



FRAMING ANALYSIS: DO ILLEGAL ONLINE LOANS HAVE FRAUD

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Abstract

This study aims to examine how the framing of news illegal online loan fraud in online mass media which is then used as information to find out the causes of the fraudulent practices. The Pan and Kosicki framing analysis method, which was extended with the fraud hexagon theory, were used. The sites in this study were online mass media, particularly tribunnews.com and Kompas.com, reporting cases of fraud committed by illegal online lending companies. The results of the framing analysis on the news published by Tribunnews.com show that illegal online lending companies have committed fraudulent practices to their customers and their existence is very disturbing to the public. Kompas.com uses a more preventive method by revealing the ways that the people should do to avoid these traps and fraud. The results of the analysis using the fraud hexagon theory show that fraudulent practices committed by illegal online lending companies are caused by pressure from capital owners, information technology capabilities owned, broad market opportunities, rationalization that people need fast funds, ego, and binding agreements as a form of collusion. The increasing role of the government in providing protection for the public in online transactions is an important implication of this research.

Keywords: Accounting; Framing; Fraud; Illegal online loans.

Abstrak

Tujuan penelitian ini adalah untuk menelaah bagaimana framing pemberitaan kasus fraud pinjaman online ilegal di media masa online yang kemudian dijadikan informasi untuk mengetahui penyebab terjadinya praktik fraud. Pendekatan kualitatif dengan menggunakan metode analisis framing Pan dan Kosicki yang di ekstensi dengan theory fraud hexagon untuk menganalisa terjadinya praktik fraud digunakan dalam penelitian ini. Subyek atau situs dalam penelitian ini adalah media massa online pada pemberitaan kasus kecurangan praktik pinjaman online ilegal di tribunnews.com dan Kompas.com. Hasil analisa framing pada Tribunnews.com menginformasikan bahwa pinjaman online ilegal telah berpraktik fraud kepada nasabah sehingga keberadaannya sangat meresahkan masyarakat. Kompas.com menggunakan cara lebih preventif dengan mengungkapkan cara yang harus dilakukan masyarakat untuk menghindari jebakan dan kecurangan tersebut. Hasil analisa menggunakan teori fraud hexagon diketahui bahwa praktik curang perusahaan pinjaman online ilegal disebabkan karena adanya faktor tekanan dari pemilik modal, kapabilitas teknologi informasi yang dimiliki, peluang pasar yang luas, rasionalisasi bahwa masyarakat butuh dana cepat, sifat ego dan ikatan perjanjian sebagai bentuk kolusi. Peningkatan peran negara dalam memberikan perlindungan bagi masyarakat untuk bertransaksi secara online menjadi implikasi penting dari penelitian ini.

Kata Kunci: Akuntansi; Framing; Fraud; Pinjaman online ilegal.

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INTRODUCTION

News about fraudulent practices committed by illegal online loan companies on online mass media throughout 2019 – 2023 is very interesting to observe and analyze. The COVID-19 pandemic that hit Indonesia in early 2020 was one of the causes of changes in the behavior of consumer goods transactions and public investment. These changes also occurred in transaction media, which used online transactions a lot with internet media (Davis, Maddock, & Foo, 2017; Omarini, 2018). The COVID-19 pandemic condition, there are many reductions in employees, job opportunities and people's incomes are decreasing, but at the same time urgent primary needs must continue to be met, consumption needs that cannot be postponed so that people need loans that are easy, practical, fast and do not require collateral. This condition was then used by legal and illegal online lending companies as a very profitable business opportunity. The public's need for the availability of fast and easy funds was the reason for illegal online lending companies to aggressively offer their services (Budiyanti, 2019; Ozili., 2018; Suseno & Yeti, 2021).

The existence of legal online lending as a mediation for public funding needs which is officially supervised by the Financial Services Authority of Indonesia (Vousinas, 2019) is very helpful for the community because the lending procedure and the amount of interest have been regulated by the government (Raden & Bambang, 2019). This is different from illegal online lending whose existence is not registered with the OJK. In practice, illegal online lending companies tend to commit fraud and deception to the public (Teten, 2021). There are many online mass media that record and report the traces of illegal online lending fraud which actually makes the community more disadvantaged and suffer. Based on data obtained from the Financial Services Authority (OJK), the number of illegal financial technology (fintech) companies is greater than the legal fintech companies that have been registered with the OJK (Manan, 2019; Wang, Han, Li, & Liu, 2021). As of May 2023, there were 148 legal online loan fintech companies. The abundance of news about illegal online loans in the media during 2019-2023 has made the Investment Alert Task Force (Indonesian: Satgas Waspada Investasi - SWI) block 3,631 illegal online lending companies since 2018 (Raden & Bambang, 2019). This number continues to increase from time to time in accordance with the increase in complaints from the public. Meanwhile, the number of complaints submitted to Investment Alert Task Force (SWI) has reached 8,000. These complaints come from direct victims and the general public (Budiyanti, 2019; Saksonova & Kuzmina-Merlino, 2017).

