

Beyond Traditional Banking: Smart CRM Strategies for Next-Generation Financial Technology Peer to Peer Lending Trust

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ABSTRACT

*The Indonesian fintech industry faces a serious trust crisis due to the proliferation of illegal peer-to-peer (P2P) lending platforms that have damaged the reputation of the entire ecosystem. **This research aims** to develop a CRM-based trust recovery framework specifically designed to rebuild consumer trust in legal P2P lending platforms in Indonesia. **The method** employed is a systematic literature review (SLR) following PRISMA 2020 guidelines, analyzing 10 highly relevant academic studies published between 2003–2022, selected from Scopus, Web of Science, and Google Scholar databases. **Findings** show that effective CRM implementation requires more than technology adoption it requires integration of advanced technology with humanistic approaches, proactive consumer education, and culturally aware engagement strategies. The main contribution is the conceptual integration of five trust recovery dimensions into a unified CRM-based trust recovery framework, tailored to Indonesia's fintech ecosystem. **In conclusion**, this framework not only serves to enhance customer satisfaction and loyalty, but also as a comprehensive strategy for reputational risk mitigation and sustainable trust recovery in the crisis-affected fintech market.*

Keywords: customer relationship management; P2P lending; consumer trust; fintech; trust recovery

ABSTRAK

Industri fintech Indonesia menghadapi krisis kepercayaan yang serius akibat menjamurnya platform pinjaman peer-to-peer (P2P) ilegal yang merusak reputasi seluruh ekosistem. **Penelitian ini bertujuan** mengembangkan kerangka pemulihan kepercayaan berbasis CRM yang dirancang khusus untuk membangun kembali kepercayaan konsumen pada platform P2P lending legal di Indonesia. **Metode** yang digunakan adalah tinjauan literatur sistematis (SLR) mengikuti panduan PRISMA 2020, dengan menganalisis 10 studi akademis yang diterbitkan antara 2003–2022 dari basis data Scopus, Web of Science, dan Google Scholar. **Temuan** menunjukkan bahwa implementasi CRM yang efektif membutuhkan integrasi teknologi canggih dengan pendekatan humanistik, edukasi konsumen secara proaktif, dan strategi keterlibatan yang peka budaya. Kontribusi utama penelitian ini adalah integrasi konseptual lima dimensi pemulihan kepercayaan ke dalam kerangka terpadu berbasis CRM, meliputi personalisasi layanan, transparansi dan komunikasi, keamanan data, edukasi keuangan, dan manajemen hubungan berkelanjutan. **Kesimpulan** penelitian menyatakan bahwa kerangka ini tidak hanya meningkatkan kepuasan dan loyalitas pelanggan, tetapi juga berfungsi sebagai strategi komprehensif mitigasi risiko reputasi dan pemulihan kepercayaan yang berkelanjutan di pasar fintech yang terdampak krisis.

Kata kunci: manajemen hubungan pelanggan; P2P lending; kepercayaan konsumen; fintech; pemulihan kepercayaan

INTRODUCTION

Financial technology (fintech) has fundamentally transformed the financial services industry. One of its key innovations is Information Technology-Based Money Lending and Borrowing Services (LPMUBTI), better known as Peer-to-Peer (P2P) lending, which opens access to financing for individuals and MSMEs without going through traditional financial institutions.

However, the rapid growth of this sector has been accompanied by serious problems: the proliferation of illegal online lending platforms (*illegal pinjol*). These platforms operate without supervision and often engage in unethical practices such as unauthorized access to personal data, debt collection through intimidation, and even public harassment of borrowers. The impact not only harms consumers individually but also erodes public trust in the entire legal P2P lending ecosystem.

The Financial Services Authority (OJK) has responded with various regulations such as POJK No. 77/POJK.01/2016 and established the Investment Alert Task Force (SWI) to eradicate illegal practices. Licensed P2P lending platforms have also increased financial literacy efforts and operational transparency. Unfortunately, these efforts are still fragmented and have not been sufficient to comprehensively restore consumer trust.

