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"SINGKO-SAIS": CHALLENGES AND EXPERIENCES OF MARGINALIZED SECTORS FROM DEBT COLLECTORS IN MONEY LENDING APPS

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Abstract

The marginalized community is one of the sectors that directly receives the detrimental effects of the situations and issues in the socio-economical aspect. Online lending apps became one of the ways of the marginalized to cope with their immediate needs. In this study, the factors and causes of the marginalized community's decision to use the service of online lending apps is tackled, as well as their challenges and experiences from using online lending apps. This study compares the negative experience and positive outcomes from the online lending apps in the context of patronage, method of collection, and the specific experiences of the informants. Through the research design phenomenology, it was found from the experiences of the eight informants that the usage of online lending apps had a dominantly negative impact in comparison to the positive outcomes wherein most of the informants experienced harassment, threats, and found an urge to stop the patronage of online lending apps. Illegal aspects were also found in the methods of online lending apps which fall under harassment and cybercrime. Lastly, it was found that money lending apps often take the forms and culture of predatory loans and loan and predatory sharks. The challenges and experiences of the informants is reflected in the conclusion that online lending apps should not be patronized or used and the bodies of the government and law should intervene in this societal issue towards justice for all the victims of online lending apps.

Keywords: Cybercrime, Marginalized Sector, Money Lending Apps, Online Lending.

Introduction

In the present times, the Philippines is reverting to its original state while growing to become an upper middle-income country [11]. Apart from that, the suffering economy of the Philippines is reflected in the high rates of unemployment and inflation [12]. The macroeconomic state of the Philippines is also reflected in the microeconomic aspect, including marginalized communities who are directly affected by economic changes such as the high inflation which directly impacts the price of common goods and services. The population of the marginalized was rationalized as a sector of people which systematically cannot fully participate in the society. Hence, resulting to the marginalized having no control towards the betterment of their state due to external factors that the marginalized lack control over [13].

Due to the lack of ability to address their urgent and immediate needs, the marginalized communities often resort to money lending apps or online lending apps that provides temporary financial security. The concept of online lending apps is focused on providing financial services through online platforms [14]. Many of the money lending apps provide services to those in marginalized sectors. Due to the stigma that marginalized communities embody, financial institutions often exclude them from loan applications that lead to loan rejections like traditional banks. Hence, marginalized communities resort to online lending apps instead of financial institutions because online lending apps accept loan applications right away [15]. A blog was posted on BATARIS where a petition was started by Vanessa Burdeos entitled "PETITION TO SHUT DOWN ABUSIVE ONLINE LENDING APPS" to the Office of the President and Senate due to victims that experienced abuse, threat, harassment, and other negative aspects such as public shaming and collection of additional amounts [16]. This study aims to shed light on the challenges and experiences of different marginalized sectors in the Philippines from predatory loan sharks found in money lending apps. This study will bridge the gap on the lack of research on the topic and the expansion of the current state of knowledge amidst the advancement of technology & experiences faced by marginalized

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sectors in the Philippines from money lending apps. The issues faced by the study is a reflection of not only the microeconomic aspect, but as well as the macroeconomic environment of money lending [10]. The marginalized community, given that many experienced financial instability, they often fall as vulnerable against loan sharks. In the microeconomic lens, one of the objectives of this study is to provide the challenges and experiences faced by the marginalized communities from loan sharks found in online lending apps a conclusion.

The topic to be tackled revolves around multiple lenses and one of this is the challenges and experiences of the marginalized communities from the loan sharks found in online lending apps. In the present time, the research in related studies is limited only to international data and many research gaps are still mentioned in recommendations inciting the expansion of studies based on the topic and issues. The literatures to be tackled on the following paragraph will be the basis of arguments and opinions that will be found in this study towards shedding light on the challenges and experiences of the marginalized communities.

The following arguments from related literature will be mentioned in chronological order from the oldest related literature to the most recent literature. It was found in the conclusion of a study that the marginalized sector has a high probability of inquiring and applying for payday loans. Many of the people that receive societal services often receive payday loans as well [2]. In a study by Lyons et al., that used that 2013 China Household Finance Survey, it provided a discussion that the knowledge and literacy in the financial aspect has a direct effect to informal loans due those with higher literacy will opt for better alternatives [4]. According to the Households, Financial Distress, and Predatory Lending: an Experimental Study of Trinugroho et al., in 2017, predatory loans, pawnshop loans, and bank loans were compared in the concept that predatory loans are temporary loans with a high. interest, but it was found that predatory loans will be chosen by groups with lower income despite the disadvantage of getting predatory loans [5]. “Sharing economy” is a term used to give rationalization to the many factors in the digital platforms’ activity such as P2P lending that occurs in online lending apps. Through online lending apps, democracy in finances occurs wherein the right and ability to take a loan is not only inclusive to professionals which promotes a positive aspect of P2P Lending [6]. The study of Alvaro recognized the lack of access to establishments in varied marginalized communities due to the small income of the community or its inclusion in the poverty line which increases the demand for financial services such as loans [1]. In the conclusion of the study, it was recommended that not only the bodies of government and law should act upon the issue, but also financial institutions such as banks in the aspect of location accept towards providing equal access to financial services [1]. According to the study of Ravnbol, it was shown that families often resort to high-interest loans through private money lending companies which lead to debt due to continuous and a cycle of loans [3]. In an interview by Alcaraz in 2021, it was tackled by the three interviewees in The Budgetarian that “in comparison to applying to banks, time is saved up in using loan apps” and this was counted as evidence wherein it was proved as a factor that motivated Filipinos to patronize online lending apps due to its accessibility [22]. According to Li et al., in 2023, online lending apps have higher interest rates in comparison to traditional loans and proposed a need to provide analyzation in all potential threats and risks in a finance portfolio considering the aspect of interest and mutual agreement of the method of repayment [23]. According to Saunders in 2019, loan sharking or the illegal high interest rate had a negative impact to the vulnerable because they became the easiest target victims as one of the main receivers of the negative impact of the situation in the sociopolitical and economical aspect.

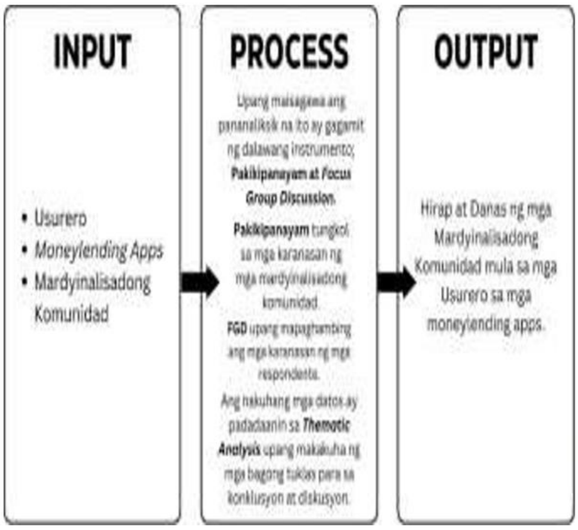
There are varied theories that outlines the topic discussed. These theories and concepts are the Just Price Theory, Social Exclusion, and Intersectionality Approach Theory. This research will utilize inductive reasoning to provide light to the challenges and experiences of the marginalized communities. Some of the helping and supporting theories that rationalize the actions and methods of the loan sharks are the Frustration Aggression Theory and Affective Events Theory. This study aims to investigate the experiences of the marginalized communities in the Philippines from loan sharks. Specifically, the study will focus on understanding the perspective of the communities and how the patronization of online lending apps has impacted their lives considering their experiences from loan sharks. Through this study, the researchers are hoping that awareness is spread about vulnerability and the need for support and protection of the marginalized communities in the Philippines. Apart from this, the researchers also aim to provide recommendations that will aid in spreading knowledge on the rights of the marginalized communities in order to prevent exploitation of the loan sharks and other predatory individuals

Theoretical Framework

The theories to be utilized in this study are the Just Price Theory by Thomas Aquianas, this ethical theory in economics rationalizes that there is a direct relationship between supply and demand [7]. In the

Intersectionality Approach Theory, it explains that there are many factors that affect the discrimination that a person may receive [8]. On the other hand, Social Exclusion theory states that there are individuals who cannot fully participate in extent in the context of economic, political, and cultural aspect [0]. The three theories together explains that the phenomena wherein the marginalized communities continuously patronizes online lending apps and predatory loans despite the high interest is due to social exclusion of the marginalized rooting from the lack of access to financial services which leads to an increased demand for financial services. This leads to a cycle of continuous loans and collection of loan sharks leading to the challenges and experiences of the marginalized communities.

Conceptual Framework



The IPO model was utilized to provide a virtual representation of the variables used in this study. The variables in the input are loan sharks from money lending apps, money lending apps, the marginalized community as the informants of this study. The inputs will undergo the process wherein the informants will undergo two instruments; interview and focus group discussion in order to garner data and information about their challenges and experiences from loan sharks and money lending apps. Afterwards, the data will undergo thematic analysis in order to arrive at the output about the conclusion on the challenges and experiences of the marginalized communities from loan sharks in money lending apps.

Statement of the Problem

This study entitled “Singko-Sais:” Hirap at Danas ng mga Mardyinalisadong Komunidad mula sa mga Mandaragit na Usurero mula sa mga Money Lending Apps or “Singko-Sais:” Challenges and Experiences of the Marginalized Communities from Loan Sharks in Money Lending Apps aims to provide answers to the following questions relative to solving the issues tackled in this study:

1) What are the common causes of boring money from money lending apps?
2) What are the challenges and experiences of the marginalized communities from the debt collectors in money lending apps?
3) What are the positive experiences of the marginalized communities from the debt collectors from money lending apps?

Scope and Delimitation

The scope of this study is only the community of the marginalized sectors that experienced using the online lending apps. Those who have no experience in regard to the topic is strictly prohibited to ensure the validity and reliability of data.

Methodology

Research Design

This study aims to tackle the common experiences, challenges, and positive experiences of the marginalized sector from the debt collectors from money lending apps and to achieve this, the research design to be utilized is phenomenology. According to Manen (2017), phenomenology is a design involving the objective of understanding the lived experiences of informants [18]. The nature of this study is based from the challenges and experiences of the marginalized communities from the debt collectors in money lending apps. From this reason, the most appropriate design is phenomenology where it is able to provide sense and focus on the experiences of each informants regarding their challenges and experiences in their own personal contexts. Apart from this, in-depth understanding can be provided in the concept of analyzing empirical data.

Participants/Respondents of the Study

This study will conduct a one-on-one interview with the informants and focus group discussions. According to Ellis (2016), despite the same size recommended by varied books for phenomenological research, a sample between 6 to 20 individuals is enough to deem conclusions credible [19]. As a qualitative study, the researchers chose purposive sampling as the sampling technique. Purposive sampling is a technique was chosen because there are particular criteria that informants have to meet in order to fully provide data and answers to the problems. Apart from that, because this study is focused on lived experiences, there is a need to further filter informants. This is also a consideration towards possible informants who can provide information regarding their challenges and experiences answering the questions and objectives of this study.

Instrument/s of the Study

To achieve the objective of this study to tackle the common causes of boring money, challenges and experience, and positive experiences of the marginalized communities from the debt collectors from money lending apps, this study will utilize interview and focus group discussion as the instrument of gathering empirical data that will be used as the basis of the conclusion and discussion. A questionnaire, with eight questions that underwent initial analysis of an expert in the cultural phenomenon to ensure that the questions will attend to the issue of the study, will be utilized in the interview.

Data Collection and Analysis

The data collection will begin in acquiring a permit to conduct the study. After the approval of the usage of a semi-structured interview, the interview will commence with the eight informants who use money lending apps who are able to share their experiences that will serve as empirical data used in the study. A letter was sent to the informants of the study and the setting of the interview shall be mutually agreed between the informants and researchers. In the interview, the researchers stated the questions and the answers of each informant was audio recorded along with a minutes of the meeting to serve as documentation of the interview. The collected data were given definition through the creation of a summary that should be presented and will undergo thematic analysis to arrive at the results and discussion.

Thematic Analysis by Gerald Holton was the method utilized in analyzing the qualitative study wherein the collected data from the semi-structured interview with the eight informants underwent analyzation of patterns from their answers towards the collection of themes. Hence, the study needs to undergo the antient mentioned tasks [19] [20].

This study underwent inductive thematic analysis starting with transcribing the raw data towards open coding to present the patterns and definitions from the collected empirical data [21]. After this, the data underwent a conceptual ladder wherein it was grouped into codes and afterwards became argumentative data and the codes were categorized based on the similarity in categories of the themes.

Ethical Considerations

Because this research is too sensitive, the objective, scope, and limitations of this study was explained briefly to the participants. Consent form was given to inform the agreement to join the interview which includes the right to voluntary participation, right to informed consent, right to anonymity, and right to confidentiality.

Results and Discussion

Relative to the objective of this study of answering the questions and issues, the data collected shall be tackled to understand the challenges and experiences of marginalized communities from the debt collectors from money lending apps. In tackling the questions on the common causes of borrowing, challenges and experiences, and positive experiences of the informants belonging in the marginalized community. In order to provide answers to the research questions tackled in this study, the collected narrative data shall be organized, categorized based on similarity towards creating codes leading to themes. The themes created will be the basis of interpretation and it will be outright compared in related RRL and RRS. The following interpretations are anchored from the following questions:

1. What are the common causes of borrowing money from money lending apps?

Table 1: The Common Causes of Borrowing Money from Money Lending Apps

Theme 1	**Statements of The Informants**
Borrowing money from money lending apps due to financial constraints	I work as a barista at a café, and my eldest daughter is currently in college. Of course, we're tight on money even though I have a job. Informant #1 It's the timing. Before, in my work, we visit big supermarkets just to check products. I did not get to reimburse the allowance and transportation, so I have no money. We're just really constrained right now on money. Informant #2 The reason why I acquired a loan was because of financial constraints, for bills. Informant #3 I badly needed it, Ma'am. We had nothing. Informant #7 [I borrowed because] in the hardships and [financial] difficulties of life today. And, the people that supposedly you can ask for money like your close friends also have nothing to spare because they're just in the same situation as us. That's why I was forced to use online lending apps. That was the reason I succumb to applying for a loan. Informant #8
Theme 2	**Statements of The Informants**

Money lending apps as an alternative in acquiring loans apart from P2P Lending, 5-6, and in banks due to the minimal qualifications to be able to apply for money lending apps and credit as well to the fast process Of receiving Money from money lending apps.	In banks, none. The first app that I searched was Tapa because it was known to be legit in terms of lending money. Unfortunately, I was declined because my TIN ID was not accepted because it was my only valid ID. Then, I tried searching Google for loan then it appeared. Then, it was approved, and that was the start of everything. Informant #1 Banks take longer to process. In 5-6, they only lend mostly to those with businesses and I was just working that time. In terms of people, you needed to look for people who's willing to lend money because most of us are in the same situation. And, in lending apps, in just an hour, you're able to receive the money. Informant #2 In online lending apps, in just 10-30 minutes, you already have the money. In just a couple of minutes, the money's there. Unlike in bank loans, you need to process it for a long time. So, [I use online lending apps] when there are emergencies, because the money arrives in just minutes. Informant #3 I went to 10 people, but no one was willing to lend me anything because most of us are in the same situation, so I tried in online lending apps instead. Informant #7 As of now, I don't have access to my savings account, in banks. That was my only alternative, because I am unemployed right now and my old savings account closed, so I had no means to loan from other institutions, which left me with no choice but to borrow from online lending. Informant #8
Theme 3	**Statement of The Informants**
The process of banks [in loans] are Strict and follows a long process.	The process in banks is longer. Informant #2 Online bank loans that take so long to process, when I have emergencies with money, this is where I borrow because in just a few minutes; the money's there. Informant #3
Theme 4	**Statement of The Informants**
State of being Unemployed and P2P became an unavailable alternative.	I was working that time and when it comes to P2P lending, I had to look for a person willing to lend me money because most of us are in the same situation. Unfortunately, I needed the money urgently. Informant #2 I went to 10 people and none of them were willing to lend me money because they also were in need, so I tried online lending [apps]. Informant #7 Due to the difficulty of life today; And, the people that you can run to for help like your close friends also have nothing to give as they are just going through what we are also going through. So, I had to choice but to use online lending apps. Informant #8

Interpretation

The table 1 consists of the common causes of borrowing money from online lending apps. From the thematic analysis done, 4 themes were identified.

The statements of informants 1, 2, 3, 7, and 8 in the first theme shows that the common causes of borrowing money from money lending apps is due to the urgent need of money rooting from their personal situations. According to "Online Lending in the Philippines" (2022), the marginalized sector often chosen to use online lending apps due to the lack of ability to attend to their personal needs [14].

The statements of the informants 1, 2, 3, 7, and 8 reflects that one of their primary reasons for using online lending apps as an alternative method of borrowing money compared to banks, P2P, and 5-6 is because of the low and minimal qualifications needed in online lending apps. This was given proof by the statements of informants 1, 2, and 3 where. Apart from the minimal qualifications to apply wherein you only needed one legal ID as said by informant 1 that the only requirement was one TIN ID, and her loan application was accepted right away. In the statement of informant 2, she stated that

"It only took an hour, and I already received the money" and according to the article of Alcaraz (2021), it was said by the interviewee that the only requirement in online lending apps was one valid ID that entail their personal information like name, occupation, and address [22]. According to the informants, due to the fast process in online lending apps and minimal qualifications for their loans to be accepted, it became the easiest way of borrowing money. Apart from this, it was also stated by informants 7 and 8 that they currently have no access to financial institutions such as banks and P2P became an invalid option because the people in their network also have similar needs.

In the third theme, it was found that one of the other causes of borrowing to online lending apps instead of banks is due to the strict and long process in applying for financial loans in banks. According to informants 2 and 3, banks have a long process and it was a stricter and way harder process leading them to use online lending apps' financial service.

The fourth theme tackled that the lack of people to ask for money in the context of P2P lending was one of the causes of using online lending apps. According to informants 2, 7, and 8, they had no people they could ask for help and in the times that they are in need of money, those that they could ask for are also faced with the same need [4].

2. What are challenges and experiences of the marginalized communities from the debt collectors in money lending apps?

Table 2: The Challenges and Experiences of the Marginalized Communities from the Debt Collectors from Online Lending Apps

Theme 1	**Statement of The Informants**
Online lending apps as a "scam" due to false advertisement.	For example, you borrowed 3,500 and if you thought that you'll receive an exact amount, you won't; the amount you will receive is only 2,000 because they have charges and unknown fees. So, you will only receive 2,000, then apart from that is the interest once they ask for a recollection. For their long terms, they advertise it to be as long as three months, but in reality, you need to pay them in seven days. Informant #1 The interest they put is unjustifiable because I only received 1,400, but I need to pay 2,100 after two weeks. Informant #2 In the beginning, it was okay. I overlooked something regarding the options of repayment. So, I confirmed the long-term payment wherein the original amount was 3,500, but you'll only receive 2,000 because of additional fees that were charged. Now, I saw that my repayment time was only 7 days. Informant #8
Theme 2	**Statement of The Informants**
Harassment experienced by online lending app users from the debt collectors.	In one of my loans, it was not yet my due date for repayment, I still had two days, but they texted me and also to my company member asking "If you know this person, she is not yet paying her loans." Contrary to the situation that I just talked to the agent that I am able to pay on the agreed due date. So, they were able to hack my phone, because I never gave them my company's number, it was just saved in my phonebook. Informant #1 I think it's counted as harassment because I was shamed to all of my contacts saying that I had a loan that I am yet to repay. But I swear I already paid the capital. I was shamed to my boss after my due date. Informant #2 I was posted in a buy and sell [Facebook Group] here in our place saying that I was an *Ispatadora* and a scammer. Then, I also experienced text harassment to my contacts, and to me personally from cursing me and even sending death threats. Informant #3 I was harassed and they threatened to post me, but I assured them that I will be paying through whatever means I can, it's just that at the moment, I don't have anyone I can borrow from. So, he told me that if I don't pay, they're going to post me on Facebook and they will even obligate all of my contact reference to pay for my loans instead. Informant #7 There was harassment. There were cursed words used, death threats, and even my family was put into this mess if I did not pay my loans. So, for that small amount could have been resolved without harassment, I received it all. From Tuesday until evening and even until Wednesday, it was just threats. Through text messages. Since I was harassed, I looked up what I should do. I put all of my accounts on private where my name could be searched.

	But I'm worried because since I applied to the online lending apps, there was a requirement that they will be accessing my contact list and gallery. So far, I haven't received anything from my relatives it was only my live-in partner that received some threats. Informant #8
Theme 3	**Statement of The Informants**
Regret after the experience s from online lending apps.	Let's say for example, I borrowed 5K from that 5K that you borrowed, you would only get 2,600, it's half and you also need to return the money in one week, but in their advertisement, they said it was long-term like 90 days and 120 days, but it was a lie. After a week, you need to repay them. So, since you don't have the money yet, you're going to borrow money from other online lending apps to pay for the money you previously borrowed from another loan until it snowballed. What's funny is that after you submit your application, only then would you see the terms and conditions containing the breakdown of what you're going to get and the hidden charges. Informant #3 I felt regret in the end [that I used online lending apps] because I didn't know they worked like that, I never expected it. Informant #7 If I could just turn back time, I should have never patronized online lending apps. It was my first time and I had that experience. Now, I live in fear worrying that might happen, they might post. So, all I received was technically just negative in aspect. Up until now, I cannot recover, I remember my family, I have a two month old baby. That's what I am most worried about. It would have been alright if it could have been resolved by just talking, but for me to go through all those harassment – it was just hard. No signs of anything positive, it's all negative. Informant #8
THEME 4	**STATEMENT OF THE INFORMANTS**
Non-recommen-dation of online lending apps for People in need.	No. Instead, I want to warn my friends that they should never download these apps. Informant #1 I would not recommend online lending apps. Informant #2 No, I might be blamed for whatever is going to happen [in online lending apps]. Informant #6 I won't, because look at me, I am so depressed. I don't want anyone to experience what I have gone through. Informant #7 No. I could even campaign against online lending apps, because it's just a loophole of drowning in debt. In other cases, they enter a cycle of debt. Informant #8
Theme 5	**Statement of The Informants**
Legal collection and usage of personal and confidential information of the users of online lending apps in public/social media shaming.	I was embarrassed to all of my contacts because I had a loan that I am yet to pay. Informant #2 I was posted in a buy and sell [Facebook group] in our place, saying I was an Istapadora and a scammer. They also sent text harassments to my contacts. These online lending apps invade our privacy wherein once we allow permission, they are able to access your gallery, messages, phonebook, call logs, and they use this when they are harassing victims. I heard that there were multiple suicide cases because of this. Informant #3 From that day, May 2, after 12:00 PM, same day, the harassment messages kept on going. Informant #4 In one of my loans, it was not yet my due date for repayment, I still had two days, but they texted me and also to my company member asking "If you know this person, she is not yet paying her loans." Contrary to the situation that I just talked to the agent that I am able to pay on the agreed due date. So, they were able to hack my phone, because I never gave them my company's number, it was just saved in my phonebook. Once you download the app, they will also have access to your contacts in social media, even your friend list in Facebook. There was someone who called our café looking for me, but I was not there.

	Then, they threatened where I was working saying that they should not hide me and then they called me in a livid manner. Informant #1 That is the only thing I am worried for, since I applied to those online lending apps, access to contact list and gallery was required. I don't know if they have been texted, but my relatives are not messaging me or anything. It's just my live-in partner that receives the same harassment messages as me. Informant #8
THEME 6	**STATEMENT OF THE INFORMANTS**
Usage at Recommen-dation of Specified online lending apps in the Future.	For me, I can only recommend Gloan from Gcash, because I won't be putting my friends in danger because of online lending apps. Because, I once saw in Facebook that one of the worst cases of harassment from online lending apps was suicide. Informant #4 In the future, I will still borrow, but from legal apps like Gcash, because they have Gloan and Gcredit, let's refrain from using online lending apps that are not trustworthy and credible. And if you're going to borrow from online lending apps, make sure they are legitimate and legal, so everything stays professional and nothing near harassment would occur. Informant #2

Interpretation

In Table 2, the challenges and experiences of the marginalized communities from loaning from online lending apps were tackled. After doing thematic analysis, the researchers identified six themes.

In the first theme, the narrative data from the informants were tackled, specifically online lending apps as a "scam" due to its false advertisements. The informants are saying that online lending apps are a modus due to its false advertisements such as promised repayment periods at 120 days were actually 7 days in reality. Apart from that, the interest rate put upon the principal amount according to informants 1, 2, and 8 are unjustifiable. Thei experiences can be referenced and connected to study in Jurnaldan Perbankan wherein it concluded that predatory loans are loans characterized by its high interest rates within a short amount of time [5]. The negative answers from the informants regarding online lending apps is what led the conclusion of the researchers to label the specified apps as a "scam." Two informants shared their conclusion that online lending apps as a scam. According to informants 1, 2, and 8, the money given to them by online lending apps are incomplete in amount compared to the actual asking principal they were supposed to receive. For example, is the experience of informant #1 wherein they borrowed 3,500 PHP, but only 2,000 PHP was sent by the application because of "additional fees" as quoted by the online lending apps. Hence, it was ruled as a scam because of three main reasons 1) Unjustiable high interests [23], 2) False advertisements 3) Non-compliance to the agreed upon amount and terms of repayment.

In the second theme, harassment was identified as a practice of debt collectors from online lending apps. This was given proof by the experiences of informants 1, 2, 3, 7, and 8. Patterns could be made from their experiences wherein the harassment was often realized in forms of text blasts, blackmails, death threats, threats of trial by publicity, messaging of contacts, and public shaming. The informants are being asked to pay unjustifiably high interests within a short amount of time and the illegally collected information will be used as a medium of threat. This is co-related to a study by Saunders (2019) wherein debt collectors abuse the vulnerable which lead to negative impacts to the individuals and communities [24]. The experiences by the informants can also be highlighted in the petition by Burdeos (2022) relative to the impact of online lending apps due to the malicious threats, death threats, and even public shaming that is deemed detrimental to the mental health of the informants and victims [16]. However, this is the contradiction of the experiences of informant 4, 5, and 6 wherein online lending apps did not impact them negatively and informant 4 even regarded these as "super legit" because in times of need, online lending applications can be utilized.

In the third theme, it can be seen that the informants regret patronizing online lending apps in times of financial needs. It was mentioned by informants 3, 6, 7, and 8 that there was no positive connotation regarding their experience with online lending apps. It was shared by informant 3 that the money received was about half due to unjustifiable "ghost fees" and the false advertisements regarding repayment. In a journal, this case was seen as a predatory loan [5].

In the fourth theme, the informants collectively decided to never patronize the services of online lending apps anymore due to their negative experiences. According to informant 1, 3, 4, 6, and 7, they have already learned from their experiences. According to them, they will not be availing the loans anymore because of the high interests, harassment experienced, non-justifiable and fake repayment methods, and the illegal aspect off online lending apps such as the acquisition of confidential information and usage of such in harassment.

