**RESEARCH PROPOSAL TOWARDS THE DEVELOPMENT OF A PEER TO PEER DONATION SYSTEM WITH PACKAGE SUBSCRIPTIONS**

**BY**

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**Declaration**

I declare that the work that went into the preparation for and presentation of this research proposal document is original and has not been submitted before to Zetech University for the award of a Diploma in Information Technology

**Acknowledgement**

I cordially thank our research proposal lecturer, Mr. Francis Mutuku for giving us helpful knowledge on writing the proposal and helping me reflect on the project I intend to do next semester, as recorded in this document. I also want to thank Mr. David Esabwa from Kenyatta University for giving me directions knowledge on the project and how to go about it and big thank you to him. I thank Mr. Gitonga for his time in advising me on how to design module interface prototypes during classes. Mr. Titus Njiru on the inspiration and more open guidelines on time management of the proposal and various improvements in terms of project stability.

**T**itle**:**

**“A PEER TO PEER DONATION SYSTEM FOR PEOPLE WITH DONATION NEEDS TO RAISE FINANCIAL FAIR PLAY IN THE SOCIETY UNDER THIS PLATFORM”**

## Project objectives

1. To reduce the gap between the rich and the poor thus promoting financial fair play.

2. For members to give and receive money through this platform for a genuine project thus also improving the lifestyle in businesses.

**Abstract**

This projects implements peer to peer (p2p) communication. Financial fair play is eminent. The system has arranged of packages to choose from. After selecting a suitable package, the system will automatically matches the user to an existing member they are to make payments to. Details of the member to pay to will be found from your dashboard with the payment being the one stated. When payment is done via mobile money, it is requested that one is to take a full screenshot of the transaction and upload it (ex: using the Mpesa for transaction). When the user has uploaded the proof of payment, they get in touch with the existing member you made payment to, to confirm payment has been made thus activating your package. In the extremely rare case of the member not activating your package, the user will write a support ticket to the admin and the admin will investigate the payment from admin panel. If the payment evidence is confirmed to be true, admin will activate the package and permanently block the account of the existing member. If the payment evidence is found to be false, the account will be permanently blocked as there is no room for fraudsters on the system. Upon activation of the user's package, the system will assign two members to pay him /her.  
For instance, if he or she subscribe to the KES2, 000 package, the system will assign two people to pay him or her KES2, 000 each after 4 days or the number of days set by the admin. Each down line is given 2 hours to make payment. In the event that a down line fails to make payment within the stipulated time, the down line’s account will be blocked. However, a down line can request for a time extension of 6 hours from the recipient and they can extend the time frame by 6 hours.  
When a down line makes payment and uploads evidence of payment, users are advised not to confirm payment without checking the mpesa or bank account balance from their financial institution. If they do so, there is nothing the admin can do about it as payment confirmation is an irreversible process on the system. When the user is fully convinced that a down line has made payment, they can proceed to confirm their payment. In addition, our model is compared with a single-objective model and a profit-based approach. Throughout the experiment, the empirical results reveal that our multi-objective model in comparison with the single-objective model can improve a lender's investment decision based on both objectives of investments. It means that while the return increases, the risk decreases, simultaneously. On the other hand, it is concluded that the profit scoring model leads to a more profitable investment but with a high level of risk.

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## Statement of problem

It is a well known fact that there is a huge gap between the rich and the poor. Our system aims to significantly reduce that gap with the aim of creating a platform that enables all our members attain a higher standard of living and all round financial freedom. This works by evenly distributing all investments among members to bring everybody up at the same time.

## Limitations of study

It is going to be challenging to develop the system in a way it secures genuine donors transactions and investors too. It will be challenging to verify those actually in need of the donations and fraud people. The research also limits how the system can ensure safety/trust among the users especially when trying to acquire a donation strategy. For this reason it’s going to be difficult to come up with secure and genuine donations for genuine projects.

## Scope of study

The study shall address a way to help each other to rise to a satisfaction of financial fair play in bringing this platform of service. People can achieve more online through this platform especially those with society uplifting projects enabling development in the society. The system is targeted once complete to be implemented to various areas like childrens’ home, kazi Kwa mtaani projects to develop status of job employment. The study is based on the theory that with one system all donations can be found and assisted on online basis more than sms to certain individuals seen as conmen and women. The system is based on html language to build a workable platform with advanced features unlike most updated versions of this system. The system will require users to have bank accounts or M-pesa accounts and id for verification in the bank area. The study is limits to a two semester phase. It will need only a smart phone and a laptop for development and deployment.

## Justification

**T**he system will be important to people who are in business category that uplift the society which will in turn touch others to donate the bit they have to accomplish the objective of the project at hand and sometimes to see it through.

The system as mentioned in another manner will be able to provide employment to the ones donated to and save them a workload with banks asking for loans. The system will be website based system meaning that internet users will find this platform wherever they are only if the internet is present. As opposed to apps, the internet does not need download nor storage in instances where is a possibility to delete. This system will increase emotional and mental wellness especially by those with convincing projects. This a turning point to reduce bank issues with citizens.

## Literature review

This here is my literature review assisted by Google scholar research on my project selection peer to peer donation system.

