text{-value} = 0.000 < 0.05$). Thus, H1 is supported. Attitude is a predictor of intention borrow again. The influence of perceived usefulness (PU) on attitude intention (ATD) is not significant in the 2-tailed test ($p\text{-value} = 0.051 > 0.05$). Thus, H2 is not supported. The influence of perceived ease of use (PEOU) on attitude (ATD) is significant in the 2-tailed test ($p\text{-value} = 0.000 < 0.05$). Thus, H3 is supported. The influence of insecurity risk (INS) on attitude (ATD) is significant in the 2-tailed test ($p\text{-value} = 0.000 < 0.05$). Thus, H4 is supported. Facilitating conditions can have a direct effect or as a moderator of the influence between attitudes (ATD) on Intentions Re-Borrowing (INT) ($p\text{-value} = 0.000 < 0.05$). Thus, H5 is supported.

Table 2. Summary of hypothesis testing results

	β	P values	
ATD \rightarrow INT	0.796	0.000	Supported
PU \rightarrow ATD	0.158	0.051	Not Supported
PEOU \rightarrow ATD	0.448	0.000	Supported
INS \rightarrow ATD	-0.347	0.001	Supported
FC \times ATD \rightarrow INT	0.117	0.016	Supported

Source: Primary data (2023)

V. Discussion

A. Attitude of Re-Borrowing on the Intention to Re-Borrow

Based on Table 2 show this study also finds that attitudes towards re-borrowing are proven to influence the intention to re-borrow with a positive relationship. It means that the intention to re-borrow, whether for the same or different loans, by some people is caused by a positive attitude towards online loan service products, as service products that are smart, valuable, useful, and considered alternative funding as a good thing. This empirical study follows TAM,

which states that attitudes toward behavior influence behavioral intentions (Ajzen, 1991). Customers believe that carrying out this re-borrowing behavior will bring beneficial consequences; thus, the intention to re-borrow will increase. This finding is consistent with previous studies (Adam & Shauki, 2014; Lee, 2009; Raut et al., 2018; Raut & Das, 2017), which proved that attitudes towards certain beneficial behaviors tend to increase individuals' intention to engage in that behavior.

B. Perceived Usefulness on Attitudes Towards Re-Borrowing

The results of this research based on Table 2 show that perceived usefulness is not affecting on attitudes towards re-borrowing. The results of this study support previous studies (Hikmah et al., 2023; Sabir et al., 2023; Yang et al., 2021), who also found the influence of perceived usefulness on attitudes by expanding the literature in the context of re-borrowing in online loans. Online loans are considered useful by users for meeting short-term financial needs, simple service (Jung et al., 2020), alternative sources of financing for the community, providing smart and efficient financial solutions, especially for those who have limited access to conventional financial institutions (Akhtar et al., 2023; Bajunaied et al., 2023; Boukherouaa et al., 2020; Hu et al., 2019; Klimowicz & Spirzewski, 2021; Wang et al., 2015). The results of this study found that the more users feel that online loans are useful, this will be accompanied by an increase in positive attitudes towards using online loans repeatedly, conversely, the more users feel that online loans are not useful, this will be accompanied by an increasingly negative attitude towards using online loans repeatedly.

C. Perceived Ease-of-Use on Attitudes Towards Re-Borrowing

The results of this research based on Table 2 show that perceived ease of use (PEOU) have a positive

and significant influence on the re-borrowing attitude of online loan customers in Yogyakarta. It shows that the higher the benefit and convenience of online loan customers, the greater the attitude towards re-borrowing online loans. The results of this study support previous research (Adam & Shauki, 2014; Akhtar et al., 2023; Lee, 2009; Raut et al., 2018; Raut, 2020; She et al., 2023; Shih & Fang, 2004; Yadav et al., 2015), which explains a relationship between perceived ease of use on attitudes.

The P2P lending system uses automation and digital procedures to simplify lending procedures at the initial and approval stages. Borrowers can apply for loans online, receive support more quickly, and access cash more quickly. Complicated paperwork, lengthy underwriting procedures, and time-consuming appraisals are commonplace at conventional lending institutions. In contrast, P2P lending systems simplify processes using algorithms and machine learning to speed up credit assessment and decision-making. This efficiency and speed offer a tempting alternative to traditional lending institutions' methods, which generally take time.

Online loan products offer convenience compared to conventional loan products, including using technology to access customer and potential customer data. This data includes credit track records, tangible and intangible assets (such as markets or customers), attitudes, behavior, and even social community guarantees (Boukherouaa et al., 2020). Online loan products can cut administrative costs, finance survey projects through algorithms, reduce processing time for submitted creditworthiness data, create ease in transactions, reduce risks due to information asymmetry, and create financial access to market segments that cannot be served yet by conventional loan products. Based on the customer perspective, online loan products offer convenience and speed of service. It makes online loan products provide fast, easy products and services and competitive credit interest rates with conventional loan products.

D. Insecurity Risk of Use on Attitudes Towards Re-Borrowing

Technological innovation on the one hand provides benefits, on the other hand provides risks (Kim & Bae, 2020). On one hand, using financial technology provides the benefits of financial access and convenience. On the other hand, online loan products also pose a risk of insecurity due to misuse of customer data. It means that the higher the risk of insecurity in making online loans, the lower it will be, indicating that insecurity in making online loans has been proven to affect attitudes negatively and significantly towards re-borrowing. Online loan customers have an evaluation of insecurity in using online loans applications, feel unsafe using online loans since they are worried about personal data being spread, feel insecure since they are afraid that the application used is automatic, which can cause losses, feel unsafe using online loans services since they are not in direct contact with someone. This finding is consistent with previous studies regarding the results of the influence of insecurity risk factors on attitudes toward using technology such as internet banking (Lee, 2009), FinTech services (Bajunaied et al., 2023), and robo-advisors (Flavián et al., 2022). Another study also found that the better the perception of security and privacy of P2P lending platform borrowers, the higher the user's behavioral intention towards FinTech services in Jeddah, Saudi Arabia (Bajunaied et al., 2023).

E. Facilitating Conditions Moderate the Influence of Re-Borrowing Attitudes on Re-Borrowing Intentions

This research also shows that facilitating conditions strengthen the influence of re-borrowing attitudes on online loan customers' re-borrowing intentions. The findings of this research support previous studies (Parasuraman & Colby, 2015), which found that facilitating conditions moderate the influence of re-borrowing intentions on re-borrowing behavior. The influence between the attitude of re-borrowing

and the intention to re-borrow is stronger if the facilitating conditions are high (supportive), namely in terms of these indicators: conditions of urgent needs, conditions of urgency to pay debts due, and conditions of income uncertainty. The influence between the attitude of re-borrowing on the intention to re-borrow is lower if the facilitating conditions are low or unsupportive, namely the condition of not being pressed for need, not being under pressure to pay off maturing debts, and not being in conditions of income uncertainty.

VI. Conclusion

This research also finds that customers' intention to re-borrow on online P2P lending is influenced by their re-borrowing attitude. Attitudes to re-borrow online loans are positively influenced by perceived usefulness and ease of use and negatively impacted by the insecurity risk. Facilitating conditions moderate the influence of re-borrowing attitudes on re-borrowing intentions.

This study contributes to developing a TAM-based model of re-borrowing in online loans by including other factors: insecurity and facilitating conditions. This research provides theoretical implications in developing TAM to explain re-borrowing behaviour by: (1) adding insecurity risk as a factor that predicts attitudes, (2) adding facilitating conditions as a factor that moderates the influence of attitudes on re-borrowing intentions. This empirical study finds factors that cause, inhibit, and moderate the high intention to re-borrow online loans so far. The causal factors that motivate re-borrowing behavior are attitude, perceived usefulness, and perceived ease of use. Factors that hinder online loan's re-borrowing behavior are the risk of insecurity. The factor that moderates the intention to re-borrow online loans is facilitating conditions.

This study provides practical implications for financial services authorities and other stakeholders in educating the public against excessive re-borrowing

behavior. Educate the public about the benefits and risks of insecurity such as: legality of loans, personal data protection, digital transactions, loan agreements, financial management and good loan strategies. The results of this study are useful for online loan platform developers in understanding people's behavior in using online loans. Apart from the benefits and convenience factors, the intention to borrow again is also influenced by security risk factors. Understanding market behavior is important for the continued development of online investment platforms.