In the fifth theme, illegal collection of personal confidential information of the users of online lending apps was discussed. The illegally collected information was used for harassment and public or social media shaming. According to Informant #3, online lending apps access their phonebook, gallery by asking fofr permission when applying for loans. If you are not able to pay, the applications access the recorded phonebook and will proceed to calling contacts in the phonebook to ask to have them pay instead or with the intent of shaming. Many are also scared for their lives and the state of their families similar to the situation of Informant #1. Hence, from the initial access given by the informants to the online lending apps in accessing their gallery, phonebook, and personal information, the information will be illegally used by loan sharks or online lending agents and will continue to harass victims [24] through text blasts and soon enough, the text blasts are sent to the contact references of the informants. Apart from this, many of the informants receive death threats, threats to trial by publicity, and even experiences of public or social media shaming, and these experiences can be compared to the Ceast and Decist Order by the Enforcement and Investor Protection Department against 11 online lending operators [25]. In the sixth theme, informants #4 and #2 recommended e-wallets in the Philippines, specifically Gcash's online lending feature - Gloan over online lending apps. For informants #3, #1, #6, and #7, their answers were collective that they are never to return from availing any service from online lending apps and they are not to recommend online lending apps as a means to cope with urgent financial needs. Their experiences served as lessons with the intent to educate others na refrain from using online lending apps because it only caused them problems, depressions, and cycles of debt. One with this advocacy are 28,000 petition signatories of Vanessa Burdeos that shall be sent to the Office of the President and Senate [16]. This can be compared to Saunders (2019) study that attends to the negative empirical data wherein loan sharking is rationalized as the abuse towards the vulnerable impacting them negatively in the context of individuals and the marginalized communities.

3. What are the positive experiences of the marginalized communities from the debt collectors of money lending apps?

Table 3: The Positive Experiences of The Marginalized Communities with Debt Collectors of Money Lending Apps

Theme 1	**Statement of The Informants**
Positive effect and experience with online lending apps	Positive effects… Well, I needed urgent financial aid, then online lending apps were fast in dispersing money. Within 5 minutes, I was able to receive the money. Informant #1 Yes, I was able to use it [the money from online lending apps]. Informant #4
Online lending apps are legit.	I don't have a positive experience, but the first one I said, Tala and then the second one is Billease. It is legit and it can be used to pay fofr gadgets that you buy, then the third one is Mr. Cash, but I am skeptical with the safety of my private information because of what I see in Facebook. Informant #4 None really. Informant #5 Not really. Informant #6

Interpretation

In Table 3, the positive experiences of the marginalized communities are tackled regarding their interaction with debt collectors and online lending apps. From the thematic analysis, two themes were identified.

Eight participants with experience in using online lending apps shared their experiences regarding the positive implications of using online lending apps from their overall experience.

In the first theme, the positive effect and experience in online lending apps were given highlights, and the only informants who had relative answers were informants #1 and #4. They shared that because online lending apps were fast in dispersing money, it had a positive implication because they were able to use the money in the time of urgent need serving as a temporary solution. In the study of Tao & Wei (2019), online lending apps help increase the democracy of finances and hence providing access to those in need, regardless of one's professional status [6].

In the second theme, online lending apps were tackled as "legitimate" in terms of its ability to provide the monetary service in time of need. As per informants #4, #5, and #6, the usage of online lending apps can vary depending on the app. It was mentioned by informant #4 that there are online lending apps who are "super legit."

Eight people with experience in using online lending apps provided narrative data regarding their own experiences in terms of the positive implication of using online lending apps for their entire experience.

The data gathered from the instruments of the research shall serve as the basis of the conclusion. For the first specific question in providing the statement of the problem, the common causes and motivations of using money lending apps were tackled. The data showed that the common causes of borrowing from online lending apps were due to financial problems and needs, faster application and dispersion of loaned money, striker and longer process for financial institutions such as banks, and the lack of people available to conduct P2P lending due to the community almost often facing the same situations and needs. The following results are strengthen through referencing the review of related literature.

In discussing the challenges and experiences of the marginalized communities with debt collectors from money lending apps, these are the derived conclusions based on the narrative data provided by the informants. It rationalized that online lending apps are scam platforms, a platform where informants experienced harassment, predatory loans, and loan sharks, and its aspect of cybercrime considering the illegal and unlawful way of acquiring and using the personal and confidential information of the users. For these experiences, the informants have agreed to never patronize online lending apps, as well as non- recommendation to those in relative situations. According to the informants, they would rather recommend known applications such as the Gloan feature from Gcash. In the outspread of online lending apps, many online lending apps have been forced to close and testify to the court, such as the National Privacy Commission or NPC's order for closure towards four online lending apps which are JuanHand, Pesopop, CashJeep, and Lemon Loan. This was because the apps were found to have been abusing personal data along with illegal acquisition of personal data from users. Apart from this, there was a reported 26 online lending apps who were forced to exit from the digital storefront, Google Play Store due to complaints [26]. Furthermore, another reference was prompted by the Enforcement and Investor Protection Department or EIPD, filing a Cease and Desist Order against 11 online lending apps for operating without license, while practicing predatory lending, unjustifiably high interest rates, ghost fees, illegal usage of information from unlawful terms and conditions, harassment practices for debt collection, and derogatory threats and activities of public shaming.

In the third specific question tackling the positive inference and implication of online lending apps, it was found that it can be positive in the lens of being accessible, readily available, and it can be used as a temporary financial aid for urgent needs. Apart from this, some informants have regarded other online lending apps as credible and trustworhy. This theme was made noted from the personal experience of some informants deeming some online lending apps as "legit." Another positive implication of using online lending apps is that there really is a dispersion of money that can be received in a rate faster than financial institutions.

Conclusion

In the present time, Philippines is reverting back to its previous state as a developing country, but there are still macro issues and problems such as the high rate of unemployment and inflation. Those in the marginalized sectors, especially those below the poverty line, are patronizing and anticipant of online lending apps as a temporary financial security due to the stigma received along with the constant rejections of loan applications from traditional financial institutions. The topic to be tackled revolves around diverse lenses, and one of these is the challenges and experiences of the marginalized communities from the loan sharks found in money lending apps. This study utilizes three theories, the Just Price Theory, Intersectionality Theory, and Social Exclusion Theory to explain the underlying mechanisms and factors that motivate and incite the marginalized sector to patronize and use money lending apps and predatory loans despite of the high interests. This is a result of the high demand for these services due to the lack of access to financial institutions and to the debt cycle incited by money lending apps causing the challenges and experiences of marginalized communities from money lending apps. This study aims to explore and understand the challenges and experiences of the marginalized communities that anticipate hope from money lending apps through the research design phenomenology towards rationalizing the experiences of the informants in their own context relative to the study. Purposive sampling was used to collect the eight informants wherein a one-on-one interview and a focus group discussion will be conducted towards gathering empirical data as a basis for conclusion and recommendation. The data will be analyzed through thematic analysis to categorize patterns and create themes from the narrative data.

Recommendation

It can be concluded from the data gathered that due to the great difference, specifically the negative experiences from money lending apps outweighing the positive experiences, that money lending apps cause detrimental and negative effects dispersing its expected objective of providing a positive effect to the users and patrons of the app. This conclusion forged the recommendation to avoid patronization and usage of money lending apps, that according gto data, are unlawful, practice harassment, scam, practices death threats, public shaming, and derogatory practices towards the human's mental health. Apart from that, the detrimental practices of the money lending apps and its debt collectors were also weighed in its method of recollection of the loan with an unjustifiable interest rate, false repayment period, and principal loan amounts that are flooded with ghost fees. The study recommends, in lieu with the eight informants' narrative data, that illegal and no license money lending apps should be urged to close. The following are the recommended recommendations:

1. **For Online Lending App Users**
    - 1.1. From the conclusion made, it is best recommended to force close accounts in patronized online lending apps due to the negative implication that outweigh its positive connotation.
    - 1.2. If in need of financial aid, it would be best recommended to borrow from known apps or practice P2P lending under a contract as a legal binding document and basis for loan recollection.
    - 1.3. From the data collected, it is better to spread awareness on the experiences and opinion regarding money lending apps to avoid the further spread of victims rooting from their derogatory and predatory practices.

2. **Law Making Bodies**
    - 2.1. Due to the rising cases of newer forms of cybercrime, there is a need to create new laws targeting the enhanced filter and security on publishing applications on public digital storefronts such as Google Play Store.
    - 2.2. From the data, there is an evident negative aspect connoted with the harassment done by predatory sharks. Hence, there is a need to provide consideration towards the effect of the experiences of the mental health of victims through programs.
    - 2.3. To counter the newer forms of cybercrime, there is a need to review, analyze, and revise current laws on cybercrime to fit the advancement of technology in the present times.
    - 2.4. For Local Government Units, there is a need to open opportunities and access to financial services, especially in marginalized communities towards increasing financial literacy and management.
    - 2.5. The government, as the common cause of borrowing from online lending apps is poverty, should provide effective programs that open jobs and opportunities for individuals with lower qualifications or organizing job fairs for marginalized communities.

3. **Money Lending Apps and Debt Collectors**
    - 3.1. As the public have given their attention to online lending apps and debt collectors have been placed in a negative lens, there is a need for legitimate money lending applications to take action because illegal reports and connotation of money lending apps as a scamming modus could further detriment the reputation of legitimate applications.

4. **Future Researchers**
    - 4.1. As there is a lack of researches tackling this topic, this study shall serve as a reference material for research continuity for related topics. It is recommended to study this topic in context of online lending in private institutions and its positive aspects.
    - 4.2. Future researchers are welcomed to tackle the topic in two separate lenses, a correlational analysis and a comparative study towards increasing credibility and strengths of basis of the topic and issue tackled.
    - 4.3. Even though the data considering the number of informants found in this study is considered credible by Ellis (2016), the researchers highly recommend to conduct qualitative studies exceeding 8 informants. It is also recommended to study the topic in greater scopes through a quantitative study towards providing numerical and statistical data

Conflicts of Interest

The authors declare that there is no conflict of interest in this manuscript.

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