Peer-to-peer (P2P) business lending, where individual investors provide unsecured loans directly to individual business borrowers without the intermediation of banks, has experienced rapid growth in recent years. Online P2p lending platforms started in 2005. However, very little is currently known about the individuals who lend money through the online P2P lending platforms. Drawing on the cognitive evaluation theory and responses to a survey from 630 investors of the Funding Circle platform, the largest P2P business-lending platform in the United Kingdom, this article describes their personal characteristics, investment criteria and their motivation to invest. As a nonbank financial platform, online P2P lending tends to have both high volatility and liquidity. A typical P2P business lender is male, highly educated, and relatively wealthy with a science, business, or finance degree. According to the factor analysis, variables related to company quality and associated risks are important investment criteria, while the expectation of making a financial return is the main motivation behind individuals’ decision to lend money to companies. In contrast, intrinsic motives such as geographical location, personal relationship, or knowledge of the company are of significantly less importance.  However, the outstanding balances of P2P lenders are still increasing, while average yields of P2P lenders have sharply plunged. There is a growing Financial Technology (Fintech) business model, such as Peer to Peer (P2P) Lending. P2P Lending allows individuals and businesses to borrow and lend money to each other . The empirical findings indicate that P2P lending is more extensive in the region with more mobile phone subscriptions; outstanding balance of P2P lenders in region is negatively associated with the size of traditional banking sector; and the number of the P2P platforms in negatively related to the fixed assets investments in region, whereas average yield is positively associated with the fixed assets investments. The results suggested that special collection actions could help reduce bad debt. Historical repayment performance of borrowers indicated by many factors would have significant impact on both delinquency and default. The reviewed literature gives insights on how the determinants affect the borrowers’ likelihood of successful funding, the final interest rate that has to be paid as well as the relationship of the borrowers’ characteristics and lending success.( Zopa the first online P2P lending platform ). Online peer-to-peer (P2P) lending is an emerging wealth-management service for individuals, which allows lenders to directly bid and invest on the listings created by borrowers without going through any traditional financial intermediaries. To that end, in this paper, we present a focused study on market state modeling and analysis for online P2P lending scholars have called for research that identifies causal relationships to complement other observational and correlational research methods Experimental research is a good method by which to test competing explanations and establish causality, tying rigorous research methods to real-world . We analyze 187 experimental research articles focusing on fundraising, published in journals across diverse disciplines between 2007-2019. Interest in studying fundraising spans many disciplines, each of which tends to focus on different aspects, supporting earlier claims that fundraising has no single academic “home.” Most of the literature focuses on two key areas: the philanthropic environment in which fundraising occurs, largely focused on potential donors’ experiences, preferences, and motivations; and testing fundraising tactics and techniques that result in different behavior by potential donors. More than 40% of the experiments were published in Economics journals. Correspondingly, topics such as warm glow and mechanisms such as lotteries, raffles, and auctions are well represented. Experimental studies largely omit the practical and the ethical considerations of fundraisers and of beneficiaries. For instance, studies focusing on the identified victim phenomenon often stereotype beneficiaries in order to foster guilt among donors and thereby increase giving. We identify several opportunities for research to examine new questions to support ethical and effective fundraising practice and nonprofit administration. Large organizations might have more capacity to bring about changes in the lives of beneficiaries, or efficacy towards a cause, but donors may prefer to support smaller organizations conducted a field experiment with non-student populations and found that participants chose small organizations with low revenues over large organizations.

Abstract: This paper extends previous literature reviews focusing on fundraising and the mechanisms moti-

**KEYWORDS**

Alternative finance, crowd funding, innovation, p2pbusiness lending, Fundraising, Charitable giving, Donations, Experimental methods.

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## Conclusion

**I**n conclusion to this narrative of a system, it has been known to build a loan free society and organized job structures to the citizens who are members of such systems. This study provides a rigorous review and analysis of experimental studies on charitable fundraising reported across many disciplinary journals and joins others in calling for high-quality experimental research in the nonprofit fundraising field.

## System development technique

-Web object oriented programming

## Coding language

HTML and PHP shall be the languages used to develop this system having certain code ethics for the next semester.

## Method to use

**-**Bottom-up approach

## Tools

* + Programming language(s), IDE, Environment, Database tool (Oracle, MySql)

## Testing plan for the system

The system will be tested in either XAMP or WAMP apps to run the test of the system.

**Fig 3.1 User side flowchart**

The user has to visit the homepage of the systems platform an register him/herself to the system .After the registration to the platform they become users to the system thus are required to log in as requested by the system to start their membership experience

**Visit Home page**

**Register**

**Have an account**

**Login**

.

**Fig 3.2 Admin side flowchart**

Here the Admin enters into the platform having an admin account created for him or her. He or she resets or changes user password from the admin dashboard. The admin can block user from the admin dashboard. Controls the credit user wallet from the admin dashboard. Changes admin password at required circumstances. Creates multiple admins, controls in built ticket or support system, approval system, and settles issues with the users, switches between manual and automatic merging of pledges, notice board to all users, in the system.