The trust crisis in Indonesia's P2P lending sector has unique characteristics that require a special approach. (1) Public financial literacy remains low only about 38% of adults have basic financial understanding (OJK, 2023). As a result, many people struggle to distinguish legal from illegal platforms and are vulnerable to predatory practices. (2) Indonesia's collective culture creates trust dynamics different from individualistic Western countries. In Indonesia, trust is more interpersonal and depends on reputation spread through social networks (Hofstede, 2011). When illegal lenders harm victims, these negative experiences spread quickly through communities, creating collective trauma and mass skepticism toward all online lending platforms. (3) The digital divide adds complexity. MSME actors in rural areas who are strategic target markets for P2P lending still face infrastructure limitations, low digital literacy, and cultural barriers to technology. This condition demands Customer Relationship Management (CRM) strategies that can adapt to technological and cultural diversity within a single market. (4) The regulatory ecosystem is rapidly developing but weak in enforcement. As of 2024, OJK only records 102 legal P2P lending platforms, while thousands of illegal applications continue to operate. Although SWI actively closes illegal platforms, new entities keep emerging. This situation creates an unbalanced competition: legal platforms must not only comply with regulations but also differentiate themselves through superior customer experience. This is where CRM becomes a crucial strategic capability.

Previous research has offered various solutions. Zhang, Lu, and Wang (2022) emphasized the importance of strict consumer protection regulations. Lee and Shin (2018) highlighted the role of encryption technology and artificial intelligence for data security. Lin, Li, and Zheng (2017) underlined the importance of communication for reputational risk mitigation. However, these approaches have limitations. Regulations often focus only on formal compliance, technology centers on technical security, and communication tends to be reactive. These efforts fail to address the consumer experience comprehensively and

proactively. What is needed is a comprehensive framework that unites these various aspects to build sustainable relationships with consumers.

This is where Customer Relationship Management (CRM) plays a strategic role. CRM integrates technology, business processes, and customer relationship management to understand consumer needs, provide relevant data-driven services, and create positive experiences. CRM is not just a technological tool, but a strategy for building the most important capital in the financial industry: trust. Therefore, this research aims to develop a comprehensive CRM-based trust recovery framework for Indonesia's P2P lending industry. The framework in this research integrates five key dimensions: service personalization, transparency and communication, data security, financial education, and sustainable relationship management.

This study is explicitly positioned as a CRM-based trust recovery framework, with CRM serving as a strategic enabler that integrates technological aspects, business processes, and humanistic approaches. The main focus is not merely examining CRM as a technological tool, but rather leveraging it as a strategic framework to rebuild consumer trust in legal P2P lending platforms in Indonesia. Thus, the research contribution lies in the integration of CRM theory with trust recovery dynamics in the unique context of Indonesia's reputational crisis.

METHOD

This research uses a Systematic Literature Review (SLR) method following PRISMA 2020 guidelines. The SLR approach was chosen to systematically identify, evaluate, and synthesize existing knowledge about CRM implementation in fintech and its role in building consumer trust.

Literature searches were conducted through three main academic databases: Scopus, Web of Science, and Google Scholar. These databases were selected for their comprehensive coverage of peer-reviewed academic literature in the domains of business, technology, and financial services. The search used keyword combinations including 'CRM', 'Customer Relationship Management', 'fintech', 'P2P lending', 'trust', 'consumer trust', and 'digital financial services'.

Studies were included if: (1) published in peer-reviewed journals or conferences; (2) focused on CRM, fintech, or trust building in digital financial services; (3) published between 2003–2022; (4) written in English; and (5) provided empirical evidence or theoretical frameworks relevant to CRM implementation. Studies were excluded if they lacked methodological rigor, did not directly address CRM or trust dynamics, or were duplicates.

The study selection process followed PRISMA guidelines, involving: (1) identification of relevant studies through database searches; (2) screening of titles and abstracts to remove irrelevant papers; (3) assessment of full texts for eligibility; and (4) final inclusion based on quality and relevance criteria. This process resulted in 10 highly relevant studies that directly contribute to understanding the role of CRM in building trust in digital financial services.

The data analysis process refers to the selected studies analysed using thematic synthesis. Key themes were extracted from each study, focusing on CRM dimensions, trust-building mechanisms, implementation strategies, and outcomes. These themes were then

categorized and integrated to develop a comprehensive trust recovery framework. The analysis identified five key CRM dimensions that consistently emerged across the literature: service personalization, transparency and communication, data security, financial education, and relationship management.

Although this study identified 10 highly relevant academic studies through the SLR process, we acknowledge that this number is relatively limited. However, each study was selected based on its direct contribution to understanding CRM and trust in the fintech context, as well as adequate geographical and methodological variation. This limitation does not diminish the value of the resulting thematic synthesis, but rather opens opportunities for further research with broader literature coverage, including recent empirical studies not yet indexed during the search period.