The role of online mass media in informing illegal online loan fraud is very helpful for the government to find out the real conditions experienced by the community regarding the existence of these illegal online loans. Online mass media is also able to accommodate the opinion of the public, as victims, which is proof of the need for the government's role to protect the public from this very disturbing lending practice (Kiarie, 2021; Raden & Bambang, 2019; Yudha, Eleazar, & Wahyu, 2021). The news about fraud and crimes committed by illegal online lending companies is very useful in educating the public in

order to know the dangers of using illegal online loans. The number of online mass media reporting on illegal online lending is interesting to analyze, especially on how these online media construct reports on illegal online lending practices that are troubling the community. The novelty of this research is an attempt to frame media messages in reporting on illegal online loans which are unsettling the public with the fraud hexagon theory approach, so that it is clear what forms of fraud have been committed by illegal online loan companies as information and contribution for government policy making to protect the public. This study aims to examine how the framing of news illegal online loan fraud in online mass media which is then used as information to find out the causes of the fraudulent practices.

LITERATURE REVIEW

The results of research conducted by Nina and Triyanto (2021) using framing analysis show that the news about Covid-19 on the online mass media Kompas.com, CNNIndonesia, Liputan6.com and Okezone has a strong influence on the psychological condition of the community. The news framing contained in the four media is still at the objective limit by raising the existing social reality. In terms of language and other elements, it does not show any indication of opinion swaying to form other fears or anxiety. The results of the analysis show that the framing is still in the positive news flow. According to Panginan and Irwansyah (2020), in their research which revealed the phenomenon of 'kredivo' online credit and loan applications in Indonesia, people are now greatly facilitated by the presence of online credit and loan applications. The presence of the online credit application is expected to be an alternative for the community in making payment transactions. However, the public must be aware of and avoid using illegal online loans.

According to Raden and Bambang (2019), in practice, there are several problems in financial technology (fintech), such as the emergence of illegal online loans. It is proven that from January 2018 to April 2019, the Financial Services Authority of Indonesia (OJK) has blocked 947 fintech entities in the form of unlicensed peer to peer lending. Viewed from the perspective of business ethics, online loan activities can be carried out by maintaining mutual trust which has a major influence on the company's reputation. However, if the business is run by an illegal company, it can trigger criminal acts such as fraud, money laundering, or misuse of consumer data. This condition is triggered by many people who do not know about the fintech business. The results of research conducted by Ashuri and Halperin (2017) using the framing method reveal that the intensification of online disclosure of personal information coupled with the ability to link personal information with those who disclose it can raise important questions about the benefits and risks associated with sharing personal data. This article examines the manifestations of these concerns in the online mass media. The findings of this study also show that individual data users are framed as key actors that shape individual self-disclosure practices in online media. However, the individual is also seen as the weakest actor. Therefore, there is a need for protection from the government.

Financial Technology

Financial technology (fintech) business is related to the use of the internet in business activities in the financial industry. Fintech companies are not products of the financial sector but are created by companies in the information technology sector to provide new solutions and challenges in the financial sector. Although the financial industry has traditionally been an early adopter and an intensive user of new Information and Technology (Borah) solutions, the emergence of innovative business models and new competitors has had a tremendous impact on the dynamics of today's industry (Gomber, Koch, & Siering, 2017; Jagtiani & Lemieux, 2018). According to disruptive innovation by Leong, Tan, Xiao, Tan, and Sun (2017), successful new entrants are those who can target neglected segments. Related to the fintech case, this theory shows that fintech companies are playing in the small business segment and small loans that do not provide sufficient profits for traditional banks. Fintech disruption is a new company that challenges the traditional financial business model by offering new products and services (Románova & Kudinska, 2016).

Ferrari (2016) and Ozcelik (2020) suggests that this fintech company has the potential to create an evolution that disrupts incumbents with new alternatives to improve efficiency and service quality. Cheng and Guo (2020) and Gomber et al., (2017) suggest that there are three reasons for the fintech disruption. First, fintech companies offer new products and solutions that meet customer needs that were previously not adequately met or provided by traditional financial service providers. Second, fintech companies, through the application of new technologies and new concepts, create new opportunities for the sale of products and services. Third, a culture that is fundamentally different from traditional financial service providers exists in information technology companies.

Psycholinguistics and Media News

Psycholinguistics provides an overview of the relationship between language and thought. In simple terms, human language is influenced by his thoughts, and vice versa. Decoding activities will be interpreted semantically so that they have an impact on psychological conditions such as the emergence of certain feelings (Chaer, 2015). News on online mass media is a form of language symbol which is interpreted semantically, which means that news will have a psychological impact on the reader (Abdurrahman & Supriadi, 2020). There will be certain changes in people's psychological conditions after reading news about illegal online loan fraud such as awareness, confusion, or even fear. The psychological impact caused is part of the meaning of the information conveyed in news.

Fraud Hexagon Theory

Initially, there were three factors that caused a person to commit fraud (fraud triangle) consisting of Pressure, Rationalization, and Opportunity. Over time, the factors that underlie fraudulent actions have changed to four (fraud diamond), then to five (fraud pentagon), and up to now to six (fraud hexagon). Desviana, Basri, and Nasrizal (2020) in their research have used fraud hexagon theory to detect fraud in local funding practices. The fraud hexagon model as a new model to detect fraud was initiated by (Vousinas, 2019).

The six points in the fraud hexagon are (1) Stimulus (Pressure): Fraud can occur because of pressure on perpetrators, such as financial needs, declining financial targets, an urgent family economy, and others that encourage them to dare to commit fraud in the company where they work; (2) Capability: This shows how much a person's capability to commit fraud in the company environment. At this point, one example that clearly illustrates the effect of capability on fraudulent practices is when there is a change of directors which creates a conflict of interest (Sari & Nugroho, 2020); (3) Opportunity: Weak internal controls encourage someone to commit fraud. Existing loopholes can be fatal for the company, where weaknesses in internal control will be exploited by someone; (4) Rationalization: At this point, the perpetrator will justify or feel that his actions are right. This behavior arises when someone feels that he has done more for the company, so he is driven to take advantage based on the thought that it is okay as long as he works properly; (5) Ego (Arrogance): Arrogance is an attitude of superiority that causes a person to become greedy because he believes that internal control does not apply personally. Arrogance occurs because a person feels that he has a higher position than others (Desviana et al., 2020); (6) Collusion: According to Vousinas (2019), collusion refers to an agreement that deceives a party, in which two or more people are deceived, with the aim of taking other actions for some unfavorable purpose, such as defrauding a third party of their rights.

From 2019 to 2022, cases of fraud in the banking environment and non-bank financial institutions that were widely reported by the online mass media were cases of fraud committed by illegal online lending companies. In this study, the researcher tries to critically examine the framing of news about fraud cases committed by illegal online lending companies in online mass media and relates the results of the analysis to the fraud hexagon theory. Framing analysis is carried out on the syntactic, script, thematic and rhetorical elements of the news and then relates them to the fraud hexagon theory to analyze the causes and motivations for the fraud. Interpretation of the results is carried out in a narrative manner to facilitate the delivery of research results.

RESEARCH METHODS

This research is a qualitative research using framing analysis method by Zhongdang Pan and Gerald Kosicki, known as Pan and Kosicki theory (Eriyanto, 2012), and fraud hexagon theory. This research uses the Zhongdang Pan and Gerald M. Kosicki framing model because framing is the process of creating a message so that the meaning of the information is stronger by placing one piece of information more than others so that users pay more attention to the message than others. Apart from that, Zhongdang Pan and Gerald M. Kosicki explained that there are two interrelated conceptions of framing. The first concept is related to psychology, where framing places more emphasis on how a person processes information within himself and this is related to the psychology of victims of online loan fraud. The second conception is the sociological conception. This conception looks more at the social construction of illegal online loans, which is a reality that exists and is unsettling society.

The use of the framing method which is extended to the fraud hexagon theory is a form of originality in the approach to social research. In this study, the fraud hexagon theory is used as a tool to analyze the causes of fraud committed by illegal online lending

companies. The sites in this study are online mass media that report cases of fraud committed by illegal online lending companies.

The two selected online mass media sites are tribunnews.com and kompas.com. The reason for choosing the two online mass media sites is because both sites have historical consistency in reporting on the development of illegal online lending practices that can be used to explore the ideology of the mass media when constructing facts. [Tribunnews.com](http://tribunnews.com) reports a lot about fraudulent practices committed by illegal online loan companies, while [Kompas.com](http://kompas.com) reports a lot about prevention efforts carried out by regulators. This study uses data in the form of online reporting or news in the period 2021. The selection of this period is due to the fact that during that period the news of illegal online lending practices became a trending topic in online media.

Data collection was done by grouping the data into three clusters to facilitate further analysis. The first cluster is data that informs the types of fraud committed by illegal online lending companies to their customers. The second cluster is data that informs the causes of fraud committed by illegal online lending companies, including collecting news that has 5W and 1H patterns (What, Who, Where, When, Why, How). The third cluster is data obtained by analyzing using the fraud hexagon theory. Data analysis in this study is carried out using framing analysis model by Pan and Kosicki, consisting of four elements, which is then extended with the fraud hexagon theory. The four elements include syntactic, script, thematic, and rhetorical elements.

The first is the syntactic structure. It is an attempt by researcher to understand the elements and composition of news in general, such as news headlines and background information that describes the phenomenon (Eriyanto, 2012). In this study, the syntactic structure relates to how the media understands the phenomenon of fraud cases and fraudulent practices committed by illegal online lending companies on online loan sites facilitated by play store apps and online social media applications that have disturbed the public.

The second is the script structure. It is related to how the researcher is able to tell an event by following the 5W and 1H patterns which are units of information from structured and good news. In this study, the script structure relates to the strategy used by online mass media in telling cases of fraud and fraudulent practices committed by illegal online lending companies which are then packaged into news texts.

The third is the thematic structure. It is related to how the efforts made by the researcher to express his views in the form of propositions and relationships between sentences that form information (Eriyanto, 2012). In this study, the thematic structure relates to how online mass media express their opinions about fraud cases and fraudulent practices carried out by illegal online lending companies.

The fourth is the rhetorical structure. It is related to efforts to emphasize a certain meaning into information or news (Eriyanto, 2012). The rhetorical structure shows an effort to provide an image or reinforcement to a news or information so that the news is a truth. In this study the rhetorical structure relates to how the online mass media put pressure on fraud cases and fraudulent practices carried out by illegal online lending companies.

The fifth is the extension of the framing analysis that has been carried out by revealing the reasons why illegal online lending companies commit fraudulent practices using the fraud hexagon theory analysis. The fraud hexagon theory informs that fraudulent practices carried out by individuals or organizations are motivated by pressure, capability, opportunity, rationalization, ego, and collusion (Vousinas, 2019). The selection of framing analysis which is extended with the fraud hexagon theory in this study aims to facilitate the researcher in constructing a reality about fraudulent illegal online lending practices that are fully reported by the online mass media and can be expressed in different perspectives. With these different perspectives, the real facts can finally be found in more depth.

RESULTS AND DISCUSSION

This framing analysis is carried out on several news related cases of fraud in illegal online loans published on *tribunnews.com* and *kompas.com*. By using the Pan and Kosicki analysis model, this study seeks to examine how the two online mass media frame cases of fraud in illegal online loans.

Analysis of the First News

The results of the framing analysis carried out on the news published on the online mass media *tribunnews.com* entitled "Beware of Online Loans: Borrow IDR 1,000,000, Disbursed IDR 600,000, Repayment in 14 Days" are as follows:

"A customer living in Yogyakarta got difficulty with capital to start his business in selling and serving online transportation. Borrowing capital from a bank was difficult for him because of the administrative requirements and the long process. In the end he decided to borrow funds through an online loan application. The only requirements requested were ID card and photo while holding his ID card. In less than 30 minutes, the proposal for loan of IDR 1 million he had submitted was approved by the online loan provider and only IDR 600 thousand disbursed with a maximum repayment period of 14 days. The daily late penalty was IDR 50 thousand. This was the beginning of the problems and fraud committed by the online loan provider, which turned out to be illegal (not registered with the Financial Services Authority - OJK). Because he was unable to pay the installments, he then received threats and terror from debt collectors in the form of harsh words and defamation through online social media which involved several contact numbers on the customer's cellphone, with the aim of embarrassing the customer in the community. In addition, the debt collectors of the illegal online lending company also often committed fraudulent acts by collecting the customer's debt to those closest to the customer through the social media)".

The results of the syntactic analysis on this news show that there is a phenomenon where illegal online lending companies seem to want to help customers' financial difficulties, but in reality they even trap the customers in greater trouble. In addition, it is very clear that through this news, the public is made aware to be careful about online loan service offers. This information can be seen through the news headline "beware of online loans". In addition, the syntactic analysis informs that there is a phenomenon where the actions of illegal online lending companies and the behavior of debt collectors (in the case of borrowing IDR 1 million, disbursing IDR 600 thousand, having to repay within 14 days)

have disturbed the public. It is proven that high loan interest and administrative costs and fraudulent and unethical behavior of debt collectors have created psychological stress and threats to social norms for customers.

The results of the script structure analysis inform that "who" refers employees and debt collectors of illegal online lending companies who commit fraud and unethical actions by threatening and spreading obscenities to customers who are victims. Customers are subjects who are victims of fraudulent and unethical acts committed by employees and debt collectors of illegal online lending companies. Based on the fraud hexagon theory, particularly on the element of rationalization, illegal online lending companies commit fraud because customers have consciously borrowed their funds. So, when online lending companies ensnare customers with very high loan interest and burdensome administrative fines, this is considered a natural and legal thing. "Who" also refers to the figure of the chairman of the Regional Representatives Council (Indonesian: Dewan Perwakilan Daerah - DPD) as an affirmation of the dangers of illegal online loan, so that the public is asked not to relate with or be trapped by this illegal online lending companies.

The script structure of "what" informs that illegal online lending practices with high loan interest costs, fines and administrative costs are a source of problems that are troubling the public. The element of pressure in the fraud hexagon theory reinforces that the motivation for illegal online lending companies to apply high interest and loan penalties is to meet the demands of the capital owners (investors) of these illegal online lending companies.

The script structure of "when" informs that the news was published on Monday, June 14, 2021 at 10:41 Western Indonesian Time. The script structure of "where" corresponds to the page: <https://www.tribunnews.com/regional/2021/06/14/waspadai-pinjaman-online-pinjam-rp-1-juta-cair-rp-600-ribu-harus-lunas-14-hari>. The script structure of "why" relates to why these illegal online loans are troubling to the public and must be watched out for. This is because these illegal online loans charge high interest fees and very large late fees of up to 1% per day, so it is not appropriate to be a partner to overcome capital difficulties for the community. The skip structure of "how" relates to how the fraudulent practice occurred. The fraud was carried out by giving a loan of IDR 1,000,000, but only IDR 600,000 disbursed and had to be paid off in 14 days. If there is a delay, a fine of IDR 50,000 per day will be imposed. In addition, a critical "how" analysis asks how these illegal online lending companies can easily carry out their fraudulent practices. The answer is that there is a great opportunity, as an element of the fraud hexagon theory, for the public's need for funds during the COVID-19 pandemic.

The results of the thematic structure analysis on this news indicate that this news was written based on the direct statement of a customer living in Jogjakarta who was a victim of fraudulent practices carried out by illegal online lending companies supported by the opinions of several other customers who were also victims. Expressions of regret and awareness that customers have become victims of fraud are clearly conveyed in the news. A statement was also conveyed by the chairman of the Regional Representatives Council about the dangers of illegal online loans as a form of emphasizing awareness that must be done by the public so as not to become a victim of illegal online lending practices.

The results of the rhetorical structure analysis on this news show how the actions of illegal online lending companies in ensnaring their customers by only disbursing 60% of the total loan and charging high interest costs and very high daily late administrative fines without providing clear and open information to customers. Rationalization is used as a basis for justification and ego attitudes of the illegal online lending companies by assigning debt collectors to carry out terror and intimidation as well as defamation through social media involving groups of contact persons on the customer's mobile phone in order to obtain income in the form of installments and fines. This argue has supported by previous research (Shonhadji, 2020).

Analysis of the Second News

The results of the framing analysis carried out on the news published on the online mass media tribunnews.com entitled "Police: Illegal online loans are troubling the public" are as follows:

“The actions taken by illegal online lending companies have become a serious concern for the Deputy Director of Special Economic Crimes (Tipideksus) Kombes Pol. Whisnu Hermawan Februanto, who stated that the actions taken by these illegal online lending companies have greatly disturbed the public. Not only disturbing, but also becoming a group that is against the law in an organized manner through online loan offerings that tend to harm the community. These illegal online lending companies force customers to use their loan services. However, at the time of realization, the loan money realized is far from the agreed value on the grounds that there is an administrative fee reaching 40%. In addition, fines imposed for late payments are 1-4% per day. As stated by Mr. Whisnu, currently there are only approximately 1,700 online loan units registered with the Financial Services Authority (OJK). This can be seen on the official website ojk.go.id. Meanwhile, based on the report on the results of an investigation conducted by the National Police, there are still approximately 3,000 illegal online loan units operating without permission from the OJK.”

The results of the syntactic analysis on this news show that there is a phenomenon of the Police's attention to discipline and arrest illegal online loan providers. In the previous news, it was informed that the Directorate of Special Economic Crimes of the Criminal Investigation Unit of the Police had uncovered an alleged fraud case carried out by an illegal online loan provider under the name "fast rupiah". The police were able to quickly investigate this case due to reports from the public about illegal online lending activities which deeply disturbed the community. There are many victims who in the end are no longer able to pay their debts. Initially, customers only borrowed IDR 2 million. However, after 2 months, the debt grew very large to IDR 40 million. Therefore, customers feel trapped and made powerless because of the fraudulent actions carried out by these illegal online lending companies. Illegal online lending companies have the capability to take advantage of financial technology installed on various social media applications and play store applications on Android to ensnare customers. Illegal online lending companies have the capability to build applications to make customers helpless because the customer's personal data on cell phones has been stolen and used as material for intimidation. These two forms of capability, according to the fraud hexagon theory, make it easier for illegal online lending companies to commit fraud.

The results of script structure analysis indicate that “who” refers to the police officers who represent the government in controlling and arresting illegal online lending providers. The role of the government is very important in dealing with this fraud case. The government with the power it has is expected to be able to eliminate the capability of, in fraud hexagon terminology, illegal online lending companies to practice fraud. The way that is done by the government is to issue strict regulations relating to the rights and obligations that must be obeyed by online lending companies. In addition, there is a need for strict and complete law enforcement to ensnare illegal online loan providers.

The script structure of “what” refers to the success of the Criminal Investigation Unit of the National Police in dismantling the alleged illegal online loan fraud case under the name “Rupiah Cepat”. This information is a fight against a form of rationalization, as in the fraud pentagon theory, which has been believed by illegal online loan providers that their actions are legitimate agreement activities between the lender and those given the loans. However, the state apparatus sees and responds to this action as a case of fraud that causes misery to the community so that legal action is needed. The script structure of “when” indicates that this news was published on Thursday, June 17, 2021 at 18:03 Western Indonesian Time. The script structure of “where” indicates that this news was published on the page: <https://www.tribunnews.com/nasional/2021/06/17/polisi-pinjaman-online-ilegal-meresahkan-masyarakat>. Unsur

The script structure of “why” correlates with the reality that the fraudulent practices carried out by these illegal online loan providers are very disturbing to the public, so the perpetrators need to be immediately arrested and legally processed. The script structure of “how” shows how the fraudulent practice of this illegal online loan is troubling to the public. This is because many customers are victims of loan traps with very high installment interest and late payment penalties. The results of the thematic structure analysis on this news show that there is information about the success of the police in revealing fraudulent illegal online loan providers and processing them legally. There are still many illegal online loan providers operating in Indonesia (Teten, 2021). Therefore, the public must be vigilant and at the same time regulators and the police continue to arrest and legally process illegal online loan providers so that there will be no more victims (this is the result of a rhetorical analysis).

Analysis of the Third News

The results of the framing analysis carried out on the news published on the online mass media Kompas.com entitled "7 traps of illegal online loans to watch out for" are as follows: “A number of people are very uneasy with very aggressive offers from illegal online lending companies through online social media and information sent through messaging applications, whatsapp and advertising content on mobile phones that force and trap customers. The disturbing activities of illegal online lending companies are indeed recognized by mobile phone and internet users because they often enter the news or content that users want to address. This fraudulent and unethical behavior is carried out by illegal online lending companies openly by forcing and threatening customers who have difficulty paying online loan installments because the interest and administrative fees charged are very high, almost 40%. Therefore, the public is advised to be smarter and more careful in transacting with online loan providers, especially those that are illegal, because they are not included in the supervision and coordination of the Financial Services Authority (OJK).

Tongam L Tobing, Head of the Investment Alert Task Force (SWI) of the Financial Services Authority (OJK), urges the public to be careful with this illegal online loan trap."

The phenomenon of the illegal online loan trap which is very disturbing and detrimental to the community is part of the results of the syntactic analysis. The results of the analysis using the fraud hexagon theory show that the motivation for illegal online lending companies to trap and cheat on customers is due to pressure from the owners of capital for online lending companies to achieve large profits. This motivation can be identified through the practices such as: (1) Imposing very high administrative fees reaching 40% of the total loan and is deducted directly at the time of realization; (2) Imposing very high interest rates reaching 1-4% per day for late installment payments and is not clearly stated in the agreement; (3) The loan repayment period is inconsistent and tends to be faster than the initial agreement. Usually it is agreed that the repayment will be made in two months, but after the realization the repayment period is changed to only two weeks, without any notification and agreement, so that the customer becomes cheated by this act; (4) The staff of illegal online lending companies use an application that will automatically retrieve data and contacts on the prospective customers' cellphones. Furthermore, these data and contacts will be used to intimidate, extort and spread unethical actions that harm the customers; (5) The staff of illegal online lending companies collect in unethical ways and often use harsh words in the form of terror and harassment. In fact, they often share unethical photos with phone contacts on the customers' cellphones. (6) Data related to illegal online lending companies tends to be invalid. The location of the office changes frequently. The name and address of the virtual office is also unclear. (7) Email and SMS spam media are also a medium for online loan providers to take action by offering loans on very easy terms. In addition, there is a huge opportunity for fast and easy distribution of loan services to the community during the COVID-19 pandemic.

Based on script structure analysis, this news is complete and in accordance with 5W + 1H elements so that the content of this news is very suitable for public consumption. The script structure of "who" refers to the role of the government, represented by Tongam L. Tobing's statement as Chairman of the Investment Alert Task Force (SWI) of the Financial Services Authority (OJK) that the public is advised to be careful with this illegal online loan trap. This appeal also provides education to the public to avoid collusion, as one of the elements in the fraud hexagon theory, in the form of loan agreements that only benefit online loan providers.

The script structure of "what" indicates what actions can be taken so as not to be trapped in an online loan. First, the public needs to ensure the legality of the online loan provider, whether the company is registered and licensed with the Financial Services Authority or illegal online loans that are not licensed. If access to online loan providers is only via mobile phones, make sure that data access is limited to camera, microphone, and location. The motivation for fraud, as stated in the fraud hexagon theory, is due to collusion. According to Vousinas (2019), collusion refers to an agreement between an illegal online loan provider and a customer that deceives and traps the customer into greater debt difficulties and problems. Therefore, there is a need for transparency in the application of consumer protection. One of them is ensuring that consumers get detailed information about the agreement document to get certainty about how much they have to pay, how much they will get, how much interest costs, tenor and other information. Furthermore, in

billing, fintech companies must follow the code of conduct of the Indonesian Fintech Funding Association (AFPI) so that collections can be carried out with good ethics.

The script structure of “when” indicates that this news was published on February 5, 2021 at 19:50 Indonesian Western Time. The script structure of “where” indicates that this news was published on the page:

<https://www.kompas.com/tren/read/2021/05/02/195000165/7-jebakan-pinjaman-online-illegal-yang-harus-diwaspadai?page=all>. The script structure of “why” refers to the attempt to close the illegal online lending company due to fraudulent practices that are very detrimental to its customers. The script structure of “how” informs how to solve problems when entangled in illegal online loans. There are several solutions that borrowers can take if they are already entangled in illegal online loans such as (1) Pay off the loan immediately. If you can't afford it, do a restructuring, such as asking for a reduction in interest or an extension of the loan period; (2) Do not borrow again to cover a previous loan, or robbing Peter to pay Paul; (3) Block all telephone numbers used for unethical billing; (4) Immediately report to the police if you feel that you have been harmed such as terror, intimidation or other unpleasant acts; (5) Stop borrowing from illegal online loan providers.

The results of the thematic structure analysis on this news indicate that illegal online lending companies set interest, fees and terms unilaterally. Therefore, the public must check the list of legal and illegal online loan companies on the official OJK website. Online lending companies registered with or licensed by the OJK will be supervised by the OJK and have a code of ethics that is enforced by the AFPI association.

Analysis of the Fourth News

The results of the framing analysis carried out on the news published on the online mass media Kompas.com entitled "Viral video, Mahfud MD: Debts from Illegal Online Lending Companies Don't Need to be Paid, OJK: We Support" (Kompas.com - October 21, 2021, at 19:30 Western Indonesian Time) are as follows:

“A video clip of the Coordinating Minister for Political, Legal and Security Affairs (Menkopolhukam) Mahfud M.D saying that debts from illegal online loan providers do not need to be paid went viral on social media. In the 49-second video, the Coordinating Minister for Political, Legal and Security Affairs said that applicants for funds who had used illegal online loans were advised not to pay even though they were being billed. This is because illegal online loan providers do not have an operational permit from the Financial Services Authority (OJK). If there is a billing accompanied by coercion and threats or intimidation, the community is asked to report the action to the local Police. The way to report illegal online loans is that the public can report it to the Police, OJK, Ministry of Communication and Information (Kominfo), or all three.”

The results of the syntactic analysis on this news show a phenomenon that the government has acted decisively with orders not to pay bills from illegal online loans that are not in accordance with the provisions of the Financial Services Authority (OJK). This phenomenon answers and at the same time provides a warning to illegal online loan providers to stop fraudulent practices in their transactions with customers. The government has also taken strategic steps for victims of illegal online loan fraud to report to the Police, OJK, Ministry of Communication and Information (Kominfo), or all three.

The results of script structure indicate that “who” refers to the Coordinating Minister for Political, Legal and Security Affairs Mahfud M.D who in one of his statements advised people who were stuck in debt on illegal online loans not to pay unreasonable fines. The script structure of “what” relates to very high installment interest and fines, as a form of fraudulent practice carried out by illegal online loan providers. The script structure of “why” refers to the reason why the illegal online loan provider violates the rules set by the government through OJK Regulation No. 77/POJK.01/2016 of 2016 concerning Information Technology-Based Lending and Borrowing Services. The script structure of “when” indicates that this news was published on November 21, 2021, at 19:30 Western Indonesian Time.

The script structure of “where” indicates that this news was published on the page: <https://www.kompas.com/tren/read/2021/10/21/193000565/viral-video-seruan-mahfud-md-utang-pinjaman-online-ilegal-tak-perlu-dibayar-ojk-?> The script structure of “how” indicates how to overcome the problem of fraud in billing, where people who are victims of fraud committed by illegal online loan providers can report it to the Police, OJK, Ministry of Communication and Information (Kominfo), or all three. The results of the thematic structure analysis on this news indicate that illegal online lending companies do not have clear rules in determining loan interest, the amount of fines and the period of payment of fines.

The results of this study reveal that fraudulent practices carried out by illegal online lending companies in Indonesia are very disturbing and detrimental to the community. The fraudulent practices begin when customers register themselves by downloading the application or link provided. The amount of disbursement is deducted by administrative fees of 25%-30% and the penalty for lateness per day is 3%-5%. The police consider that this fraudulent and illegal practice has deeply disturbed the public. Therefore, the public must be aware of such fraudulent practices. Coordinating Minister for Political, Legal and Security Affairs urges that applicants for funds who have used illegal online loans not pay even though they are billed. This is because illegal online loan providers do not have an operational permit from the Financial Services Authority (OJK). These opinions and appeals are evidence that the government is giving a serious warning to illegal online loan providers. According to the fraud hexagon theory, there is an element of stimulus (Pressure). Illegal online lending companies have committed the fraud because of stimulus or pressure from investors who take advantage of illegal online loans during the COVID-19 pandemic as a medium for solutions to fast funding needs. Therefore, these companies use illegal online loan media to carry out their fraudulent practices.

The motivation for committing fraud is because illegal online loan companies have capabilities in financial technology. Online loan providers have capabilities not only in applying fintech technology, but also in mobilizing local resources to be invited to do illegal and fraudulent business. The ability of illegal online loan providers to create applications and links that can trap customers in fraudulent practices is a reality that shows the magnitude of the capabilities of these illegal online loan providers to commit fraud. In addition, this is supported by market opportunities where people really need loans to meet their consumption and working capital needs in the midst of the COVID-19 pandemic. The need for fast funds that do not need complicated administrative requirements and the COVID-19 pandemic conditions that require the public limiting their social and work

activities have made peer to peer financial technology the right solution to answer these needs. Unfortunately, this opportunity has been exploited by illegal online loan providers to trap their customers and commit fraudulent practices.

Illegal online loan companies always rationalize that it is the customer who has received the loan, so the customer must pay whatever the installments and interest are. This rationalization is evidence that illegal online lending companies feel that their actions are right, even though these actions are a form of fraud. This behavior is carried out to take advantage based on the idea that it is legal as long as customers are willing to use their illegal online loan services. Although many illegal online lending companies have been successfully closed by the OJK, they have not given up or stopped. This shows the arrogance and ego of illegal online loan providers. The emergence of new illegal online lending companies proves that they are indeed arrogant and egotistical to collect as much profit as possible even by using fraudulent and deceptive practices. The last element of the fraud hexagon theory reveals that fraud occurs because of collusion. According to (Vousinas, 2019), collusion refers to an agreement between an illegal online loan provider and a customer, where the agreement turns out to be deceptive and traps the customer in greater debt difficulties and problems.

CONCLUSION

The use of the framing method which is extended with the fraud hexagon theory is a form of originality in the approach to social research which aims to examine how the framing of news about fraud cases carried out by illegal online lending companies on online mass media can be used as a source of information to find out the causes of the fraud practice. The conclusion of this research is that, in practice, illegal online loans are full of fraud and are very disturbing to the public. Based on the analysis using the fraud hexagon theory, it can be concluded that fraudulent practices carried out by illegal online lending companies are caused by pressure factors from capital owners, abuse of information technology functions and capabilities, and weak public knowledge about the traps made by illegal online loan providers which are then used as broad market opportunities. In addition, the rationalization that people need fast funds, the ego of illegal online lending companies to make profits, and collusion in the form of unilateral agreements that are against the law are also reasons for the practice of fraud.

The results also show that there have been reports from the public, who have become victims, to law enforcers regarding acts of fraud and intimidation by employees or staff of illegal online lending companies. And finally the law enforcers have followed up the report through legal channels. There has already been a progressive role for the government through the Financial Services Authority (OJK) and the National Police to disseminate actively and effectively through online mass media such as *tribunnews.com* and *kompas.com* to the public to be more careful in transacting with online loan service providers, especially illegal online loans.

The use of framing analysis which is extended with the analysis of the fraud hexagon theory is feasible in this study to be able to find out the forms of fraud in illegal online lending practices in the community. Future research is expected to be able to follow up on the findings of this study by confirming directly to victims of fraudulent illegal online lending practices using a phenomenological approach as an informant, so that complete information

about how the forms of fraudulent practices are carried out can be obtained. In addition to social research, framing analysis can also be carried out on accounting research, especially those related to fraudulent behavior in accounting practices, because accounting is a social science that is full of values. Accounting science which is loaded with value is considered capable of being viewed and approached by various social sciences and relevant to this research site. In addition, the government needs to strengthen the supervision and legal action against fraudulent practices carried out by illegal online lending companies.

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