This research has several limitations. The variables in this research are developed from the basic TAM model by adding other variables outside TAM. The factors influencing re-borrowing behavior on online loans can differ in different theoretical approaches. Hopefully, future research can compare the results of this study with other models outside TAM.

References

- Adam, A. A., & Shauki, E. R. (2014). Socially responsible investment in Malaysia: behavioral framework in evaluating investors' decision making process. *Journal of Cleaner Production*, 80, 224-240. doi:10.1016/j.jclepro.2014.05.075
- Ajambo, E., Virdee, A. S., Lucio, J. P., Cantillo, M. S., Obikili, N., Davies, S. A., & Ngwabe, W. (2023). Fintech and digital finance for financial inclusion. *Policy Brief*.
- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(1), 179-211. doi:10.47798/deidj.475
- Ajzen, I. (2005). *Attitudes, personality and behaviour*. McGraw-Hill Education.
- Akhtar, M. A., Khan, K. A., & Hoang, H. C. (2023). Role of social networking sites in financial product choice: An investigation through the theory of planned behavior. *Business Perspectives and Research*, 11(1), 44-62. doi: 10.1177/22785337211070342
- Amaroh, S., Husnurosyidah, H., & Masykuroh, E. (2023). Financial attitude, trust, and ROSCAs' member commitment: Social relations as mediating factor. *Global Business and Finance Review*, 28(3), 35-49. doi:10.17549/gbfr.2023.28.3.35
- Anifa, M., Ramakrishnan, S., Joghee, S., Kabiraj, S., & Bishnoi, M. M. (2022). Fintech innovations in the financial service industry. *Journal of Risk and Financial Management*, 15(7), 287. doi:10.3390/jrfm15070287
- Au, C. H., Tan, B., & Sun, Y. (2020). Developing a P2P lending platform: stages, strategies and platform configurations. *Internet Research*, 30(4), 1229-1249. doi:10.1108/INTR-03-2019-0099
- Bajunaied, K., Hussin, N., & Kamarudin, S. (2023). Behavioral intention to adopt FinTech services: An extension of unified theory of acceptance and use of technology. *Journal of Open Innovation: Technology, Market, and Complexity*, 9(1), 100010. doi:10.1016/j.joitmc.2023.100010
- Barroso, M., & Laborda, J. (2022). Digital transformation and the emergence of the Fintech sector: Systematic literature review. *Digital Business*, 2(2), 100028. doi:10.1016/j.digbus.2022.100028
- Boonroungrut, C., & Huang, F. (2021). Reforming theory of planned behavior to measure money management intention: A validation study among student debtors. *RAUSP Management Journal*, 56(1), 24-37. doi:10.1108/RAUSP-02-2019-0029
- Boukherouaa, Bachir, E., AlAjmi, K., Deodoro, J., Farias, A., Ravikumar, & Rangachary. (2020). *Powering the digital economy: Opportunities and risks of artificial intelligence in finance* (Departmental Paper No 2021/024). IMF e Library. doi:10.5089/9781589063952.087
- Buhmann, A., & Brønn, P. S. (2018). Applying Ajzen's theory of planned behavior to predict practitioners' intentions to measure and evaluate communication outcomes. *Corporate Communications*, 23(3), 377-391. doi:10.1108/CCLJ-11-2017-0107
- Cooper, E. W., & Ross, N. E. (2011). Bridging the information gap between borrowers and microfinance lenders. *Global Business and Finance Review*, 16(1), 1-15.
- Disemadi, H. S., Yusro, M. A., & Balqis, W. G. (2020). The problems of consumer protection in Fintech peer to peer lending business activities in Indonesia. *Sociological Jurisprudence Journal*, 3(2), 91-97. doi:10.22225/scj.3.2.1798.91-97
- Fishbein, M., & Ajzen, I. (2009). *Predicting and changing behavior*. Psychology Press. doi:10.4324/9780203838020
- Flavián, C., Pérez-Rueda, A., Belanche, D., & Casaló, L. V. (2022). Intention to use analytical artificial intelligence (AI) in services - the effect of technology readiness and awareness. *Journal of Service Management*, 33(2), 293-320. doi:10.1108/JOSM-10-2020-0378
- García-Rodríguez, F. J., Gutiérrez-Taño, D., Ruiz-Rosa, I., & Baute-Díaz, N. (2022). New models for collaborative consumption: The role of consumer attitudes among millennials. *SAGE Open*, 12(4), 1-14. doi:10.1177/21582440221140389
- Hair Jr., J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2023). Review of partial least squares structural equation modeling (PLS-SEM) using R: A workbook. *Structural Equation Modeling: A Multidisciplinary Journal*, 30(1), 165-167. doi:10.1080/10705511.2022.2108813
- Hassan, M. S., Islam, M. A., Sobhani, F. A., Nasir, H., Mahmud, I., & Zahra, F. T. (2022). Drivers influencing the adoption intention towards mobile Fintech services:

- A study on the emerging Bangladesh market. *Information (Switzerland)*, 13(7), 1-16. doi:10.3390/info13070349
- Hikmah, H., Ratnawati, A. T., & Darmanto, S. (2023). Role of attitude and intention on the relationship between perceived ease of use, perceived usefulness, trust, and e-tax system behavior. *Global Business and Finance Review*, 28(7), 89-104.
- Hu, Z., Ding, S., Li, S., Chen, L., & Yang, S. (2019). Adoption intention of Fintech services for bank users: An empirical examination with an extended technology acceptance model. *Symmetry*, 11(3), 340. doi:10.3390/sym11030340
- Ichwan, I., & Kasri, R. (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. doi:10.21098/jimf.v5i4.1157
- Jung, E., Moon, J., & Kim, J. (2020). Analysis of the current and future of the artificial intelligence in financial industry with big data techniques. *Global Business & Finance Review*, 25(1), 102-117.
- Kim, D. (2021). Empirical evidence of faulty credit scoring and business failure in P2P lending. *Global Business and Finance Review*, 26(2), 67-82. doi:10.17549/gbfr.2021.26.2.67
- Kim, D., & Bae, J. K. (2020). Understanding internet-only bank service adoption: An integration of the unified technology theory of acceptance and innovation resistance model. *Global Business & Finance Review*, 25(3), 49-59.
- Klimowicz, A., & Spizewski, K. (2021). Concept of Peer-to-Peer lending and application of machine learning in credit scoring. *Journal of Banking and Financial Economics*, 2(16), 25-55. doi:10.7172/2353-6845.jbfe.2021.2.2
- Lee, M. C. (2009). Factors influencing the adoption of internet banking: An integration of TAM and TPB with perceived risk and perceived benefit. *Electronic Commerce Research and Applications*, 8(3), 130-141. doi:10.1016/j.elerap.2008.11.006
- Lee, V., Park, S., & Lee, D. (2022). The effect of e-commerce service quality factors on customer satisfaction, purchase intention, and actual purchase in Uzbekistan. *Global Business & Finance Review*, 27(3), 56-74.
- Mansoori, K. K. M. Al, & Bakri, M. H. (2023). Determinants of disruptive innovation that influences financial service performance. *Global Business and Finance Review*, 28(2), 69-92. doi:10.17549/gbfr.2023.28.2.69
- Martens, M., Roll, O., & Elliott, R. (2017). Testing the technology readiness and acceptance model for mobile payments across Germany and South Africa. *International Journal of Innovation and Technology Management*, 14(6), 1750033. doi:10.1142/S021987701750033X
- Mhlanga, D. (2020). Industry 4.0 in Finance: The impact of Artificial Intelligence (AI) on digital financial inclusion. *International Journal of Financial Studies*, 8(3), 45. doi:10.3390/ijfs8030045
- Moody, G. D., & Siponen, M. (2013). Using the theory of interpersonal behavior to explain non-work-related personal use of the Internet at work. *Information and Management*, 50(6), 322-335. doi:10.1016/j.im.2013.04.005
- OJK. (2019). *Financial inclusion for MSMEs through FinTech*.
- OJK. (2020). *Digital finance innovation road map and action plan 2020-2024*.
- Osbourne, J. A., & Clarke, M. (2008). Factors motivating the acceptance of new information and communication technologies in UK healthcare. In *Information communication technologies* (pp. 1036-1046). IGI Global. doi:10.4018/978-1-59904-949-6.ch069
- Parasuraman, A., & Colby, C. L. (2015). An updated and streamlined technology readiness index: TRI 2.0. *Journal of Service Research*, 18(1), 59-74. doi:10.1177/1094670514539730
- Putri, G. A., Widagdo, A. K., & Setiawan, D. (2023). Analysis of financial technology acceptance of peer to peer lending (P2P lending) using extended technology acceptance model (TAM). *Journal of Open Innovation: Technology, Market, and Complexity*, 9(1), 100027. doi:10.1016/j.joitmc.2023.100027
- Raut, R. K. (2020). Past behaviour, financial literacy and investment decision-making process of individual investors. *International Journal of Emerging Markets*, 15(6), 1243-1263. doi:10.1108/IJOEM-07-2018-0379
- Raut, R. K., & Das, N. (2017). Individual investors' attitude towards online stock trading: Some evidence from a developing country. *International Journal of Economics and Business Research*, 14(3/4), 254. doi:10.1504/IJEBR.2017.087495
- Raut, R. K., Das, N., & Kumar, R. (2018). Extending the theory of planned behaviour: Impact of past behavioural biases on the investment decision of Indian investors. *Asian Journal of Business and Accounting*, 11(1), 265-292. doi:10.22452/ajba.vol11no1.9
- Sabir, A. A., Ahmad, I., Ahmad, H., Rafiq, M., Khan, M. A., & Noreen, N. (2023). Consumer acceptance and adoption of AI Robo-Advisors in Fintech industry. *Mathematics*, 11(6), 1311. doi:10.3390/math11061311
- She, L., Rasiah, R., Weissmann, M. A., & Kaur, H. (2023). Using the theory of planned behaviour to explore predictors of financial behaviour among working adults in Malaysia. *FIIB Business Review*. doi:10.1177/23197145231169336
- Shih, Y. Y., & Fang, K. (2004). The use of a decomposed theory of planned behavior to study Internet banking in Taiwan. *Internet Research*, 14(3), 213-223. doi:10.1108/10662240410542643
- Song, H. G., & Jo, H. (2023). Understanding the continuance intention of Omnichannel: Combining TAM and TPB. *Sustainability (Switzerland)*, 15(4), 1-20. doi:10.3390/su15043039
- Thompson, W. (1991). Marketing information systems and management information systems: Education and training. *Journal of Educational Technology Systems*, 20(2), 143-152. doi:10.2190/RJ6Q-CAR3-8CDF-2RA3
- Wang, H., Chen, K., Zhu, W., & Song, Z. (2015). A process model on P2P lending. *Financial Innovation*, 1(3), 1-8. doi:10.1186/s40854-015-0002-9
- Widyanto, H. A., Syahrivar, J., Genoveva, G., & Chairy, C.

- (2022). Intention to use Peer-to-Peer (P2P) lending: The roles of perceived structural assurance and perceived critical mass. *Organizations and Markets in Emerging Economies*, 31(1), 183-208. doi:10.15388/omee.2022.13.76
- Wu, A. D., & Zumbo, B. (2008). Understanding and using mediators and moderators. *Social Indicators Research*, 87, 367-392. doi:10.1007/s11205-007-9143-1
- Xie, J., Ye, L., Huang, W., & Ye, M. (2021). Understanding FinTech platform adoption: Impacts of perceived value and perceived risk. *Journal of Theoretical and Applied Electronic Commerce Research*, 16(5), 1893-1911. doi:10.3390/jtaer16050106
- Yadav, R., Chauhan, V., & Pathak, G. S. (2015). Intention to adopt internet banking in an emerging economy: A perspective of Indian youth. *International Journal of Bank Marketing*, 33(4), 530-544. doi:10.1108/IJBM-06-2014-0075
- Yang, K., Choi, J., & Chung, J. (2021). Extending the technology acceptance model (TAM) to explore customer's behavioral intention to use self-service technologies (SSTs) in Chinese budget hotels. *Global Business and Finance Review*, 26(1), 79-94.