RESULT AND DISCUSSION

The systematic literature review identified 10 key studies covering the period from 2003 to 2022. These studies encompass various methodological approaches including quantitative surveys, qualitative case studies, empirical analyses, and theoretical frameworks. The selected studies were conducted in various geographical contexts including global studies and specific countries such as China, Korea, Germany, and the United States, providing comprehensive understanding of CRM implementation in various cultural and regulatory environments.

Table 1 summarizes the key characteristics of each study, including authors, research focus, methodology, and main findings. Table 2 provides a comparative analysis highlighting specific CRM variables studied and their relevance to trust building in the fintech context.

Table 1. Summary of Study Analysis Results

No.	Authors & Year	Study Focus	Method	Main Findings
1	Gefen et al. (2003)	Trust and technology acceptance in online shopping	Conceptual model & survey	Trust plays an important role in technology acceptance, relevant for CRM in fintech
2	Gomber et al. (2018)	Fintech revolution and CRM innovation	Literature review	CRM as an important part of digital transformation and customer relationship management
3	He et al. (2012)	Social identity and brand loyalty	Quantitative study	Social identity strengthens loyalty, relevant for fintech CRM strategies

No.	Authors & Year	Study Focus	Method	Main Findings
4	Kim & Park (2013)	Social commerce characteristics and trust	Quantitative study	Consumer trust influenced by communication and interaction on digital platforms
5	Lee & Shin (2018)	Fintech business models and CRM	Case study and review	CRM enhances customer experience and builds fintech trust
6	Lin et al. (2017)	Reputational risk in P2P lending	Empirical study	Open communication through CRM mitigates reputational risk and builds credibility
7	Maurer & Sebastian (2019)	Customer engagement and fintech trust	Quantitative study	Customer engagement through CRM strengthens platform trust
8	Parasuraman et al. (2005)	Electronic service quality	Scale development	Service quality measurement scale applicable for fintech CRM evaluation
9	Zhang et al. (2022)	Regulation and consumer trust in fintech	Empirical study	Regulation and effective communication through CRM enhance consumer trust
10	Mohimann (2015)	Satisfaction and loyalty in sharing economy	Quantitative study	Satisfaction factors influence customer loyalty, important for relationship management

Source: Authors' compilation (2024)

Five Strategic CRM Dimensions for Trust Recovery

Based on thematic analysis of the selected studies, five critical CRM dimensions were identified as essential for rebuilding trust in P2P lending platforms.

(a) Service Personalization. Service personalization emerges as a fundamental dimension for trust recovery. Lee and Shin (2018) showed that CRM systems that enable personalized customer experiences significantly enhance trust in fintech platforms. In the Indonesian context, personalization must go beyond algorithmic recommendations to include culturally sensitive communication approaches that resonate with local values and preferences.

This involves tailoring product offerings, communication styles, and support mechanisms to individual customer profiles while respecting cultural norms.

(b) Transparency and Effective Communication. Transparency and open communication are crucial for mitigating reputational risk and building credibility. Lin et al. (2017) emphasized that transparent communication through CRM systems helps address consumer concerns and build institutional trust. For Indonesian P2P lending platforms, this means providing clear information about interest rates, fees, terms and conditions, and regulatory compliance status. Effective communication should be proactive rather than reactive, anticipating customer concerns and addressing them before they escalate into major problems.

(c) Data Security Infrastructure. Given the widespread data privacy breaches by illegal lenders, robust data security becomes paramount for trust recovery. Zhang et al. (2022) found that strong security measures combined with transparent communication about data protection significantly enhance consumer trust. CRM systems must incorporate advanced encryption, secure authentication, and clear privacy policies. Furthermore, platforms must actively communicate their security measures to customers, demonstrating commitment to protecting sensitive financial and personal information.

(d) Financial Education and Literacy Programs. Addressing Indonesia's financial literacy gap is critical for sustainable trust recovery. CRM systems should integrate educational components that help consumers understand financial products, risks, and responsible borrowing practices. This proactive approach not only empowers consumers to make informed decisions but also differentiates legal platforms from predatory ones. Educational initiatives should be delivered through various channels mobile apps, SMS, videos, and community workshops to effectively reach diverse audience segments.

(e) Responsive and Sustainable Relationship Management. Maurer and Sebastian (2019) showed that customer engagement through CRM strengthens platform trust. Sustainable relationship management requires continuous dialogue with customers, responsive customer service, and mechanisms to handle complaints effectively. In collectivist cultures like Indonesia, relationship quality is often more important than transactional efficiency. CRM systems should facilitate human interaction alongside automated processes, providing various touchpoints for customer support and feedback.

(f) Integrated Trust Recovery. The main contribution of this research is the conceptual integration of these five dimensions into a unified CRM-based trust recovery framework. This framework recognizes that effective trust recovery requires simultaneous attention to all five dimensions rather than isolated interventions. The framework is specifically contextualized for Indonesia's fintech ecosystem, considering cultural factors, literacy gaps, and unique trauma caused by illegal lending practices.

Implementation of the five CRM dimensions in this framework must be adapted to Indonesia's socio-cultural realities. First, service personalization should reflect collectivist values, for example by leveraging social networks and communities as engagement channels. Second, financial education needs to be delivered through multi-channels including traditional

media like radio and community meetings to reach populations with low digital literacy. Third, collective trauma from illegal lenders requires an empathetic and transparent communication approach, where platforms not only convey regulatory information but also build a trust recovery narrative through testimonials and public engagement. Fourth, the digital divide between urban and rural areas demands flexible CRM, for example by providing SMS-based services or call centers for users with limited internet access.

The novelty of this research lies in the holistic integration of five CRM dimensions service personalization, communication transparency, data security, financial education, and relationship management into a single trust recovery framework contextualized for Indonesia's fintech ecosystem. Unlike previous studies that tended to focus on technological or regulatory aspects separately, this framework offers a simultaneous and mutually reinforcing approach, considering cultural factors, literacy, and collective trauma from illegal lenders. Thus, this conceptual contribution is not only academic but also practical for industry players and regulators.

Table 2. Study Comparison Table

No .	Authors & Year	Study Focus	Method	Country/Context	CRM Variables Studied	Relevance
1	Gefen et al. (2003)	Trust & technology acceptance	Survey & model	Global (online shopping)	Trust, technology acceptance	Trust important in technology acceptance and CRM
2	Gomber et al. (2018)	Fintech revolution & CRM innovation	Literature review	Global	Digital transformation, relationship management	CRM as important part of fintech digital transformation
3	He et al. (2012)	Social identity & brand loyalty	Quantitative	Global	Brand loyalty, social identity	Social identity strengthens customer loyalty
4	Kim & Park (2013)	Social commerce & trust	Quantitative	South Korea	Trust, communication, interaction	Communication and digital interaction

No .	Authors & Year	Study Focus	Method	Country/Cont ext	CRM Variables Studied	Relevance
						influence trust
5	Lee & Shin (2018)	Fintech business models & CRM	Case study	South Korea	Customer experience, personalization	CRM enhances customer experience and fintech trust
6	Lin et al. (2017)	P2P lending reputational risk	Empirical	China	Reputational risk, open communication	Open communication mitigates reputational risk
7	Maurer & Sebastian (2019)	Fintech customer engagement	Quantitative	Germany	Engagement, loyalty, communication	Customer engagement strengthens fintech trust
8	Parasuraman et al. (2005)	Electronic service quality	Quantitative scale	USA	Digital service quality	Service quality measurement for fintech CRM evaluation
9	Zhang et al. (2022)	Regulation & fintech trust	Empirical	China	Regulation, communication, trust	Regulation and effective communication enhance consumer trust
10	Mohimann (2015)	Satisfaction & loyalty in sharing economy	Quantitative	Global	Satisfaction, customer loyalty	Satisfaction greatly influences customer loyalty

Source: Authors' compilation (2024)

CONCLUSION

Research findings show that the trust crisis afflicting Indonesia's P2P lending industry requires comprehensive solutions that go beyond mere regulatory enforcement or advanced technology adoption. Through systematic literature review, this study successfully identified and integrated five strategic CRM dimensions service personalization, transparency and communication, data security infrastructure, financial education programs, and responsive relationship management that form a holistic trust recovery framework.

This framework is specifically designed considering Indonesia's realities, such as still-low financial literacy levels (only 38% according to OJK 2023), collective culture that makes reputation spread quickly through social networks, digital divide between urban and rural areas, and collective trauma of society from bad experiences with illegal lenders. The main contribution of this research is to provide practical guidance that can be directly applied by industry players to rebuild consumer trust, help regulators design policies that not only regulate but also encourage legal platforms to excel through service quality, while paving the way for further research to test the effectiveness of each CRM dimension across different market segments.

Moving forward, empirical research is urgently needed to identify which dimensions have the most impact, compare this approach with strategies in other Asian countries, and track the sustainability of trust recovery in the long term because ultimately, building trust is not a sprint but a marathon that requires consistency, transparency, and long-term commitment from Indonesia's entire fintech ecosystem.

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