[Check transaction processes between users](https://www.researchgate.net/profile/Fotis-Liarokapis/publication/224249396/figure/fig3/AS:341586174070786@1458451898577/Data-Flow-diagram-for-the-Admin.png)

[Change password/rest password](https://www.researchgate.net/profile/Fotis-Liarokapis/publication/224249396/figure/fig3/AS:341586174070786@1458451898577/Data-Flow-diagram-for-the-Admin.png)

[Enter admin password](https://www.researchgate.net/profile/Fotis-Liarokapis/publication/224249396/figure/fig3/AS:341586174070786@1458451898577/Data-Flow-diagram-for-the-Admin.png)

[Visit the admin platform](https://www.researchgate.net/profile/Fotis-Liarokapis/publication/224249396/figure/fig3/AS:341586174070786@1458451898577/Data-Flow-diagram-for-the-Admin.png)

Create notice board to all users

Activate new users

Block user

Manual (forgotten password) automatic/manual merging

Merge pledges

Check on the built tickets and approve system proposals

Settle available issues with users

**Fig 3.3 Login Module Flowchart**

Here the user will enter into the platform and login to the platform. Account form will be presented to the user/applicant to enter credentials. The users’ credentials if wrong he /she will be logged out of the platform but when the credentials are correct he or she will be able to access his or her account. After checking and using the platform he or she shall logout of the system.

Logged in

Logged out

Enter login details

Enter Platform

Errors No Errors

User details saved

User log out after platform use

**Fig 3.4 Donation Module Flowchart**

The system has a range of packages for users to choose from. After selecting a package the system will automatically match the user to an existing member they are to make payments to. Account details appear on the dashboard of the member you are to pay to. One latter pays through either mobile or online banking. Once payment is done screenshot should be uploaded and user will be connected to the member and later receive the package after its activation.

Account details of member to pay to.

Automatic user match

Select package

Upload full screenshot of the transaction

Make payments via Mobile money or internet banking

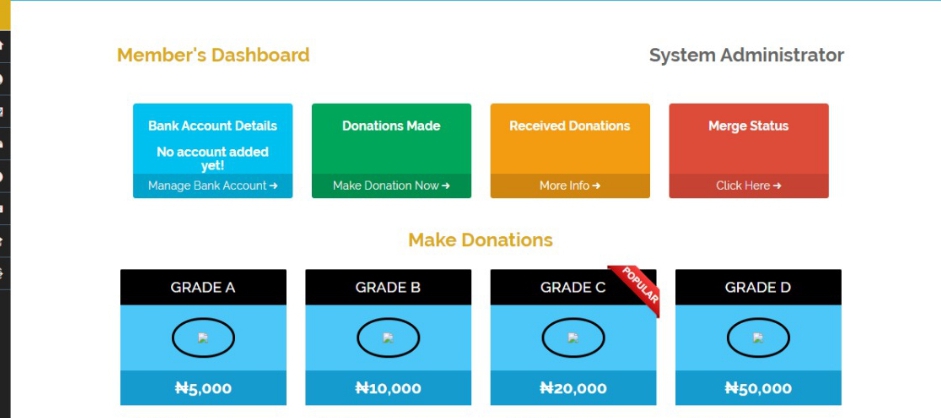
Connect user to member payments made to

Activate package

Check and take the package

**Module Prototype (Dashboard)**

Representing dashboard homepage on how I want it to appear.

****

**Conclusions**

**I**n conclusion to this narrative of a system, the problem was identified because it has been known to build a loan free society and organized job structures to the citizens who are members of such systems. The objectives of the study provides a rigorous review and analysis of experimental studies on charitable fundraising reported across many disciplinary journals and joins others in calling for high-quality experimental research in the nonprofit fundraising field.

**Recommendations**

This research is a wide financially level area of study. As a researcher, I haven’t collected much data for the wide exploitation of the research due to need of much cooperation and study with other financial institutes involving donation schemes as such above in this proposal. This area has not been researched more often, from my view since 2018 per say. In my system the interface is made easier for use and interface is made user friendly so that users don’t find it difficult to understand the process. It is possible to place a customer service module for retracting transfers to fraud hackers, but this I cannot achieve due to my minimal skill level and time for research on the effectiveness of the full system upload. I recommend future researchers should empower the system with more diligence and firm connections with donated users. It’s possible to optimize the system by bringing in a face to face discussion module between the users to make it trustable and flow as per the expectations.

**Bibliography**

M-pesa- Mobile money

HTML- Hyper Text Markup Language

PHP- Hypertext processor

P2P- peer to peer

Apps- Applications

Sms- Message

Tools to be used: Laptop, smart phone.

**APPENDIX A: GANTT CHART**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Week 1** | **Week 2** | **Week 3** | **Week 4** | **Week 5** | **Week 6** | **Week 7** | **Week 8** | **Week 9** | **Week 10** | **Week 11** | **Week 12** | **Week 13** | **Week 14** |
| **System analysis** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Design of prototypes** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Coding – home page** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Coding – accounts module** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Coding – products module** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Coding – payments module** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Coding – admin module** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Coding - database** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Integration of modules with database** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **System overall testing** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Panel presentation and production of exe.file on CD** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |