Crowdlenders perceptions and willingness to finance agribusinesses

Identifying preferences and concerns

Helena Ward & Teodor Rosenlew

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Abstract

No other Swedish industry is tied to as many of the environmental goals as the agriculture sector is. To successfully drive the green transition towards achieving these goals the agricultural sector needs more funding. Today, the largest amount of funding to the sector comes from banks and governmental contributions, but the funds are still insufficient and more capital needs to be allocated to the sector. One financial solution that has been growing worldwide is crowdlending, also known as Peer-to-Peer lending (P2P). Crowdlending refers to moneylending directly between individuals or entities without the intermediation of traditional institutions. This type of financing model is particularly interesting for the agricultural sector, where it can provide well-needed capital and flexibility.

This thesis explores how Swedish investors and potential crowdlenders view the opportunity of participating in crowdlending towards agricultural businesses. The thesis further explores the interest in crowdlending and its perceptions of it. This was done by employing a mixed-methods approach, which combined quantitative data from a survey with qualitative data from interviews. The theoretical framework used in this study consists of concepts from information asymmetry and signaling theory which will be analyzed with the empirical findings to identify information gaps and transparency enhancements.

The findings of this study show a demand for enhanced transparency and detailed information about investment risks and returns. Respondents express the need for comprehensive operational and financial disclosures, including environmental impacts and management practices, to conduct effective risk assessments and align investment decisions with their personal and financial goals. Analysis shows that signaling, supported by third-party validations and detailed risk assessments, is crucial for reducing information asymmetry and enhancing trust in crowdlending platforms.

It is concluded that when a loan project is aligned with agendas that serves a higher purpose, such as social and environmental actions, it drives the interest in the opportunity to finance agricultural businesses through crowdlending.

Keywords: Crowdlending, Agricultural Finance, Information Asymmetry, Investment Behavior, Risk Management

Sammanfattning

Ingen annan sektor i Sverige är knuten till så många hållbarhetsmål som lantbrukssektorn. För att framgångsrikt driva den gröna omställningen mot att uppfylla dessa hållbarhetsmål behöver lantbrukssektorn mer finansiering. Idag kommer den största delen av finansieringen från banker och statliga bidrag, men dessa medel är fortfarande otillräckliga och mer kapital behöver allokeras. En finansiell lösning som har vuxit över hela världen är crowdlending, även känt som Peer-to-Peer-lending (P2P) och avser penningutlåning direkt mellan individer och enheter utan hjälp av traditionella institutioner, som banker. Denna form av finansiering är speciellt intressant inom lantbruket då den kan erbjuda en mycket behövande finansiering samt en flexibel lösning.

Denna uppsats undersöker hur svenska investerare och potentiella crowdlending-aktörer ser på möjligheten att delta i crowdlending till lantbruksföretag. Detta gjordes genom att använda en mixad metod ansats, vilket kombinerar kvantitativa data från en enkätundersökning med kvalitativa data från intervjuer. Det teoretiska ramverket består av teorier och begrepp från informationsasymmetri och signaleringsteori som kommer att analyserasmed de empiriska resultaten för att se informationsluckor och transparensförbättringar.

Resultaten av denna studie visar att det finns en efterfrågan på ökad transparens och detaljerad information om investeringsrisker och avkastning. Investerarna uttrycker ett behov av omfattande operativ och finansiell information, inklusive miljöpåverkan och förvaltningsrutiner av projekten som lanseras, för att kunna göra effektiva riskbedömningar och anpassa investeringsbesluten till sina personliga och finansiella mål.

Analysen visar att signalering, med stöd av tredjepartsvalideringar och detaljerade riskbedömningar, är avgörande för att minska informationsasymmetrin och öka förtroendet för crowdlending-plattformar. Slutsatsen är att när låneprojekt är anpassade till agendor som tjänar ett högre syfte, som sociala och miljörelaterade åtgärder, är det också en drivkraft för möjligheten att finansiera lantbruksföretag genom crowdlending.

Nyckelord: Crowdlending, jordbruksfinansiering, informationsasymmetri, investeringsbeteende, riskhantering

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Abbreviations

LTV	Loan to Value
NP	Non-Professional
P2P	Peer to Peer
PD	Probability of Default

1. Introduction

This chapter begins with presenting the background, the empirical and theoretical problem of this study. Furthermore, this chapter continues by presenting the aim, research questions and ends with a description of the outline of the study.

1.1 Background

Today, the global food production is sufficient to meet the needs of the entire population (FAO, 2023). Nevertheless, the COVID-19 pandemic and the war between Russia and Ukraine have led to significant fluctuations in agricultural input and output prices worldwide (SLU Future Food, 2022). In Sweden for example, farmers deal with a fast-changing cost situation and decreased profitability. There is an increased uncertainty about future price volatility and production related risks (ibid). In a recent study by Ludvig & Co, and Swedbank (2023) Swedish farmers perceived profitability to be once again at an all-time low since the crisis in 2016. Farmers feel pressured by past increases in price of inputs, worsened harvests and continued increases in interest rates. As a result, many individuals inhibit a low faith in the future (ibid). Together with rising geopolitical concerns and uncertainty of future disturbance of global trade, the Swedish food supply could face considerable challenges going forward. The Swedish government's national goal of building a competitive food chain - increasing productivity and environmental improvements by 2030 could therefore be at risk (ibid; Regeringskansliet, 2017). As a result of the hard economic conditions a large majority of farmers says that they will most likely cut down on investments for the upcoming year (Landshypotekbanks, 2023).

Farmers' operations are in many ways tied to national and international environmental objectives. In 1999, Sweden developed their own national environmental goals that reflect the implementation of the global environmental goals and Agenda 2030 (Sverigesmiljömål, 2021). These have since then been further developed and have acted as a guideline for Swedish environmental policy. In 2017, Sweden also adopted a climate policy framework as a response to the Paris agreement, with the objective of reaching at least 85% reduced greenhouse gas emission by 2045 compared to emission of 1990 (Naturvårdsverket, 2024). To successfully drive the green transition towards meeting these goals the agricultural sector's environmental initiatives will be vital (LRF, 2023). No other Swedish industry is tied to as many of the environmental goals as the agriculture sector (ibid). According to LRFs recent report *costs for the green transformation of*

agriculture (2023), the yearly investment cost for the green transition amounts to 20 billion SEK with an 15% interest rate. It is a significant amount if put in relation to the sector's turnover of 80 billion SEK per year. To sustain this long-term some of the costs will have to be carried by the government and the market (ibid). However, these costs will not be sufficient on its own as the report also puts emphasis on the fact that strengthened profitability for farmers and increased rate of investment are of equal importance. LRFs president Pelle Borgström states that "*What most limits sustainability efforts in farming and animal cultivation is not a lack of understanding of how nature works, but insufficient funding for environmental and climate measures" (LRF, 2023).* This indicates that viable funding is still not sufficient and more capital needs to be allocated to the agricultural sector.

1.2 Empirical problem

In Sweden the biggest financiers of agricultural businesses are banks that offer loans, credits, and leasing (Jordbruksaktuellt, 2021). For farmers most of the banks offer mortgage loans, private bank loans and leasing for investments in machinery or liquidity loans to stabilize cash flow and different credits such as securing working capital (Swedbank & Landshypotek, 2024). However, the demands of collaterals are often high, either with your real estate, buildings, machines and or a significant down payment as security. In most cases, presenting evidence of a profitable business and sufficient cash flow can be hard to live up to. The mortgage loans, which make up most of the bank's lending, are financed through the issuance of covered bonds that are secured with pledged assets connected to the mortgage loans (Finansinspektionen, 2019). Together these assets make up a security mass for investors that hold these bonds where the security mass value reflects the development of the Swedish housing market. To keep the credit risk low and the trust high for the covered bonds, Swedish legislation regulates and limits the Loan-To-Value (LTV) for different securities between 60 to 75 % to ensure that the assets value of the security mass always exceeds the lended value. LTV higher than 75% imposes a greater risk that the market value of the security mass will fall below the loan's value (ibid).

The Swedish legislation is based on Basel regulations[1] setup by the EU-commission with the goal of strengthening supervision and risk management of the banking sector for it to better withstand economic crises. These regulations come with capital coverage and buffer requirements for bank loans, that through the application of risk weights should regulate the capital kept by the bank in security of a loan (FI, 2014). The higher the risk weight is the bigger the buffer needs to be

[1] Basel is an international regulatory framework aiming to reduce risk in banking by enforcing leverage ratios and reserve capital requirements.

and vice versa. The Basel rules give banks guidance in calculating their capital requirements and banks usually use internal models for this (Finansliv, 2017). When Basel-2 rules were launched a risk weight floor was introduced to make sure that banks internal estimations did not set to low capital requirements for their self. The Basel-3 rules further solidified this in 2014 which by demanding that banks keep even more capital and the risk weight floor increases from 15% to 25% on Swedish mortgage loans (Swedish bankers, 2018). This means that at least 25% margin between the loan's value and the asset being borrowed against must be kept, which gives less incentive for banks to give loans with LTV higher than 75%.

The remaining 25% which is considered the less secure and riskier part of the investment is rarely provided by the banks and it is most often up to the farmers to raise the remaining capital by contributing with their own or their co-financier's capital or receiving a top loan with considerably higher interest rate from other credit givers and lenders. Both Tillväxtbolaget and Gårdskapital companies, which offers alternative credits and loans as complements to the bank loans, insinuate that there is a gap to fill within financing the top of the investments but also to provide and direct more risk-willing capital towards growth-oriented, sustainable, and transitional investments in agriculture (Tillväxtbolaget, 2022; Gårdskapital, 2024). Furthermore, for leaseholders' prominent alternatives to bank loans are missing according to Gårdskapital.

Beyond what is offered by banks there's not many other financing options for Swedish farmers. Per Skargren at Ludvig & Co states that it is especially problematic for new and growing agricultural businesses as they often lack the required historical performance related information that is needed to approve larger loans and similar (Jordbruksaktuellt, 2021). Many farmers therefore need to look elsewhere for funding, but the options are limited. LRFs Junior president Elisabeth Hilden also suggested the same problem during a discussion about generational change with Per Lindblad, CEO at Landshypotek Bank. Hilden implies that many are interested in agriculture but without prior experience within the sector or without a family farm or access to capital it is hard to enter the industry (Landshypotek Bank, 2022). Furthermore, Hilden mentions that it is often the young farmers that feel encouraged to drive the business forward and invest in new technology while the older generation is not as prone to invest to the same extent.

One financial innovation that has been growing worldwide is crowdlending. LendingClub, established in 2007, was an early pioneer that helped raise interest in innovation, and over the years several more companies have been created within the field of crowdlending. Now, companies such as Heavyfinance and Gosteward are paving the way for crowdlending within the agricultural sector in the USA and in Europe companies Lande Finance and Miimosa are quickly making their mark. In Sweden, companies such as Lendify, SaveLend, Kameo, Trine, Tessin and others have popularized crowdlending in other credit segments, for example, consumer loans and real estate, but it has not yet developed as strongly into the agricultural sector. This is something Gårdskapital intends to change.

The crowdlending method, also known as Peer-to-peer (P2P) lending, refers to moneylending directly between individuals or entities without the intermediation of traditional institutions like banks (Maier, 2016). Moneylending is achieved through online platforms that connect borrowers with lenders, i.e. investors of different sorts, who are willing to lend their money in exchange for returns in the form of interest payments (Gårdskapital, 2024). The primary concept behind this financial innovation is to utilize key technologies through online platforms to streamline the exchange process between lenders and borrowers. Crowdlending can thereby provide a more efficient, accessible, and cost-effective alternative to traditional lending and borrowing methods (ibid.). Matthias Karthäuser, CEO of Gårdskapital, explains to the researchers that:

> "In the context of agriculture, crowdlending presents a unique opportunity for farmers and agribusinesses to access capital that may be unavailable or prohibitively expensive through traditional channels. It allows lenders and consumers to support the agricultural sector directly, potentially contributing to sustainable farming practices and rural development while seeking financial returns. The decentralized and direct nature of crowdlending can thus play a role in bridging the financial gaps faced by the agricultural community, fostering growth and innovation within the sector, while potentially catering for increased transparency".

Today, it is only banks and venture capital that have the strength to take on more risk-filled projects, such as startups and innovative business models, while the banks are more directed to projects that already haves a long history of success. If crowdlending could provide a viable alternative or complementary financial solution for financing agricultural businesses, then it could help realize more sustainable initiatives at the farm level and help bring more people into the agricultural sector with transitional intentions that are more prone to invest and engage in business course disruptive actions. This raises the question of whether the Swedish market, lenders, and agricultural business owners (borrowers) are ready for a financial innovation such as crowdlending. Therefore, new knowledge needs to be gathered regarding how lenders view the opportunity to lend to agricultural businesses through crowdlending. Additionally, to promote and enable transactions through this financial innovation, it is important to know what the lenders view as important information and possibilities regarding loans when deciding to finance the agricultural businesses. This way, business owners in the agricultural sector can increase their success in securing financing by adhering to these views, and it is more likely they will be recognized and considered by crowdlenders.

1.3 Theoretical problem

When new initiatives are being launched, the biggest challenge is often the need for finance (Maier, 2016). As mentioned before, traditional funding models are often a time-consuming process, which can hinder entrepreneurs from focusing on business

developments, such as investing in new technologies or entering new markets (Motta & Sharma, 2020). According to Guo (2020), there are patterns that show that traditional funding is decreasing and that P2P crowdlending platforms are trending upward. This phenomenon can be ascribed to the often-high requirements the traditional funding method has and that many newly started businesses cannot reach at an early phase. Other studies, such as Tang (2018), state that the crowdlending platform will never work as a primary source of loans due to increased upfront effort in terms of understanding the platform, marketing the project they need funding for, and communicating trustworthiness to the lender. However, he believes that the platforms will work as a complement to bank lending and fill the financial gaps that the bank cannot provide. This is only if the credibility regarding crowdfunding can be increased (ibid.).

Crowdfunding has four different types of exchange models between creators and lenders: reward-based, donation-based, lending-based, or equity-based systems (Mollick, 2014). This study, however, is concentrated on crowdlending, a particular form of investment-based crowdfunding where lenders are offered a pre-defined interest rate on their investment (ibid.). Evans and Schmalensee (2016) refer to crowdlending and operations through multi-sided platforms as an engagement between buyers and sellers in convenient, trustworthy transactions. Most of the previous research has focused on trust and risk assessment in crowdlending. Several solutions have been presented to minimize the lack of trust. Zhang et al. (2020) presented a more advanced credit scoring model trained with machine learning from different scenarios. Basti et al. (2019) proposed a two-stage scoring approach to help lenders choose the best investment.

Fewer studies have explored the factors that specifically make lenders interested in crowdlending, particularly within the context of investment-based crowdfunding. Existing studies aligned in that area include Stonkes et al. (2021). Stonkes et al. (2021) explored the general investor's willingness to pay for crowdfunding campaigns related to climate solutions in agriculture. However, the study only focuses on a small area outside of Oslo, in Norway. Another study by Bi et al. (2017) explores what makes an environmentally oriented crowdfunding project attractive to investors and how entrepreneurs can frame their projects in a way that fosters its attractiveness. Researchers indicated that the crowdlending platform can be a suitable option for borrowers who are focusing on making a sustainable change (Ferrer et al., 2023; Maier, 2017) The increased use of crowdlending and its role as a complement to traditional bank loans, as outlined by Ferrer et al. (2023), present greater challenges for farm businesses. These include heightened administrative work and reporting due to the information requirements of the crowdlenders investing in the platform.

Consequently, more research is needed to understand what kind of information is needed for the lenders and what kind of crowdlending projects they are interested to participate in.

1.4 Aim

The aim of this study is to examine how Swedish investors and potential crowdlenders view the opportunity to participate in crowdlending of agricultural businesses. This will be accomplished by analyzing the statements of the potential crowdlenders regarding lending their funds through this kind of financial innovation. Furthermore, this study will provide insights into what information and needs associated with agricultural business loans are valued by the crowdlenders. To reach the aim of this study, the following research questions will be answered:

- How do Swedish investors and potential crowdlenders view the opportunity of participating in crowdlending towards agricultural businesses?
- What types of purposes for loans, functionalities tied to the platform and informational requirements are preferred by potential crowdlenders?

1.5 Delimitations

The focus of this study is limited to crowdlending within the Swedish agricultural sector, as the aim is to examine investors' and potential crowdlenders' views on lending to agricultural businesses through this financial innovation. The intention is to capture and discuss multiple perspectives on crowdlending of agricultural businesses from different backgrounds. Therefore, no strict limitation to the type of lender is considered, as any type of saver, non-professional or professional, could technically be involved in this type of loan funding. However, the only limitation is that the lenders will have to have origin or affiliation within Swedish markets, as it aligns with the focus of the study.

1.6 Outline

An introduction chapter presenting background information about the study opens this thesis. Thereafter, the problem statement, the background information on the area of study, and the study's purpose and research questions is presented, ending with the delimitations of the study. The theoretical framework and literature review are presented in the second chapter, giving the reader more information and problematizing the subject further. Chapter 3 includes the research methodology and the potential effects of methodological decisions on the findings. The researchers also present the data collection and analysis methods. Chapter four presents the empirical findings and analysis of the study, followed by a presentation of the results and discussion in chapter five. Chapter six presents the conclusions, and the thesis ends with a bibliography and appendices containing the interview guide, as well as statistical information.
This outline is illustrated in Figure 1.

Figure 1, Outline of the thesis. Source: own illustration.

2. Literature review

The relevant theories and literature are presented and described in this chapter, starting with the information asymmetry and signaling theory and followed by the literature on risk assessment and predicting profitability of crowdlending loans. This chapter ends with an explanation of the crowdlending process and platform.

2.1 Information asymmetry

Information asymmetry was first introduced by George Akerlof in 1970 and gave new perspectives to the field of information economics (Akerlof, 1970). By using the automobile industry as an example Akerlof could prove that in markets with asymmetric information, where one party's knowledge of a product's quality exceeds the other parties, adverse selection will occur. This happens because the more informed party can leverage its knowledge advantage against the less informed party for additional benefits, which could mean potential negative outcomes for the less informed party. It can be further exemplified in the case of investors and entrepreneurs. Courtney et al. (2017) explains that in this case the investors are usually the less informed party and face the risk of financial losses based on bad investment decisions. The probability of a successful transaction between the parties is thereby determined by the extent to which the entrepreneur can provide credible information of their potential, as the investor is more hesitant to invest if information is incomplete or not available. In our study, one could view the agricultural business owners (borrowers) as entrepreneurs and the potential crowdlenders as investors. Between them, there is an information gap that needs to be filled to promote transactions and reduce information asymmetry.

2.2 Signalling Theory

Courtney et al. (2017) draw upon the suggestion of signaling theory introduced by Spence (1973) as a potential solution for enabling exchange between investors and entrepreneurs within crowdfunding. This means that the entrepreneur can help reduce the effects of information asymmetry by providing additional information to the investor about unobservable facts (Spence,1973). This additional information signals to the investors the negative and positive aspects that influence their investment decisions. For stakeholders to process these signals with positive attitudes, they must be believable, i.e. credible (Fischer & Reuber, 2007). Many

studies have been conducted to recognize the factors that can raise the credibility of the signals. Fischer & Reuber (2007) suggest signals from a third party can raise credibility, Hsu & Ziedonis (2013) give evidence of patents as strongly connected to successful financing, and Stuart et al. (1999) show empirical findings of the effect of having prominent affiliates and third-party endorsements as a signal of quality. Courtney et al. (2017) test multiple internal and external signals, such as the use of media, the founder's prior crowdfunding success and third-party endorsements in terms of their effects on information asymmetry within crowdfunding. They show that, although internal signals may offset each other's effects, external signals can help validate them and have positive outcomes for crowdfunding success. In the context of this study, it is the agricultural business owners (borrowers) that need to send the right signals and disclose/communicate the right information to persuade the lenders (investors) to lend their capital. It is interesting to know what information this entails so that future borrowers can utilize this knowledge to disclose the right information associated with the loans to the lenders and thereby potentially raise their attractiveness.

2.3 Risk assessment and predicting profitability of crowdlending loans

The main concern of the peer-to-peer market (P2P) is that of information asymmetry (Lin et al., 2012). Disclosing more information will increase the efficiency of the market's transactions and give better incentives towards investments in crowdlending. Nevertheless, one must know which information is important to disclose, and in an agricultural context, it is not clear what information has an impact on the lenders' evaluation process of determining a good crowdlending opportunity from a bad one. This is especially relevant in the case of lenders' assessment of risk and returns.

Lenders in crowdlending and P2P lending are faced with two decisions, selecting a loan (project) and the amount they are willing to invest (Ribeiro-Navarrete et al., 2019). As this type of lending is usually unsecured and lenders' profits are determined by the payback possibility of the borrowers, there is a considerable financial risk for the lenders to try to mitigate and evaluate (Basti et al., 2019). This involves assessing the risk associated with the loans, i.e. the probability of default (PD) of the borrowers, and there are several ways to predict this (ibid). By using multiple sources of available information surrounding the context of a loan, factors that explain PD have been recognized and modelized to assign loans with credit scores according to the level of associated risk (PD). Serrano-Cinca et al. (2015). gave evidence that this type of scoring in P2P lending, as well as providing information about predictive factors of default such as borrowers annual income, credit history, indebtedness, and the loan purpose, are significant for assessing PD outcomes. Guo et al. (2016) suggest an instance-based model of assessing credit risk for investment decisions as a response to the difficulty of normal rating-based models. Due to historical data of performances of borrowers often being undisclosed, it is hard to make accurate predictions of future performances. Instead,

historical data of loans with similar attributes can be used to determine the outcomes of new loans to optimize investment decisions within P2P lending. This method also helps to determine each loan's risk more precisely instead of only categorizing loans within a few numbers of risk levels, resulting in easier comparison between loans.

However, P2P lenders' objectives differ from those of traditional lenders in such a way that they also take interest in the profit the loans generate (Basti et al., 2019). They may choose a loan with higher risk as they often include higher interest, meaning more income if successful. Serrano-Cinca & Gutiérrez-Nieto (2016) suggested assigning loans with profit scores determined by the internal rate of return (IRR) and proved that this, in combination with traditional credit scoring, sometimes outperforms isolated analysis of credit risk. Because the rate of interest of borrowers fully reflects all available information in the credit market, lenders cannot select borrowers in an efficient market and get positive abnormal returns (ibid). Equilibrium is reached in a perfect market when the supply of loans provided by borrowers equals the demand for loans, and the interest rate perfectly reflects the risk of the loan. This is not the case as the study suggests that the P2P market is inefficient and that abnormal returns are accessible. Increased transparency and more disclosed data about a P2P exchange opportunity will improve market efficiency as profit scoring can be better utilized to determine fruitful investments.

If the crowdlenders take interest in capturing these abnormal returns and need specific information about a project to do so, then in an agricultural context, they would have to know information that is valuable from an agricultural business perspective.

2.4 The crowdlending platform as the intermediary

It is through the crowdlending platform that agricultural business owners (borrowers) and investors (lenders) will be brought together and establish agreements. Here, borrowers will be able to provide information about their projects and lenders can screen for lending opportunities that fit their needs.

The process involves the following steps: Firstly, borrowers apply for a loan by providing essential information about their project to the intermediary in charge of the crowdlending platform (Gårdskapital, 2024). The information provided considers mostly financial aspects of the loan and the project, such as the amount requested, details about the borrower's financial situation, various financial data about their business as well as the plan of how the borrower intends to use the funds. By analyzing the information, the intermediary then determines how creditworthy the borrower is, frequently using advanced algorithms to estimate the loan's risk. This evaluation determines the interest rate for the loan, which represents the estimated degree of risk.

After the loan has received a rating and been approved it is enlisted on the platform (Gårdskapital, 2024). Enlisted loans can thereafter be reviewed by investors

(lenders), allowing them to select the loans to fund that align with their risk tolerance and investment criteria. The lenders have the option of funding either all or a part of a loan and multiple loans at the same time, which allows them to diversify their investments across a range of risk profiles and borrowers. Principal and interest repayments are distributed to lenders proportionally with regards to their invested amount and these transactions are facilitated through the platform. In return for the facilitation services, the intermediary charges a fee on these transactions to either or both, the lender and borrower.

The crowdlending platform proposes promising opportunities for promoting more investments in the agricultural sector, especially at the farm level. However, it is through this financial innovation that information asymmetry arises and may diminish depending on the signals that are sent by the borrowers, communicated through the platform, and received by the lenders, thereby either giving incentive or disincentive to invest. Therefore, it is necessary to investigate what signals, i.e. information and opportunities associated with the loans, potential crowdlenders seek in their assessment of them.

3. Method

This chapter presents the method used in this study, starting with the research philosophy and followed by the research design. In the section 3.3, data collection, we first explain the quantitative data collection followed by the qualitative one. This chapter ends with a discussion of the quality assurance precautions in this study and the ethical considerations considered when writing this thesis.

3.1 Research philosophy

In the world of business studies, the enhanced explanation regarding how we think about knowledge and reality is important (Bryman & Bell, 2019). Regardless of the research approach, the individual belief of reality can shape and lead the research into areas that are not in line with the methodology (Myers, 2020). Therefore, it is essential that the philosophical perspectives are explained so the reader can understand and follow the research paradigm (Guba & Lincoln, 1994). The philosophical distinction between qualitative and quantitative research has been widely discussed and developed over the years, where the respective ontological and epistemological stances which guide the researcher are quite clear. However, it is not as clear for mixed method research that this study uses, although one unison in the broader discussion of mixed method research is that it should be pragmatically driven (Biesta, 2015). This means that the research questions should be central for determining if a mixed approach is appropriate and what set of tools should be implemented.

Biesta (2015) reviews earlier research and discussions of pragmatism as a potential guiding philosophical framework for mixed method research. The idea is that one should not view pragmatism as a philosophical position, instead one could consider it as a multitude of tools for helping the researcher to address problems derived from the research questions. Knowledge, from the perspective of pragmatism, is formed by the interplay between action and reflection of the outcomes and consequences of action (ibid.). Biesta draws upon the conclusions of Johns Dewey's transactional theory of knowing, that the objects of knowledge are constructed from the interactions between actions and their consequences, and this is the result of individual engagement in different ways. It is the transactional situation and the determinants of the situation that matter. In certain circumstances, what was feasible in one scenario may also be feasible in another, but, in other scenarios, when the determinants are different, the situation alters, making what was feasible in one scenario impractical in another. Therefore, in that sense, it is impossible for

knowledge to give a deeper understanding or a more realistic explanation of one true unified world; instead, it gives information on possible action-consequence-based connections true to the individual's reality.

Biesta (2015) further emphasizes that Dewey's conclusions and attempts to paint the picture that no approach is superior to another, but rather that each approach produces different results and different connections between actions and consequences; therefore, we constantly have to pragmatically evaluate our knowledge claims with relation to our knowledge creation process, in order to avoid making any claims that are are not backed by the methods implemented. The notion is that research is unable to inform us of what exists or what will exist; it can only ever give us ideas of what has most likely existed (ibid.). Research outcomes should be treated as "warranted assertions" and not definitive ever-existing truths.

3.2 Research Design

This thesis follows a mixed method research design, which includes the use of both quantitative and qualitative methods (Azorin & Cameron, 2010). The quantitative method emphasizes the use of objective measurements, such as numerical data and statistical analyses (Bryman & Bell, 2019). In contrast, the qualitative method focuses on collecting and analyzing non-numerical data to understand concepts, opinions, or experiences (ibid.). The mixed method design is chosen since the information that is required in this thesis is not accessible with just one of the quantitative or qualitative approaches applied. According to Plano Clark & Ivankova, (2016) the mixed method approach provides more in-depth information and results than a monomethod. This is because the researchers are viewing the components of the problem from several dimensions. This is also in line with the goal of the thesis - contribute to the literature that has already been published (Schoonenboom & Johnson, 2017).

In this study, the sequential exploratory design is employed, focusing on factor analysis without hypothesis testing (Robson & McCartan 2016). The research begins with a survey to collect both quantitative and qualitative data about lenders. Insights and answers from the survey inform the development of an interview guide for concurrent in-depth qualitative interviews with survey respondents in the second phase of data collection. Data integration from both phases occurs in the final analysis and discussion sections, with a qualitative emphasis on providing depth and enhancing the validity of the findings (Tashakkori & Teddlie, 2009), thus prioritizing the qualitative aspect.

The mixed-method framework also implies an abductive approach, where the best explanation for the observed phenomena is deduced through informed speculation, weighing various hypotheses against the data collected (Bryman & Bell, 2019). The quantitative component analyzes survey responses from potential crowdlenders, focusing more on exploratory analysis than on confirming hypotheses. This information sets the stage for the qualitative component, which consists of semi-structured interviews tailored to the insights gained from the survey. These

interviews aim to delve deeper into the nuances revealed by the survey responses, striving to uncover the motives or more in-depth reasons among participants.

3.3 Data collection

3.3.1 Phase 1: Survey

As described earlier, the first phase of the data collection consisted of sending out an online survey in the Netigate tool with the aim of gathering qualitative and quantitative data on potential crowdlenders' views and information needs regarding crowdlending to agricultural businesses. Technically, any individual or entity that invests or saves could be a lender in the type of crowdlending that this study examines, therefore the sampling method cannot be too targeted towards a specific group of people or entities. Although this study intends to capture the broader field of crowdlenders, some targeting is required as investment professionals usually "fly under the radar" and are less likely to answer publicly published surveys. The chosen population is investors and savers within the Swedish market. Therefore, to choose respondents for the survey, a mixture of purposive and convenience sampling methods where implemented. Purposive sampling is a non-random sampling method used in qualitative research where the researcher selects participants based on specific characteristics or qualities they possess, which are relevant to the research question or objectives (Robson & McCartan, 2016). In the context of this study the purposive sampling was conducted by identifying professional investors of different sorts and then sending the survey directly to them via email. Convenience sampling means selecting cases on the premises that they are easily obtained. This involved using platforms to spread the survey to mainly non-professional investors, such as ordinary small savers. Furthermore, the snowball sampling method was also used to increase the response success rate and to identify more investment professionals, where the respondent was encouraged to spread the form around their network to other investors of interest for the study. It is especially useful when trying to capture respondents who are hard to reach (Naderifar et al., 2017).

Setting up a questionnaire is considered a key component of a survey-oriented study (Kothari, 2004). A researcher needs to carefully consider how the questionnaire should be constructed to avoid weakening their results and receiving half-hearted answers. According to Kothari (2004), there are three main aspects that the researcher should consider when constructing a questionnaire: the general form of the questionnaire, question sequence and question formulation and wording. These aspects guided the construction of the questionnaire for this study. The questionnaire followed a structured format with predetermined questions but also incorporated unstructured elements to invite more in-depth answers. The questions were sequenced from more broad and general questions first to thematic questions that gradually became more specific, narrow, and difficult. This way, the questions relating to one another were made clear and, the flow was smoother for respondents; it ensured that more information was gathered if the respondents opted for not answering the more difficult questions at the end of each theme (Kothari, 2004).

Questions ranging from dichotomous, multiple choice, closed, open-ended, scale and rating/ranking types were used in a mixed way to get the most appropriate data with limited burden for the respondent. The questions were formulated and worded in a simple, concrete, and easily understood way to prevent misunderstandings. Before being sent out to respondents, the survey was tested and iterated multiple times, together with Gårdskapital, an independent investor and with our thesis supervisor. As crowdlending in the context of the agricultural sector is a rather new concept, the respondents were briefly introduced to the subject area at the beginning of the survey (see Appendix 1) so that they could more easily understand the questions' connection to what was being studied.

The survey was active between the 26 of March and 19 of April. The survey was directly sent to 110 respondents via email, consisting of mainly professional investors of different sorts. Out of these, 9 answered the survey, and 7 completed the survey. Two reminders were sent out to the respondents within a few days of the initial dispatch and between the remainders. The survey was published on the social media platforms LinkedIn and Facebook and then republished once more one week later. The survey was also distributed through the authors' personal networks and published in an event invitation through Vreta Kluster's channel. Forty-seven respondents answered the survey, and 40 completed the survey.

3.3.2 Phase 2: Interviews

Semi-structured interviews have been used to collect the remaining in-depth empirical data. The participants in the interviews are potential crowdlenders who in the survey accepted to be interviewed. To meet the study's objective, the researcher needs participants who can provide insight and perspectives into the research topic. Therefore, a purposive sampling method was chosen (Bryman & Bell, 2019). Semi-structured interviews are useful when detailed and rich data is needed. The method also gives the researcher a better chance to ask for clarification or elaboration than other interviewing methods (Bryman & Bell, 2019). Furthermore, with this method, it is possible to broaden the study and reach other perspectives in the research area (Ruslin et al., 2022). However, if the questions asked are open-ended or indirect, there is a possible chance that the information required goes missing. Therefore, the researchers have followed an interview guide as a checklist, so the right questions are asked and elaborated, and all the areas of crucial information are covered.

Table 1 presents a summary of the interviews conducted. Due to the convenience and the distance between the participants, video interviews were chosen. All interviews were recorded to reduce the risk that material goes missing or forgotten. To make sure all material needed was collected the researchers followed the predefined interview guide (see Appendix 2), asked for additional thoughts in areas that were not yet fully covered and if the respondents had any additional questions (Robson, 2011). Before the interview, the participants were introduced to the subject once more and to the purpose of the study, so that they were more familiar with what the interview would cover. After the interview, the interviewees got a summary of the information the researchers collected so they could approve and

correct if some of the information was not accurate. Three respondents from the survey with different backgrounds were selected.

Table 1: Summary of interviews

Interviewees	Date	Duration	Format
Interviewee 1	2024-04-07	45 min	Video interview
Interviewee 2	2024-04-07	35 min	Video interview
Interviewee 3	2024-04-11	35 min	Video interview

3.4 Data analysis

3.4.1 Survey & factor analysis

In quantitative research, data must be analyzed for one to draw realistic contextual conclusions (Albers, 2017). It is not about processing numbers but rather critically thinking about how the data can be analyzed to reveal underlying trends, patterns, or relationships in the data regarding that which is being studied and what it entails. It is the most important part of a quantitative study as it determines how the results can be transformed into information that can explain its meaning and how it is relevant in a general and clarified context (ibid).

In this study, a multivariate analysis or, more precisely, an exploratory factor analysis was conducted due to the data collected in the survey for some questions containing many variables that are hard to analyze in their original form. Multivariate is an analysis form where multiple variables are analyzed at the same time (Bryman & Bell, 2019). Factor analysis, which is a multivariate analysis technique, can be used to analyze interrelationships of variables in a data set, thereby enabling the researchers to condense the data and explain the variables in a smaller set of factors (dimensions) that is applicable to the reality that is being studied, without sacrificing important information in the process (Hair et al., 2009). Through this statistical approach, the structure of the variables creates an objective basis for further analysis and discussions. Factor analysis can either be from an exploratory or confirmatory viewpoint, meaning either the researcher extracts the information that the data provides without putting constraints on the analysis beforehand or there is a preconceived idea of the data's structure derived from earlier research and that the researcher intends to test with predetermined constraints on the analysis (ibid). As the primary concern of this analysis is discovering latent constructs and/or dimensions and that there is little knowledge of the structure of the variance, thereby a common factor analysis or principal axis factoring is best suited. It is also best suited when the factors are considered correlated and the researcher is trying to understand the shared variance, which is

the case in this study and most social research (Winter & Dodou, 2012; Warner, 2013). It is also preferred and most used in social and behavioral research. The common factor analysis in this study follows the step-by-step guide described in Hair et al. (2009) and the analysis was conducted through the statistical tool STATA.

The oblique Promax rotation method was used as it allows factors to be correlated and does not force them to be correlated in the case they are not (Winter, 2019). Oblique methods are preferred in social research where correlation is often assumed between factors assumed by the researchers of this study. For determining the number of factors to extract, the latent root criterion was used. Eigenvalues of factors higher than 1 were considered significant and thereby included. The rest were considered insignificant and thus discarded and not deemed acceptable (Hair et al., 2009). Factor loadings need to be above 0.3 to be acceptable; however, values need to be 0.5 or higher to be of practical significance thus, this was used as a cut-off point in this study. It all depends on the sample size and when the sample is small, the higher the loadings are, the better it is for the results. Variables with cross loadings where also discarded. To assess the reliability and internal consistency of the results the Cronbach's alpha was measured. For exploratory research, a coefficient of 0.6 is acceptable, but a coefficient of 0.7 or higher is generally preferred (ibid.).

3.4.2 Subsequent analysis

For subsequent analysis of survey questions and factor analysis, pairwise Pearsons's correlation was used to identify linear relationships between various aspect connected to the topic and the respondents (pairwise in STATA allowed for further test simultaneously such as testing for significance). A confidence-interval of 95% was adopted, testing one-tailed significance of 5% indicated with a star sign. This is to test if the chance of the correlation to be true and not zero is within the interval (Schober & Boer, 2018). A correlation of 0-0.1 is considered negatable, 0.1-0.39 as weak, 0.4-0.69 as moderate and 0.7-0.89 as strong.

3.4.3 Interviews

The qualitative data analysis is the process of categorizing, classifying and interpreting verbal, visual or textual material to draw conclusions about the materials' hidden and visible subjective and social structures and dimensions, as well as what is represented. The aim of qualitative data analysis could be summarized into giving more in-depth descriptions (of a phenomenon or that which is being studied), explanations of differences in relation to the descriptions, and finally, developing a theory or structure of the phenomenon out of analysis of the empirical evidence.

Firstly, the collected data from the interviews was transcribed and organized to enable a more easily facilitated process of proceeding with the analysis and getting familiar with the data (Braun & Clarke, 2006). However, the transcription was limited to capturing the statements that were determined as important for the

purpose of the study, as thematic analysis does not require the same level of detail as other forms of analysis. However, it is important that the information is true to its original form and that the words are not put in the mouths of the respondents (ibid.).

Secondly, to make the data more comprehendible for the researchers and for the readers (Schober & Boer, 2018)., a thematic analysis of the transcribed data was conducted. This is done, for example, by recognizing and discovering in the data, repetitions, similarities, differences, transitions, typologies, and analogies that reoccur, are unfamiliar, are missing and things that are unique or new and so on (Bryman & Bell, 2019). This guidance to identifying themes was adopted in this study and thereafter the themes were explained and presented in a fitting and structured way. In this way, the conclusions drawn from the analysis of the empirical findings can be more easily recognized by the readers and researchers (Braun & Clarke, 2006). The most important part of thematic analysis is to be transparent about the process, as thematic analysis lacks clear implementation procedures and is flexible to the motives of the researcher (Braun & Clarke, 2006; Bryman & Bell, 2019).

3.4.4 Ethics

All behaviors are to some degree shaped by the ethical principles that exist in people's cultures, education, and religion (LeCompte & Schensul, 2015). When conducting research, there are requirements to act in a way that causes as little harm as possible to the individuals that participated (Bryman & Bell, 2019). Therefore, in this study, the researchers are considering the four ethical requirements by Brinkmann & Kvale (2014): confidentiality, informed consent, consequences, and the role of the researcher. The confidentiality aspect is to protect the participants' identity and hold their information confidential (Sanjari et al., 2014). The second requirement, informed consent, is about giving the respondent information regarding the aim of the study and the research questions. This gives the participants a chance to decide if they want to be a part of the study and an understanding of what is expected from them by participating (ibid.). The respondents were informed beforehand that the interview would only be recorded to prevent misunderstandings. Also, respondents had the opportunity to approve whether the conversation could be recorded. Lastly, the participants' name and company are left anonymous since it would not add any additional value. Survey respondents were first introduced to the survey and informed about what their participation in the survey would mean for them (see Appendix 1) before they began answering.

3.5 Research quality assurance

Evaluating and ensuring quality is an integral part of helping create acceptance and receiving approval of one's knowledge claims in any research, including mixed method research (Plano Clark & Ivankova, 2016). However, as the researcher needs

to collect multiple data of different sorts and analyze them concurrently, quality assurance can be hard to conduct (Tashakkori & Teddlie, 2009). Additionally, there is less consensus among scholars on what is regarded as quality in mixed method research and how it can be assessed, which adds even more complexity to the process (Plano Clark & Ivankova, 2016). However, multiple suggestions and perspectives on how to view and address quality in mixed methods research exist. Therefore, it is not a concern of limitations of methods, instead, it is the researcher's choice of quality assessment methods of how appropriate they are for the specific mixed methods study that is important to address and evaluate (ibid.). There are three common quality assessment perspectives in the mixed methods literature: individual quality assessment of each qualitative and quantitative part of the study, evaluation of the quality of the conclusions of the entire study and quality considerations connected to the selected mixed method design. Depending on which perspective is adopted, there are several terms suggested in the literature to use for assessing quality. The important part is that what is chosen should be backed and justified by relevant literature. In this study, the quality assessment has been focused on evaluating the inferences or the outcomes of the quantitative and qualitative data analysis individually. Each individual phase of data collection has been evaluated in isolation with the use of quality assurance methods presented by Bryman & Bell (2019). This included assessing trustworthiness and credibility for the qualitative aspects and reliability and validity for the quantitative aspects.

3.5.1 Limitations

Sample size

It is worth noting the small sample size of 47 survey respondents and how it may come to affect the findings. A false positive or false negative (Type 1 and type 2 error) are more prone to occur with smaller sample sizes (Saunders et al, 2019). Type 1 error is due to falsely rejecting the null hypothesis when it should instead be confirmed, and type 2 error is the same but the inverse. In the context of this study this may imply for the correlations that we could possibly falsely conclude that two variables are associated or not associated. Depending on what significance level or risk that is used there is an increased chance of either type 1 or type 2 error to occur. In the case of this study a p-value of 0.05 have been used for determining significant associations, this means that the likelihood of type 1 error occurring is higher.

Sample selection bias

As this study used convenience sampling it imposes validity issues for the research findings. As the survey was published on Facebook and LinkedIn there is the possibility that individuals that is not representative for the context of the study have participated which could affect the results. It lowers the overall generalizability of the finding as one cannot for sure say which population this sample represents (Bryman & Bell, 2019). The use of purposive sampling also has disadvantages. There is the researcher bias that need to be considered as the selection of participants is based on the researchers' perceptions. There is also the

possibility of the Hawthorne-effect occurring, where respondents that gets selected, alter their responses on the premises that they know they are targeted and based on their perception of what is the goal of the research.

4. Empirical data and analysis

This chapter presents the data produced by the survey and the in-depth interviews with survey respondents. The empirical data of the survey and the interviews is presented separately in their own sub-chapters 4.1 and 4.2. All respondents are anonymous and are only presented with the background they have given as identification.

4.1 Survey

4.1.1 General background of survey respondents

In this section closed answers regarding the respondent's financial background will be summarized and presented in tables. Open answers in connection to respective closed question will be summarized underneath.

Table 2: Survey respondent investor types

Which investor type—or other—best describes you among the following? (That is, what type are you most affiliated with when making investments or saving, for instance, in your day-to-day activities or at work.)		
Business angel	8	17,0%
Individual investor (Private saver)	30	63,8%
Institutional investor	0	0,0%
Venture capitalist	3	6,4%
Private equity	2	4,3%
Family office	2	4,3%
Investment company	1	2,1%
Other	1	2,1%

The respondent who assigned themselves as "other" gave their own term as an entrepreneur and business developer. Most of the respondents (25) answered that they are from municipalities around and in near connection to Stockholm and few of the respondents (5) are from municipalities north of the Stockholm region and the rest (8) from municipalities south of the Stockholm region or southern parts of Sweden. In the following data tables individual investors (Private savers) will be denoted as "NP" for non-professional investors and other options denoted as "P" for professional investors.

Table 3: Demographics and background information of survey respondents

How do you perceive your general knowledge of investments and financial placements? (incl. bonds, loans, credits, and other types of lending)?	NP	P	All	
Very high	3	3	6	12,8 %
High	18	8	26	55,3 %
Neither high nor low	5	5	10	21,3 %
Low	2	1	3	6,4 %
Very low	2	0	2	4,3 %
Prefer not to say	0	0	0	0,0 %
How do you perceive your general knowledge of agriculture?				
Very high	1	1	2	4,3 %
High	5	2	7	14,9 %
Neither high nor low	7	9	16	34,0 %
Low	11	4	15	31,9 %
Very low	6	1	7	14,9 %
Prefer not to say	0	0	0	0,0 %
How do you perceive your general knowledge of sustainability issues and environmental measures in connection to agriculture?				
Very high	0	1	1	2,1 %
High	8	7	15	31,9 %
Neither high nor low	11	3	14	29,8 %
Low	6	6	12	25,5 %
Very low	5	0	5	10,6 %
Prefer not to say	0	0	0	0,0 %
Estimate the total value of your financial investments and your savings right now? (incl. bonds, loans, credits and other types				
0 - 100 KSEK	2	1	3	6,4 %
100 - 500 KSEK	8	1	9	19,1 %
500 - 1000 KSEK	6	0	6	12,8 %
1-5 KSEK	7	4	11	23,4 %

5 - 10 KSEK	2	2	4	8,5 %
10 - 20 KSEK	1	4	5	10,6 %
20+ KSEK	2	5	7	14,9 %
Do not know	0	0	0	0,0 %
Prefer not to say	2	0	2	4,3 %
What types of assets are you investing/saving in today?				
Securities (stocks, funds etcetera)	26	10	36	78,3 %
Real estate	12	10	22	47,8 %
Raw materials	0	0	0	0,0 %
Private companies / start-ups	8	13	21	45,7 %
Loan and credits	8	3	11	23,9 %
Prefer not to say	1	0	1	2,2 %
Other	0	2	2	4,3 %
Do you have a connection to agriculture? (That is, if you own/operate or know someone who owns/operates an agricultural business)				
Yes	17	12	29	61,7 %
No	13	5	18	38,3 %
Prefer not to say	0	0	0	0,0 %
Have you invested in the agricultural sector or financed agricultural businesses earlier?				
Yes	5	5	10	21,3 %
No	25	12	37	78,7 %
Prefer not to say	0	0	0	0,0 %
Have you invested or lent through crowdlending or similar earlier?				
Yes	4	2	6	12,8 %
No	26	15	41	87,2 %
Prefer not to say	0	0	0	0,0 %

Some respondents specified their answers by sharing that they had invested earlier through other crowdfunding and lending with companies such as Tessin, Kameo, Lendify and Savelend, but not specifically towards agriculture. Three respondents specified in their answers that they had invested in their own or family-owned agricultural businesses but also directly financed other agricultural businesses. Other respondents mentioned that they had invested in the agricultural sector

through securities in companies that have a direct or indirect affiliation with the sector.

4.1.2 Perception and views of financing and investing in agricultural businesses

In this next section, closed answers regarding the respondents' views on financing agricultural businesses and crowdlending will be summarized and presented in a table. The respondents got to motivate their answers and added additional aspects for their view on crowdlending and financing of agricultural businesses, which are summarized below. Single open answers are marked with a respondent number and if they assigned themselves as a professional "P" or non-professional investor "NP" (e.g. if they work with investments-related activities or not).

Table 4:Survey respondents views on financing agribusinesses.

How do you view investments in and loan financing of agricultural businesses?				
The financing and investments opportunities are many?	NP	P	ALL	
Completely agree	3	4	7	14,9%
Partially agree	12	3	15	31,9%
Partially disagrees	6	2	8	17,0%
Completely disagrees	1	2	3	6,4%
Do not know	8	6	14	29,8%
Investments and financing are easily conducted?				
Completely agree	0	0	0	0,0%
Partially agree	3	3	6	12,8%
Partially disagrees	9	4	13	27,7%
Completely disagrees	7	2	9	19,1%
Do not know	11	8	19	40,4%
The risk-adjusted return potential is attractive?				
Completely agree	2	0	2	4,3%
Partially agree	6	5	11	23,4%
Partially disagrees	5	4	9	19,1%
Completely disagrees	2	1	3	6,4%
Do not know	15	7	22	46,8%

Views on financing possibilities of agricultural businesses

Respondent NP45 shared that "there are many different areas to invest in, but they are often capital-intensive areas such as land and machinery". Respondent NP35 shares that you can easily buy securities in businesses that are actively pursuing agriculture or that own agricultural businesses but find it harder to invest or finance smaller agricultural businesses. Respondent NP32 finds it generally difficult to find out about investment opportunities among agricultural companies due to limited visibility and access to such investments. Respondent NP32 shares that "It feels like it's a rather small pond, where the investment opportunities that arise are mainly communicated and pitched to other farmers or people who are already part of their network". NP32 also shares, "My thought has always been that farmers are

traditional in their approach and usually work with traditional bank financing". Several respondents answered that they were unfamiliar with the sector and never considered or tried looking at agricultural businesses or the agricultural sector for investment opportunities, thus having no opinion.

Respondent P19 presses the importance of new financing alternatives for agriculture as key for facilitating and driving the sustainable transition forward and states that without the support and engagement of government and industry players, transitioning will not be possible. Respondent P14 considered as an option instead of crowdlending that one could also form an investment company and that the company can then invest in agricultural businesses in corporate form, and thereby take a share of the business proceeds and capital. The respondent shares that this concept does not exist in such a form in Sweden as far as he knows but is exercised in other EU countries.

Financial aspects and risks associated with agricultural business financing

Several respondents touched on the financial aspects of agricultural businesses as a downside. These involved perceptions of Swedish agriculture, such as that they consider agricultural businesses and their affiliated areas as capital intensive and that they, in general, have low returns, struggle with profitability, and are too dependent on subsidiaries and governmental support. Therefore, justifying an investment is generally hard in most cases. Respondent NP39 says that agriculture is generally not associated with high-risk adjusted returns. Several respondents also mentioned the uncertainties regarding climate and weather dependency of agricultural businesses. Respondent NP7 shared that because of this uncertainty of the cyclical nature of the business, it is challenging to get a clear picture or visibility of the potential income and cash flows, thus increasing the perceived risk but also has the potential to generate a high profit. Regarding the difficulty of weather dependency, respondent NP 40 thinks that if estimating a return over 5 years or longer, it would be necessary to look at the average return for a single year. Respondent NP38 finds it difficult since agriculture is protected and extra-regulated.

Respondents NP40, P36, and NP18 also direct their concerns toward the complexity of the structure of the businesses as most of the businesses are smaller, usually privately or family-owned, and heavily dependent on the business owner's situation. This implies many soft values and non-monetary factors that need to be considered. Respondents P36 and NP38 point out aspects such as the quality of management and the importance of a "Good entrepreneur" as success factors. Respondent NP18 shared that:

"Investing in another agricultural business places high demands on the farmer, who usually owns the property privately and operates the business as a sole proprietorship. It's difficult to control the operation over time as conditions change for the business owner".

Respondent P14 echoes the concern about the high burden that these loans would impose on farmers, such as high interest rates.

Respondents NP30, NP41, and NP46 compared it to the flexibility of investing in stocks, funds, normal limited companies, and similar, where they see a limited upside for loans, whereas NP41 also considered the long-term commitment as problematic as you don't have the option to liquidate your savings as fast as for stocks or similar, thus making it less appealing. Respondent NP46's concern lies in "how an investment in an agricultural business is more profitable than another investment in, for example, an ordinary limited company"? The respondents' perception is that the risk is higher for investing in an agricultural business and the attraction is therefore not dependent on the financial upside but instead depends on and comes from the potential personal goodwill such an investment or loan can produce. Furthermore, respondent NP30 highlights the importance of the legitimacy of the platform as a risk since the respondent does not trust a risk assessment produced by an untested platform.

4.1.3 Interest in financing agricultural business

In this section, closed answers regarding the respondents' interest in financing agricultural businesses through crowdlending will be summarized and presented. Open answers in connection to respective questions will be summarized underneath. If not presented here, original questions and answers are shown in Appendix 3.

The following table shows the answers to the following key question:

Table 5: Interest in crowdlending of agribusinesses

"How interested are you in the possibility of lending to agricultural companies through loan-based crowdfunding (Crowdlending)?"	NP	P	ALL	
Very interested	1 (3%)	0 (0%)	1	2,1%
Quite interested	8 (27%)	7 (41%)	15	31,9%
Quite uninterested	12 (40%)	4 (24%)	16	34,0%
Not interested	6 (20%)	5 (29%)	11	23,4%
Do not know	3 (10%)	1 (6%)	4	8,5%
Prefer not to say	0 (0%)	0 (0%)	0	0,0%
Number of answers	30	17	47	

If they answered, "not interested", the respondents were directed to a page in the survey where they got to specify their reasons for why they were not interested. The main reasons why a respondent was not interested concerned a lack of understanding and knowledge related to agriculture and agribusinesses, a disinterest in the financing form and it not living up to a respondent's financial expectations or investment criteria. For the lack of understanding or knowledge, the most selected reason was not understanding enough about the risks, uncertainties, and challenges that agribusinesses face. For the financing form aspect, the most selected reason was either not being interested in investing through loans or crowdlending. Lastly, for the financial expectations, most selected the return potential as too low

for their preference. Professionals' most selected reasons were issued towards the financial expectations and the financing form aspects and the non-professional's most selected reasons were directed towards the lack of knowledge and understanding aspects.

Regarding the methods of choosing a loan on the platform, most of the respondents would prefer to have the opportunity to carry out an individual analysis of the basis for each loan (agricultural business) that is listed on the platform but also want the platform/intermediary to conduct and present their analysis and rating. Half of the respondents want to actively choose which individual loans (agricultural companies) to finance on their own- A little more than one-third would mostly prefer a ready-made portfolio of several loans set up and combined by an intermediary or the platform. Several respondents also wrote in their open answers that they preferred both options and a combination of them. Respondent NP40 developed even further on why:

"I think both are good. Individual loans may be of more interest if you are familiar with the industry, but above all, the type of operation. There are many skilled farmers, but not all farmers are experts in every type of operation. Therefore, both concepts should be presented to a possible lender. It is also important that the borrower can decide which concept they want as they may only be comfortable with a ready-made portfolio as they know their business best and know where the money is most needed. A soft value in the whole thing is also that many farmers will not be comfortable with others "running" their business with targeted loans and will probably, therefore, prefer a finished portfolio".

The respondent further explained his views on this topic via email conversation and exemplified this by describing that a farmer could theoretically be forced to make a short-term investment that gives great yields for the lenders short term, but that harms the farmer's business long term. For example, expanding the stables to optimize milk production with more animals could force the farmer to buy more land for feed production or buy expensive feed since their current farmable land is only able to support the current operation size. Therefore, the lenders and the intermediary must know the impact of their financing how it affects the business economically in various ways, and how it influences the decision-making of the borrowers. One must know that usually, framers are independent in their business decision-making. Thus, most would not like to be pushed or told to do something that is not mutually in their interest as well. This is something that should be a transparent discussion together with the borrowers.

At the end of the survey, the respondents got to add other comments about the possibility of crowdlending agricultural businesses. Respondent P15 gave the following additional insight into the subject area:

"It would be interesting to know how loan terms, risks, and interest rates correlate in this context, and whether it is possible to create semi-liquid packages, where you can get a part repaid before the loan term is over according to certain conditions, e.g. discounted returns, etc.?"

The respondent got to further develop this through an interview where he explained that:

“As for the correlations, an example would be that if there is a high correlation for the loans between high yield, long term, and high risk. Then, there is a certain type of investor profile that would not include myself. However, if it is possible to get a high return at a relatively reasonable risk and a relatively short term it would be more interesting. Since the spread for the loans is so large when it comes to yield or interest rates, you want to understand what you are compromising on to achieve what you think is an interesting interest rate level in relative terms. What do I have to give up and abstain from? Is it the security or is it liquidity, i.e. term or less collateral?”

With “semi-liquidity”, the respondent is interested in knowing if the option can exist for lenders to get repayments on their principal earlier. If borrowers were able to amortize so that lenders could get back some of the money earlier, it would be interesting. It means, from the respondent's perspective, that you are not as locked in as you otherwise are if you have a long-term loan. An example would be if the loans are structured so that there are certain gates where you can choose to exit and get a refund on a part of your investment. And in return your total interest rate is adjusted down accordingly if you choose to liquidate a part of the financing. The respondent also shared, “I would also like to add that the packaging and structure for the platform as well as for different investment profiles is crucial for this to work. How much and how big a part of this loan is about supporting something good versus, for example, return requirements or security requirements?”

The respondents were also asked what variables are most important to them in their financing decision for agricultural business loans. Seven options to rate and the possibility to comment if something was missing was presented. Most important for all respondents is the underlying security of the loan, the interest rate, and the loan's contribution to increased sustainability. Non-professionals leaned most towards the interest rate and the underlying security, and for professionals, the sustainability aspect and interest rate were most important. The risk loan term was still highly important for the two groups, as well as the operational orientation of the agribusinesses. The geographical proximity of the business was less important but still held in high regard by the respondents. In addition, respondent NP38 commented and thought that an important variable would be “how the loan is contributing to a living countryside and the community engagement”.

4.1.4 Loan purposes, informational requirements, and factor analysis

In this section, open answers regarding the respondents’ preferences and informational requirements for agricultural business loans are presented. Factor analysis outcome for questions 1, 2 and 3 are also presented which are central to the research questions. Subsequent analysis of factor analysis and of questions

presented before, are presented in chapter 5 together with further interpretation of results in this chapter. Original answers are as before found in Appendix 3:

The following points can help you to read and interpret the factor analysis results in this chapter:

- Underneath each factor are loadings for the variables that range between -1 to +1, and the closer to 1, the stronger the variables correlate or are associated with the factor. A positive loading indicates that the variable increases as the factor increases and, for negatives, vice versa.
- Eigenvalues represent the amount of variance captured by each factor where a value greater than one is considered significant.
- Uniqueness ranges from 0 to 1 and indicates how much of the total variance of the variable is not explained by the factor.

Table 6: Factor analysis of loan types

1. How interested are you in financing the following types of loans and projects in connection with agricultural companies?			
Variables/Factors	**Business**	**Purpose**	**Uniqueness**
Conversion loan		0.7912	0.4627
Working capital	0.7593		0.2930
Co-financing of property acquisitions	0.5521		0.5854
Financing for investment in ongoing operations	0.8512		0.2830
Bridge financing		0.6436	0.2353
Growth loan	0.9160		0.2384
Ownership and generational changes		0.5470	0.5203
New establishment		0.7928	0.3367
Eigenvalues	3.75282	1.29237	
Cronbach's Alpha	0.8470		

The factor analysis shows moderate to high loadings across all variables indicating that the two factors represent them well (table 6). Cronbach alpha is above 0.8 which is considered good. The factors are named after which variables they represent. The business factor represents loans directed towards core business and operations-related advancements, whereas the purpose factor represents loans with an agenda or additional purpose outside just improving the business side.

Some additional comments were made in the survey. Respondent P43 thought it would be interesting to finance specific projects or purposes of loans towards getting access to "better food", for example, that could be directly bought from a specific farmer or a group of farmers. Respondent NP18 thinks that it would be interesting to contribute to loans connected to real estate or farms to build and develop housing, logistic facilities, and similar.

Respondent NP46 also had other interest in loans similar to "Omställningslån", but that would focus on innovative purposes for promoting the development in the agricultural sector, a sort of investment in R&D in agriculture. The respondent got to develop more on the answer through an email conversation. The respondent also thinks that the loans should be more directed towards the commercial side of the sector as it usually emphasizes a significantly larger market and is more profit-driven, thus it adheres to savers and lenders more. Sustainability purposes and

issues should thereby be secondary to the innovative purposes of the loans as the respondent feels that if you can focus on profit-generating purposes, it would release more resources for an agricultural business to direct towards its sustainability work and be able to produce a larger impact. It would also make these loans even more attractive for a lender according to the respondent. He also thinks the idea of combining loans into a portfolio, which the survey points out as an option, can make loans with an innovative agenda even more promising as:

1) it spreads the risk across multiple businesses but also through the influence of the portfolio purpose or agenda on a single agricultural business decision-making,
2) you can focus your financing on a group of farmers who want to change and drive innovation within the industry and,
3) it enables the collection of knowledge from different perspectives so that the best development can be made possible.

The respondent also believes that these portfolios would be especially good to mitigate risk for loans towards the start-up of new farms, where the future forecast is less clear or difficult to determine.

Respondent NP40 thinks it would be interesting to invest in so-called harvest credits, which were once offered by the banks but have been replaced nowadays by EU credits. Harvest credits work in the way that a farmer gets a loan before harvest to buy inputs and then the bank is entitled to a share of the harvest. The respondent further explained that:

"Today, the banks instead use EU credits as this is not affected by the year's harvest but is a fixed sum based on one's production possibilities. It would have been interesting to start investing in exchange for harvest credits again which I think could be beneficial above all for other agricultural businesses with animals who often have better cash flow than grain farmers. An example of this would have been a pig producer lending money to a grain farmer to enable them to buy inputs in return for receiving a share of the harvest for their feed or at least a reduced price".

Table 7: Factor analysis of added value

2. How important are the following information and opportunities for your financing decision in connection with the loans (agricultural businesses) listed on the platform?			
Variables/Factors	**Environmental**	**Social**	**Uniqueness**
Animal welfare/care	0.9282		0.2030
Renewable energy	0.6221		0.5495
Improved soil health	0.5702		0.4978
Self-sufficiency		0.7668	0.3311
Circularity and efficient use of resources	0.5345		0.4379
Biological diversity and ecosystems	0.8787		0.2026
Reduced emissions of greenhouse gases	0.9129		0.1610
Reduced eutrophication	0.9386		0.1791
Recycling and reuse	0.8264		0.2767
Reduced use of harmful pesticides	0.9866		0.1320

New jobs		0.7420	0.4985
Rejuvenation of the agricultural corps		0.9089	0.2862
Eigenvalues	6.57618	1.66851	
Cronbach's Alpha	0.9179		

Note: Variable "Less production losses" dropped due to cross-loading

The factor analysis shows mostly high loadings across all variables which mean that the two factors are very good dimensional constructs of their represented variables. Cronbach alpha is above well above the benchmark of 0.7 indicating excellent internal consistency. The Environmental factor represents added values and measures with relation to environmental engagement. The social factor captures values within the human and societal dimension.

Only one respondent (P43) commented on the question and thought that other than the options that were shown in the question, having the opportunity to buy the product from an agricultural business is an important value.

Table 8: Factor analysis of informational preferences

3. How important is the following information and opportunities for your financing decision in connection with the loans (to agricultural businesses) listed on the platform?				
Variables/Factors	**Performance**	**Platform**	**Borrower**	**Unique**
Financial reports	0.7968			0.3542
Financial prognosis	0.6311			0.3935
Business metrics	0.6707			0.4876
Financial metrics	0.7515			0.3834
Profitability metrics	0.9231			0.2186
Descriptions of risks…etc.	0.5961			0.6189
Business descriptions	0.5510			0.5009
Pictures and videos		0.7890		0.4597
Info – area and geography		0.5552		0.5282
Info - experiences, knowledge, values, and objectives			0.4942	0.4799
# of current financiers for the loan		0.7872		0.3530
% of the loan covered by financers		0.6687		0.4141
Rating/analysis given on the platform		0.4918		0.6653
Possibility to contact the borrowers			0.9599	0.1123
Possibility to visit the borrowers			0.9375	0.1091
Info - existing financiers and partners			0.5769	0.6053
Eigenvalues	4.69999	3.02697	1.58920	
Cronbach's Alpha	0.8235			

Note: Variable "Purpose of the loan and impact" dropped due to low loading

The factor analysis shows mostly moderate but some high loadings which means that the factors are acceptable representations of the underlying variables. The two loadings of 0.4920 and 0.4918 are notably lower than the rest but have been included as they are just slightly under the cut-off point. Cronbach alpha is above 0.8 indicating good internal consistency. The Performance factor is characterized by variables that are directly related to financial and operational performance of the business. The platform factor is connected to the presentation of the business through the crowdlending platform but also related to credibility indicators such as

traction for the loans. The borrower factor put empathizes on variables related to the “entrepreneur”, communication, and the value of transparency and openness.

A few additional comments were made to this question. Respondent NP45 thinks that it is “Difficult to capture certain key figures in agriculture as much of the security is in the fields and large sums in the property, more important personally with what goals the entrepreneur has”. Respondent NP44 thinks that it is important to know what the risk and commitment that the borrower takes with the loan. The respondent emphasizes this with the quote “Are they in the same boat? The respondent also thinks that it is important to know the order of priority among lenders (new and existing ones) for example if the borrower goes bankrupt.

4.2 Interviews

4.2.1 Perceptions of crowdlending in the agricultural sector

All the interviewees expressed uncertainties about crowdlending as an investment form but highlighted its potential as a complement to other financing methods. However, all the interviewees admitted occasional confusion regarding crowdlending, viewing it more as a social investment, which raised questions about the approach to such investments and the willingness to accept potential losses. Additionally, interviewee 1 highlighted the importance of packaging and structuring different crowdlending profiles. Focusing on, how much, and what portion of his investment is believed to support something good, versus how much will the investment generates return and security demands. Respondent 2 emphasized that he invests more in start-up businesses and similar crowdlending platforms than the average person. He views crowdlending as a complement to his overall savings and sees it as an investment that offers something different from regular investments. It serves as a seasoning to his portfolio, supporting fun projects and especially sustainability projects. Additionally, since the respondent has some knowledge of agriculture, they continued to stress the importance of other financing methods for agricultural businesses, citing limitations in growth opportunities, cash flow, and the lack of a clear upside from the lender’s perspective. Another aspect all the interviewees see as risk-filled is the agriculture sector in general, where there are many macro factors, such as the weather and low cash flow, which are hard to predict, but have a high influence. Furthermore, interviewee 2 believes that the scarcity of funds in the market is impacting start-ups and crowdlending investments severely. In good times, when there is more money in our wallets and people are tired of the stock market performing well, he believes that people would become more interested and explore further the crowdlending method.

Interviewee 3 believes that crowdlending is needed in the agricultural sector since there is limited capital, and the capital is mostly from bank loans. Furthermore, the respondent continues to say that individuals who do not have a lot of insight into the agricultural sector will most likely not invest in a rural project. If not, the lender gets something in return, a better climate, or a product from the project on top of the interest rates. However, it takes time to measure environmental changes and it

can take decades before you know if the environmental project has made significant improvements on the environment or not. "*To lock in your money for decades within a risk-filled business and for a long-time, you need a crowd with a risk-filled mindset as well".*

4.2.2 Functionality and structure of loans

When interviewees were asked what kind of information they wanted on the platform all said the risk information is of absolute importance. Since some of the interviewees lack knowledge within the agricultural industry they want information about the object, the most relevant financial documents, such as total liability about assets, and ability to pay loan costs. Also, different stress tests related to the project and the business. Tests show what happens if interest rates go up, or revenues go down. Furthermore, interviewee 1 emphasizes the need for different exit options. The platform should offer great flexibility and reduce the need to lock in the money for a long period. Moreover, interviewee 1 finds it important to be educational and accessible to all lenders, not just the professional ones. They believe that packaging the projects correctly so multiple borrowers can find the projects attractive can include a more nuanced view of the risks for the professional investors, and more about the project such as information about the agricultural business, videos, etc. for the nonprofessional investor. Interviewee 1 finishes the interview with four different types of stages they go through before investing. The first is: does the product offer me a functional value, meaning does it give the individual a solution to a problem? The second one is: does this product give me any financial value, such as a higher return or any additional interest? Moreover, does this product give me any additional emotional value that increases the individual's well-being or is in line with their values? For example, in this context "Can I help an agricultural business achieve better food production*".* Lastly, the social value: is this project something that is contributing to a better society? If the project checks all these requirements the respondent has done their risk assessments toward their interests.

Respondent 3 is interested in financing real estate developments, particularly when the land can be used as collateral. They also find projects such as biogas installation appealing if they can offer a good return. They continued to emphasize the importance of risk and return as well as the sustainability and innovation of the project they chose to invest in. Given their knowledge of the agriculture industry, they are less interested in financing animal farms due to the associated risks of diseases and the impact they can have on the progress of a project. Before investing in a crowdlending project the respondent requires detailed information upfront. They believe that understanding the risk and potential return is crucial, so therefore they want a risk assessment he can make his benchmark. However, they also prefer short investment terms, possibly around 3 years to minimize the risk. This is due to the number of risks associated with the agricultural industry, diseases, weather, and low returns both for the individuals but also for the family farm or the owners. This industry is not known for generating high returns. It's crucial to see how much money has already been invested, almost like a share issue.

4.2.3 Perceived risks

In Sweden, laws prohibit businesses from owning land, requiring investments to be made in individuals. This aligns with the interviewee 3s main concern: dealing with individuals. A company operates without the personal variables that can affect individuals, such as emotions, family issues, or health problems, its security is in its turnover, and that is easier to control. Therefore, investing in a company is not as risky and more favourable for interviewee 3. Interviewee 1 sees crowdlending as less risky if there is a panel involved, a third party who puts guarantees, or can label the project according to its risks. Interviewee 3 agrees with interviewee 1, he also wants a third party with a transparent label where you can see the agricultural business's numerous unpredictable variables – like the situation in Ukraine, and the Covid-19 pandemic – can influence the outcome. Also, interviewee 3 believes that with a third party involved, it can be shown as more reliable if expertise or researchers can do the larger part of the investigation.

Respondent 2 is sceptical about the potential for a risk-adjusted return that would justify including crowdlending in his overall investment portfolio. He would, however, consider crowdlending more seriously if it offered a reasonable return for the risk involved and if only a small amount were required. He needs clarity on the return he will receive, the duration of his investment, and whether he will earn a significant return at the end of the term. He wants access to information about the recourse if a project fails: the possibility of recovering any part of his investment, tax implications, and the minimum investment required. The respondent is comfortable having mechanisms in place to understand and minimize risks, such as a third-party endorsement of the project by an auditor, or certification from the platform that ensures the investment is secure. Risk is a decisive factor for Respondent 2; if a project doesn't address his concerns about risk, its credibility suffers. For instance, he considers a green property development without a building permit to be highly insecure because the permit is a significant risk factor. Each project should provide security for both the borrower and the lender.

5. Results & Discussion

Based on the conceptual framework created in Chapter 2, containing information asymmetry, signaling theory, and risk assessments in crowdlending loans, together with the empirical data gathered for this study this chapter will analyze, discuss, and present the results. Based on three empirical themes that surfaced throughout the case study, table 15 shows the empirical key insights and the structure of how the analysis is categorized. After that follows a discussion regarding the result of factor analysis and subsequent analysis.

The following points can help you to read and interpret the subsequent correlation results in this chapter:

- Ranges between -1 to +1. Higher positives indicate a stronger relationship or correlation and for negatives wise versa.
- Binary and continuous variable: The probability that the binary variable will be 1 (rather than 0) increases when the continuous variable increases, given a positive correlation (for negatives the reverse).
- Binary and binary variable: A positive value suggests that there is an indication for both binary variables (all 0s or all 1s) to agree (for negatives the reverse)
- Continuous and continuous variable: A strong positive linear relationship (where one variable increase along with the other) is indicated by a value close to +1 (for negatives the reverse).
- A star * indicates that the correlation is significant with a 95% confidence interval.

Table 9: Thematic analysis of empirical data.

Empirical theme	**Key insight from empirical data**
Investor knowledge and perception	Significant gaps in knowledge about agriculture and sustainability
Investor motivations and preferences	Preference for green and innovative projects. Higher interest for sustainability linked investments
Information asymmetry and risk management	Need for enhanced transparency and clear information on investment risks and returns.

5.1 Investor knowledge and perception

The empirical information gathered for this thesis lenders in general have a lack of knowledge about crowdlending and all the different branches of crowdlending (Mollick, 2014). Even though the knowledge about crowdlending is low, there is still a small interest in crowdlending if the information gaps and confusion regarding the subject are mitigated. The results from the interviews showed that the interviewees thought of crowdlending more as a goodwill opportunity rather than a financial investment with a good return. Interviewee 2 who has invested in similar platforms before also saw it more as a high-risk investment, something fun that supports sustainability but does not believe that he will use it as a regular savings function.

According to the empirical data, a significant percentage of survey participants rated their understanding of agriculture and sustainability issues as "low" or "neither high nor low" (31.9% low and 34% neither high nor low for knowledge of agriculture, and 25.5% low and 29.8% neither high nor low for knowledge of sustainability). This situation can be described by Akerlof's (1970) information asymmetry. Information asymmetry occurs when one party has greater knowledge than the other, leading to adverse selection where potentially good investments are overlooked due to perceived risks (Courtney et al., 2017). Information asymmetry is not just a lack of generic knowledge but knowledge about the details of the product being offered, and the project being funded. Lack of industry-specific knowledge can result in lenders making cautious or bad investment decisions, which is made worse by the challenge of understanding agricultural risks. As interviewee 3 stated, his risk perceptions towards agriculture, such as the market volatility or climate dependence hinder him from investing. These types of situations seem to intimidate lenders, resulting in fewer crowdlending investments than optimal for the agricultural sector (Guo, 2020). However, these consequences of information asymmetry go further beyond just cautious investment behaviours. In the context of crowdlending, it can lead to a systemic undervaluation of potentially attractive agricultural projects. As a result, the agricultural sector may suffer from constant underfunding, which hinders innovation and sustainable development (Audretsch et al., 2021).

The answers from interviewees highlight an understanding of crowdlending as a potential complement to traditional financing methods. Even though the interviewees also expressed confusion and uncertainties, they have a belief that crowdlending can work - if they knew more about it. 61.7% have a connection to agriculture, and a much smaller fraction, 21.3%, have previously invested in agricultural projects. This gap shows that interest could be leveraged by providing more targeted information and reassurances about the risks and returns specific to agricultural investments. According to Michael Spence's signalling theory, entities with more information can mitigate this imbalance by communicating their dependability and quality to those with less knowledge (Spence, 1973). One solution to this can be using certifications, fair-trade or organic labels, thorough sustainability reports, and financial information as indicators of their operational

ethics is one way to address (Bi et al., 2017). These signals may help lenders become less uncertain by putting their perceptions closer to the risk.

The lack of knowledge and uncertainty regarding financing agribusiness through crowdlending can be further acknowledged through the survey answers. Overall, only one respondent out of 47 felt certain enough to answer that they were very interested in the possibility (table 5). More than 60% of the respondents leaned towards a complete disinterest in the possibility. In the distribution between professionals and non-professionals, the professional had a more pronounced interest. One could argue based on given answers for not being interested at all, that professionals either think loan financing and crowdlending is an attractive investment method or they do not. Thereby the decision does not come down to a disinterest, uncertainty, or lack of knowledge of agribusinesses, instead mostly due to that the financing form has its drawbacks which is also shown by the lack of respondents that currently invest through loans or crowdlending. Based on the answers from non-professionals it seems that the issue lies more towards the lack of understanding of the sector in general which creates uncertainty and thus lower interest. This knowledge-lacking uncertainty aligns with Lin et al. (2012) argument of information asymmetry as a main concern for P2P markets, as we can see it being a prominent problem in the agricultural sector as well.

Table 10: Correlation of interest in crowdlending of agribusinesses

Variables	**Interest in crowdlending (Scale)**
Professional investor (Binary)	-0.0136
Financial knowledge (Scale)	0.2116
Agricultural knowledge (Scale)	0.2138
Agri-environmental knowledge	0.1695
Earlier agricultural investor (Binary)	0.1211
Earlier crowdlender (Binary)	0.5023*
Connection to agriculture (Binary)	0.3057*
Many investment opportunities (Scale)	0.4489*
Easily conducted (Scale)	-0.2246
Attractive risk-adjusted return (Scale)	0.2472
Current savings and investments (inc. loans etc)	-0.2402

*Note: *P < 0.05*

Looking at Table 10 we can further emphasize the effect a lack of understanding has. Being an earlier crowdlender, having connections to agriculture as well as having a positive outlook on the investment possibilities of the sector show weak to moderate but significant correlation with the interest. Here it can be said that having a relatively clear understanding of the crowdlending process and what agribusiness entails increases one's interest significantly. This could indicate that the lack of history and traction of crowdlending and in general low transparency towards agriculture in Sweden lowers credibility and the interest for the two aspects combined. More indication of this aspect is shown by the lack of earlier crowdlenders and Crowdfunder's as well as earlier financers and investors of agribusinesses in the sample. It is interesting that all the knowledge aspects show positive correlation with the interest, although they are not significant, it would be interesting to research if a larger sample would generate significance and stronger

correlations. This would be important to say if lack of knowledge is an area that can be targeted to increase interest in the possibility.

Moreover, the lack of knowledge and understanding is even further indicated by the fact that most of the respondents answered that "they do not know" on all the questions directed towards their view on financing agricultural business. One interesting aspect is that quite a few of the respondents partially agree with the fact that the risk-adjusted return is attractive and feel like the opportunities to finance agribusiness are many. It could indicate that although many argue a high risk, they still see the return potential as high considering the risks and enough to be attractive if all goes well, and this is according to Basti et al. (2019) something that corresponds with P2P lenders in general. Another interesting thing is the slight negative association with how much a respondent currently has in savings. It gives an indication that necessarily having more capital to play around with does not result in a higher interest, although this would need to be researched further.

5.2 Investor motivations and preferences

The theoretical problem, as identified by earlier research highlights the lack of traditional financing models to meet the needs of lenders who are willing to fund entrepreneurial innovations, such as those in the agricultural sector (Stonkes et al., 2021). According to Guo (2020), financial lending platforms are trending upwards and emerging to become an alternative to traditional financing models. Together with the empirical information, this can be shown that lenders today are seeking to channel funds into ventures that not only offer financial returns but also advance sustainable development. Correspondingly, Audretsch et al. (2021) state in their research on growth and innovation that an inflow of capital into emerging areas is necessary for the development and advancement of new initiatives. Together with Ansari et al. (2019) and the promotion of financial services, we can see that agricultural sustainability can be strengthened by the development of innovative agricultural financial solutions. Moreover, the financial backgrounds and current investment holdings of the respondents provide further insight into their motivations. The survey indicates that 78.3% of respondents are investing in stocks and funds, such as real estate and private companies/start-ups. This portfolio highlights an openness among lenders to explore alternative and potentially riskier avenues like crowdlending, particularly when it promises returns but also personal values such as sustainability and innovation in agriculture.

According to the empirical findings, crowdlending is appealing to lenders who seek other options than the traditional method such as the stock market. The lender seeks options that are efficient, and flexible, which Tang (2018) agrees with. However, despite interest in crowdlending for greater agriculture production and sustainable innovation, there is still asymmetry regarding shared knowledge between the lenders and borrowers. According to the empirical information, the respondent states that even if a project states that it is sustainable, it does not automatically mean that it is sustainable. Many recent innovations, such as electric vehicles, have

been marketed as 'green,' though a full life cycle analysis might reveal a different reality.

The types of loans potential crowdlenders find interesting can primarily be grouped under two factors “Business” or “Purpose” (table 6). The terms suggest that either one would be interested in loans targeting the business side or loans with an agenda not only within growing the business. Looking at the eigenvalues, we see that the Business factor is most influential on the interest of what loans to finance, and the loadings are high for all, meaning that the variables are well explained by the factor. We can therefore, based on the factor analysis determine that the “Business” umbrella is a more dominant dimension in the preferences of crowdlenders. However, the purpose factor also explains a large part of the variance meaning that the loan types tied to the factor still contribute to the loan's importance.

Considering Table 11 for the “Business and Purpose” factors we can see several interesting significant and non-significant correlations. First, we see that both factors have a significant association with interest. It can be explained that individuals with a higher interest tend to be more influenced by opportunities that generate direct business-related benefits as well as have a niche that adheres to the lender, for example enhancing sustainability or benefitting the agricultural community. For these individuals, it could be argued that in their prioritizing finance, the presentation of loans with strong business and financial driving projects is more attractive and that the individuals are also more motivated when their finances can serve a clear, purpose-driven agenda. Putting more consideration toward the purpose of the loans and its alignment with broader goals.

Table 11: Correlation of loan type factors

Variables/Factors	**Business**	**Purpose**
Interest in crowdlending (Scale)	0.4826*	0.6068*
Professional investor (Binary)	-0.3444	0.0546
Financial knowledge (Scale)	-0.0723	-0.1258
Agricultural knowledge (Scale)	0.4144*	0.5946*
Agri-environmental knowledge	0.1213	0.4737*
Earlier agricultural investor (Binary)	0.1620	0.0480
Earlier crowdlender (Binary)	0.2940	0.3381
Connection to agriculture (Binary)	0.3759	0.2241
Many investment opportunities (Scale)	0.6137*	0.5317*
Easily conducted (Scale)	-0.3417	-0.0368
Attractive risk-adjusted return (Scale)	0.1870	0.3656
Geographical proximity to you (Scale)	0.3668	0.6212*
Operational orientation (Scale)	0.2979	0.3743
Loan term (Scale)	0.1083	-0.1714
Interest rate (Scale)	-0.0835	-0.5881*
Underlying security (Scale)	-0.0595	-0.3951*
Loan's risk (Scale)	0.0387	-0.2340
Contribution to inc. sustainability (Scale)	-0.3062	0.2777

*Note: *P < 0.05*

We also see that higher agricultural knowledge is connected to a higher interest for both business and purpose loan types. A higher agri-environmental knowledge also boosts the interest in purpose-driven loans. One aspect that is more different between the two factors is whether the investor is a professional or not, in which we see a negative correlation for the business factor and almost no correlation with the purpose factor. This indicates further, although it is not significant, that professional investors would tend to not be primarily interested in business-related purposes, whereas for the purpose factor being a professional or not does not affect how interested you are. Once again this is something that needs to be further researched to be able to say if this association is true or not. Another positive indication of a need for more research is if the individual has a connection to agriculture, where we see that growing the business side is more valued in comparison to what the purpose factor entails. Another positive, weak/moderate but not significant correlation that would be interesting to investigate further, is the relationship between purpose and attractive risk-adjusted return, if one views the risk and returns as enough, one will value business-driving loans less and be more interested in purposeful agendas to finance.

Furthermore, Table 11 shows that a higher interest in the factors is positively associated with how important geographical proximity is for the individual, whereas for the purpose factor you have even a strong and significant correlation. This could indicate that, crowdlenders that value loans under this factor, would value that the effect they produce is local and connected to them personally. Therefore, an intermediary would be wise to try finding projects that need financing and crowdlender nearby of each other to promote more transactions. A significant, negative, and moderate correlation between the importance of the interest rate, underlying security, and purpose factor shows that individuals with a higher interest for loans within the purpose dimension tend to lower their demands for interest rate and collateral. A similar trend is shown by the risk and loan term variables although not strongly correlated or significant. Another trend is that with a higher interest, less importance is given to the loan's contribution to increased sustainability. For both factors, we see a correlation, not significant but a positive correlation with the operational orientation, indicating that this variable could have some effect on the interest levels for the factors. All these non-significant aspects would be interesting to see if they hold up and are true with a larger sample.

In the case of added values that are important to the crowdlenders the factor analysis shows significant eigenvalues for both the environmental and social dimensions (Table 7). The environmental factor explains most of the variance, confirming that environmental concern has a strong influence on crowd lenders, and social factors still play a notable but less influential role. Several very high loadings can be seen across the two factors. Reduced emissions, eutrophication, and pesticide use together with animal welfare rank high in importance among individuals within environmental considerations. For the social factor, we see an indication towards that employment and bringing youth to the workforce in the sector are key social considerations. The high significance of environmental considerations indicates that initiatives that promote and advance environmental sustainability are highly motivating for crowdlenders. The same, but not as strongly, can be said about

projects with a focus on contributing socially to the sector, on a national and local level.

Table 12: Correlation of added value factors

Variables/Factors	Environmental	Social
Interest in crowdlending (Scale)	0.1120	0.5343*
Professional investor (Binary)	0.5269*	0.3460
Financial knowledge (Scale)	-0.1698	0.0770
Agricultural knowledge (Scale)	0.0925	0.6026*
Agri-environmental knowledge	0.4421*	0.3805
Earlier agricultural investor (Binary)	-0.1311	-0.0126
Earlier crowdlender (Binary)	-0.2931	0.1900
Connection to agriculture (Binary)	-0.2494	0.1032
Many investment opportunities (Scale)	0.1768	0.3879
Easily conducted (Scale)	0.4119	0.2733
Attractive risk-adjusted return (Scale)	-0.0055	0.2664
Geographical proximity to you (Scale)	-0.0125	0.3124
Operational orientation (Scale)	-0.0408	0.1421
Loan term (Scale)	-0.3965*	-0.3193
Interest rate (Scale)	-0.1685	-0.4704*
Underlying security (Scale)	0.1187	-0.0863
Loan's risk (Scale)	-0.1633	-0.1291
Contribution to inc. sustainability (Scale)	0.7138*	0.5120*

*Note: *P < 0.05*

Correlation Table 12 show that the importance of environmental contribution drives no further interest in the possibility, but for stronger interest, social factors are more significantly important. Holding environmental consideration in high regards have a significant association with being a professional investor. Professional investors may be more inclined to take environmental factors into account for legal, reputational, or long-term strategic reasons more like trend followers. A higher Agri-knowledge has a significant correlation with the importance of social values connected to agriculture and more agri-environmental knowledge is significantly associated with a higher regard for environmental values, thus more likely to consider them important to their financing decision. Similar trends are shown in the direction of the correlation for the connection to agriculture or not, although the correlations are weak and not significant and in need of more research. These aspects show that education and awareness are important in shaping investment preferences in financing decisions in the context of crowdlending.

For the variables of importance for the financing decision, one can acknowledge a trend that show that with more importance for the social and environmental factors, financial variables in the decision-making process for the crowdlenders become less important. This indicates that some environmental and social considerations justify giving upon some of the financial outcomes of the loans. Especially for the significant ones, such as the loans term on the environmental side and the interest rate on the social side. This is also further proven by that the variable contribution to increasing sustainability is highly positively and significantly correlated for both

factors. All these previous sections that help explain which type of loans and the impact they should preferably have, could be an indication to that: If borrowers who keep up with current trends, also sends signals of a coherent and knowledgeable individual which is a credibility aspect, and something aligned with Courtney et al. (2017) suggestions.

Table 13: Correlation of variables importance for the loan financing decision

Variables	Connection to agriculture (Binary)	Professional investor (Binary)	Interest in crowdlending (Scale)	Financial knowledge (Scale)	Agricultural knowledge (Scale)	Agri-environmental knowledge	Earlier agricultural investor (Binary)
Geographical proximity to you (Scale)	0.0398	-0.0794	0.2322	-0.2269	0.2065	0.0611	-0.0409
Operational orientation (Scale)	0.4585*	0.0019	0.4118*	-0.1577	0.5506*	0.3793*	0.3818*
Loan term (Scale)	-0.0866	-0.2598	-0.1731	0.2437	0.0000	-0.0768	-0.1021
Interest rate (Scale)	-0.1570	-0.1369	-0.2236	0.3060	-0.2410	-0.3172	0.1526
Security (Scale)	-0.0503	-0.0982	-0.1822	0.3056	-0.1729	-0.0510	0.0357
Loan's risk (Scale)	0.1318	-0.1626	0.1238	0.2683	0.0935	-0.0171	0.1354
Contribution to inc. sustainability (Scale)	-0.1123	0.5301*	0.1238	-0.0184	0.0416	0.3542	-0.2275

*Note: *P < 0.05*

From correlation Table 13 there are several significant correlations for the importance of the operational orientation for aspects such as if the crowdlender has a connection to agriculture, the interest level in the possibility, if they have invested earlier in agriculture and their knowledge of agriculture and environmental measures. These correlations give an indication that if these are true or high for crowdlenders, then operational orientation of the business they wish to finance is crucial for the decision. One could say that match-making lenders with the right profiles of businesses will likely produce more interest and be more persuasive. Another significant positive correlation is between professional investors and the "contribution to increased sustainability", indicating that investment professional is more focused on their financing's contribution to sustainability in the context of crowdlending. Lastly for the financial variables such as loan, term, risk, interest rate

and security, a weak positive correlation with financial knowledge, although not significant, may indicate that individuals with higher understanding of finances put more emphasizes on this aspect if they were to lend, however this once again needs to be tested with a larger sample.

Table 14: Correlation of methods for choosing a loan

Variables	Individual analysis	Platform analysis	Individual Selection	Ready-made portfolio
Professional investor (Binary)	-0.1198	-0.2247	0.0684	-0.0704
Earlier crowdlender (Binary)	0.0873	-0.0462	0.3311	-0.2279
Financial knowledge (Scale)	0.1626	-0.2341	0.1018	-0.2415
Business factor score	0.1253	-0.1396	0.0879	0.0927
Purpose factor score	-0.3141	-0.1252	0.2782	-0.2432
Environmental factor	0.0682	-0.3066	-0.0981	0.1327
Social factor score	-0.1159	-0.3524	0.4674*	-0.3488
Performance factor score	0.3717*	-0.0937	0.1420	-0.0710
Platform factor score	0.0957	-0.4166*	0.2896	-0.3527
Borrower factor score	0.3608	-0.2057	0.1815	-0.1797
Geographical proximity to you (Scale)	-0.3880*	0.0593	0.1845	-0.1485
Operational orientation (Scale)	0.0669	0.4076*	0.1391	0.0781
Loan term (Scale)	0.0891	0.0000	-0.1273	0.1096
Interest rate (Scale)	0.3378	0.1211	-0.3788*	0.4362*
Underlying security (Scale)	0.3279	0.0341	-0.2015	0.1676
Loan's risk (Scale)	0.3214	0.2204	-0.2550	0.2625
Contribution to inc. sustainability (Scale)	-0.2196	-0.1089	-0.0275	-0.1476

*Note: *P < 0.05*

Another important aspect to consider is how crowdlenders would want the loan offers to be presented and what functionalities they wish to exist? It is not only about the right object, but also the financing structure, functionality and the presentation that affect the attractiveness which all the interviews indicate. Correlation table 14 indicate that crowdlenders with higher interest for social values prefer individual choosing of loans instead of a portfolio. This may be because they are selective towards social values that adhere to themselves and these may not be presented as a general agenda in portfolios. The performance factor significantly correlates with the performing individual analysis of the loans, meaning that those who value information in connection to the business performances usually are more interested in conducting and relaying on their own analysis. The platform factor is negatively correlated with a platform analysis. This could be explained by the fact that a higher regard for the variables that are directed to the current interest and coverage from other financers create a “follow the herd” effect, thus making crowdlenders less reliant on the platform-centric analysis. This effect works in a way similar to that which Fisher & Reuber (2007) demonstrated on the use of third-party signals to increase credibility.

From the variables that are important for the financing decision there are several statistically significant correlations. Geographical proximity is negatively

correlated, indicating that crowdlenders with higher interest for this are less likely to engage in individual analysis of the loans, due to that they already know much about their area and do not need to conduct further analysis than which is provided. The interest rate is negatively correlated with individual selection but positively correlated for ready-made portfolios. This indicates that the interest rate is more important if the lenders are presented with an already defined loan portfolio and that with individual selection crowdlenders potentially ease on the interest rate demands. Finally, operation orientation is associated positively with platform analysis, suggesting that platform analysis is important for those who strongly value operational direction of the business.

5.3 Information requirements, asymmetry, and risk management

Respondents in the interviews provided insight into their specific informational requirements and considerations when engaging with crowdlending platforms. For instance, across all interviews when asking about investing in the crowdlending projects the common answer thread was the need for comprehensive information that would allow them to perform their own risk assessments in line with their investment philosophy. For example, interviewee 1 and interviewee 3 sees crowdlending less risky if there is a panel involved, a third party who puts guarantees or can label the project according to its risks. The panel should detect the agricultural business numerous unpredictable variables – like the situation in Ukraine, Covid-19 pandemic – and how these can influence outcome. Also, interviewee 3 believes that with a third party involved it can be shown as more reliable if expertise or researchers can do the larger part of the investigation. The panel should then present its risk variables to the lenders on the platform so they can view the risks and make their own conclusion by using it as a reference.

From the factor analysis (Table 8) performance related information is most important followed by platform and borrower information. This shows that predictive factors as explained by Serrano-Cinca et al. (2015) are once again significant and important for lenders for them to assess the probability of default. Considering the platform's role and the variable “current financiers for the loan” has a loading of 0.78, which indicates that the visibility of current lenders engagement influences potential lenders. This can be translated as, the more transparent and populated the platform is, the higher the likelihood of attracting new lenders. Interviewee 3 also stressed the importance that the platform should show how much of the project is covered and how much is there left to fund until the project can be realized. This information should be shown according to the interviewees, because if they lock in their money in the platform and the project does not start directly, they see a better chance by putting their investments into something that can generate return directly.

Furthermore, from the surveys the result from “Possibility to contact the borrowers” and “Possibility to visit the borrowers” have very high loadings (0.95 and 0.93).

This shows a strong preference for direct communication and transparency about the borrower's operations, enhancing trust and reducing perceived risks. Interviewee 2 stated that this was not a requirement, depending on how these projects are presented. If the projects are only a financial product, showing only the project and the financials behind it and the expected return.

For the platform to mitigate and provide the investors with their specific informational requirements, the crowdlending platform would need to align with Spence (1973) signaling theory. This could involve showing comprehensive information regarding the farm's operational methods, financial health, market position, and environmental impacts. If the platform can provide the investors with this information and with these signals, it will enable investors to make more informed decisions by enhancing the transparency of the operation and the potential risks and returns involved.

Table 15: Correlation of information preference factors

Variables/Factors	**Performance**	**Platform**	**Borrower**
Interest in crowdlending (Scale)	-0.0025	0.3167	0.0233
Professional investor (Binary)	-0.2053	0.2944	0.2523
Financial knowledge (Scale)	0.4410*	0.2009	-0.1440
Agricultural knowledge (Scale)	-0.0473	0.0263	0.0435
Agri-environmental knowledge	-0.2411	-0.0157	0.0049
Earlier agricultural investor (Binary)	0.1671	-0.0789	0.1893
Earlier crowdlender (Binary)	0.1238	-0.0033	-0.5121*
Connection to agriculture (Binary)	0.1443	-0.0235	-0.0473
Many investment opportunities (Scale)	-0.0429	0.0454	-0.1710
Easily conducted (Scale)	-0.0898	-0.0484	0.2857
Attractive risk-adjusted return (Scale)	0.2165	0.3471	-0.5938*
Geographical proximity to you (Scale)	-0.2358	0.1790	0.1826
Operational orientation (Scale)	0.0715	-0.0924	0.1349
Loan term (Scale)	-0.0455	-0.0805	-0.0427
Interest rate (Scale)	0.1790	-0.2075	0.0141
Underlying security (Scale)	0.3022	-0.0041	0.2138
Loan's risk (Scale)	0.4041*	-0.0264	-0.0475
Contribution to inc. sustainability (Scale)	-0.0514	0.5133*	0.1424

*Note: *P < 0.05*

Out of Table 15 we see several significant and moderate correlations. Those who value performance related information more, tend to have a higher financial knowledge, and the more the risk of the loan matter in their financing decision. Earlier crowdlenders are less reliant on borrower informational features, but with more dependence the less a lender agrees that the risk-adjusted return is attractive. This indicates that the quality of the entrepreneur is important for lenders that put empathizes on financial performance of their placements. Lastly, with more importance for platform informational features, the more one value a loans contribution to increased sustainability.

6. Conclusion

In this last chapter the conclusion is presented by addressing the aim and the research questions.

This study explores the interest in crowdlending towards agricultural businesses. It is aimed at gaining a deeper understanding of how we can increase the funding towards agricultural businesses by using crowdlending as a funding method. This study's research questions will be answered below.

- *How do Swedish investors and potential crowdlenders view the opportunity of participating in crowdlending towards agricultural businesses?*

- *What types of purposes, functionalities tied to the platform and informational requirements are preferred by potential crowdlenders?*

This study finds that Swedish investors and potential crowdlenders view the opportunity to participate in crowdlending towards agricultural businesses as low. When lenders consider crowdlending opportunities, they are presented with a dilemma between the potential rewards and the inherent risks. The decision-making process for the lender is towards the agricultural sector, where variables like climate, market demands, and the human factor are unpredictable. Providing more targeted information and reassurances about the risks and returns specified to the agricultural project it can mitigate these uncertainties. Lenders find crowdlending as a more interesting option when the project is towards sustainability and innovation, but they are less interested if the project is towards animal farming or a smaller farm shop that sells locally produced products unless it is in their area. This can be explained by the lack of understanding of the sector in general which creates uncertainty and at the same time lower interest.

This study indicates that potential crowdlenders tend to find crowdlending loans with business and operational benefits as most attractive when there is a clear impact on the future financial state or performance. Additionally, when loan projects are aligned with agendas that serve a higher purpose also contributes to the interest in the opportunity to finance agribusiness through crowdlending, such as social actions for the sector or broader national goals aswell as environmental measures. Environmental considerations are highly valued by respondents who are professional investors and essential for enhancing loans attractiveness. Overall the results show that there is no significant indication of a divide in the interest between professionals and non-professionals. However, it would be interesting to research this further with a larger sample as there are correlations suggesting that pure

business-related projects are less preferred by professionals and there is the possibility that there are other purposes that drive their interest than environmental aspects. Crowdlenders with more agricultural knowledge and a connection agriculture tend to value business related projects more, and more environmental knowledge associated with a higher regard for purposeful loans. Social factors are key to driving the interest for crowdlending of agribusiness especially for individuals that are knowledgeable of the sector. With the right purpose for the loans, there is an indication that crowdlenders lower their dependence on the security and interest for the loans, for example, with social or environmental considerations. However, there could be other aspects such as more innovative agendas that could also have an effect, as indicated by the interviews. Geographical proximity and operational orientation are also important for the crowdlenders interest in loans but also for the contribution to social values.

Crowdlenders with interest in social values tend to prefer choosing individual loan over predefined portfolios and those who value performance related information are more likely to prefer and rely on their own analysis. With more transparency of the interest from other financers of the loans make the platform analysis less important for lenders. Furthermore, there is an indication that lenders dependence on the interest rate Is affected by if they can choose loans by themselves or if they are presented with a ready portfolio with predefined objects.

Finally, it is important to once again note that these indications and suggestions are not generalizable over a larger population due to a low number of surveys respondets and interviews in our sample. Therefore. this study does not entail generalizing result but instead the intention is to express possible explanations and trends to the context of the research area. The evidence provided in this study are only warranted assertions and suggestions for relationships that would be interesting to research further and could potentially have an impact on crowdlending of agribusinesses.

6.1 Suggestions

The following are some suggestion of actions and efforts of intermediaries and borrowers ta could possibly help raise the attractiveness of crowdlending for agribusinesses in Sweden:

- Matchmaking of lenders and borrowers is important. Working with creating investment profiles for lenders that easily match the corresponding loan, borrower and purpose could facilitate more transactions. There is some indication in this study that a lender introduced with the right loan project, may ease on financial terms and demands. This further presses the need of connection lender with the right opportunities, as it may help relive the borrowers of some pressures and burdens which these loans could potentially create for them. This may also lower the perceived risk, as one

voiced concern is that lenders feel that borrowers are already pressured as it is.

- Utilizing target marketing strategies on the basis of the insights given in this study, for example highlighting local impacts and benefits of loans to local lenders could attract more lenders with specific interest in niches.
- Working with presentational features and functionalities of the platform in various ways may increase credibility of loans and create a follow-the-herd effect and thereby help persuade lenders to finance with less thorough analysis.
- Creating loan structures that reduce the lock-in effect that raises the flexibility for the lender can help benefit the perceived upside for loans in comparison to other investment opportunities.
- More transparency from the intermediary's side, regarding the selection and analysis process and other aspects will improve trust. Especially in an earlier phase, where legitimacy of the platform and the process is questionable, thus more transparency and third-party endorsements and supervision are essentials for creating positive market perception and traction.
- As performance related information is highly valued by lenders, the more prognosis, stress-testing and other financial analysis that raises the visibility of an agribusiness future financial state, the better perception lenders will have of the business and the borrower. An intermediary would be wise to advise borrowers on which type of analysis that have been present in different loan situations that have received most traction. In addition to this, the platform could potentially try to develop tools and methods accessible through the platform which allows borrowers to do different analysis on their own without having to rely on external advisory.
- Connection to and openness of borrowers is also highly valued by lenders. Facilitating communication and interaction between lenders and borrowers may help create a personal connection, which is valuable for inducing trust and commitment from both sides.

6.2 Future research

For future studies on crowdlending towards agricultural businesses, several scopes can be explored to deepen the understanding regarding this type of financing method. One being, viewing crowdlending from the agricultural business perspective if this method is interesting to them, and if they find it as a useful financing method. Another interesting research direction is if crowdlending can enable farmers to adopt new technologies or sustainable practices more readily than traditional funding methods such as banks.

Furthermore, the study finds some indication that for different projects, crowdlenders of different sorts tend to change their dependence between variables for the financing decision. Therefore, it would be interesting to research further on how different variables for the financing decision correlate and how their importance changes when factors and variables for a crowdlending loan changes. In addition to this, there have been indication that the financing form is a highly

limiting factor for the interest due to the lock-in effect it creates thus it would be interesting to investigate how certain structures for the loans further impact the interest and what would be the most optimal structure for both crowdlenders and farmers. Lastly, it would be valuable to conduct further research with a larger sample on the lower and not significant correlations and variables which have been discussed and are interesting for further investigation for the topic. This would clarify if the indications for some of the more questionable relationships provided by this study can be further proven or not.

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Popular science summary

Today we have enough food to feed everyone one the planet, but recent crisis has put the agricultural sector in fluctuations. In Sweden during recent years, the agricultural sector has faced worsened harvests, increases in input prices, and lack of support from the governments. Of all the industries, the agriculture industry has the strongest ties to environmental goals. It has a big influence on the environment, but it lacks sufficient resources to switch to more environmentally friendly methods. Traditionally, agricultural funding has been dominated by banks and government grants, yet these are not sufficient to meet the growing demands of the sector.

An emerging solution that has been growing worldwide is crowdlending, or Peer-to-Peer (P2P) lending, which facilitates direct loans between individuals or entities without the need for traditional financial institutions.

This thesis examines the perspective of Swedish investors and potential crowdlenders regarding their participation in crowdlending aimed at agricultural enterprises. The research findings highlight a strong demand among lenders for greater transparency and detailed insights into investment risks and returns. Investors are looking for information regarding operational and financial aspects, including environmental impacts and management practices. This information provides them in making informed investment decisions that align with both their financial goals and personal values. The study also highlights the importance of signaling, and third-party validations and detailed risk assessments, as essential for reducing information asymmetry and building trust in crowdlending platforms.
In conclusion, the study suggests that aligning loan projects with broader social and environmental objectives enhances interest in financing agricultural ventures through crowdlending

Appendix 1

Appendix 1 shows the survey. The beginning of the survey gives brief background information regarding crowdlending and information about the crowdlending platform. Later on, the questions are presented.

Welcome to this research study!

This survey collects data on how you, as an investor/saver, view the opportunity to finance agricultural businesses through loan-based crowdfunding (Crowdlending). The survey also aims to capture how interest is divided. It concerns the question of what types of projects and loans are of interest to investors, and what information related to the loans is important to them in their consideration of financing the loans/projects.

The survey includes multiple-choice and open-ended questions and takes about 10 minutes to complete. The data will be used in a research context and will be published in the form of a thesis in the database of the Swedish University of Agricultural Sciences. All collected data will be anonymous, and respondents can withdraw their answers at any time if desired.

By clicking "YES," you consent to participate in the study and confirm that you are at least 18 years old. You also confirm that you are aware that participation is voluntary and that you can leave at any time if you wish. You also agree that your responses will be stored and processed in accordance with the purpose of the study and by the Swedish University of Agricultural Sciences (SLU).

By clicking "NO," you decline to participate in the study.

Introduction to the subject:

In the context of agriculture, loan-based crowdfunding or crowdlending offers a unique opportunity for agricultural businesses and primary producers to access capital that may be unavailable or prohibitively expensive through traditional channels. Crowdlending enables investors to directly support the agricultural sector, potentially contributing to sustainable farming practices and rural development, while earning financial returns. The decentralized and direct nature of crowdlending can thus play a role in bridging the financial gaps faced by the agricultural community, promoting growth and innovation within the sector, and enabling more sustainable initiatives to be realized.

Note! In this survey/study, an agricultural business refers to a company engaged in agriculture, forestry, livestock farming, and horticulture (Agriculture is a collective term for agriculture, forestry, horticulture, and animal husbandry).
When answering the questions, you can consider the following general assumptions about the loans:

Loan durations: Vary between 1 - 8 years depending on whether they are short-term operational loans or longer-term investment loans. Interest rates on loans: Loans are assigned a risk rating from A-F and a variable interest rate depending on the credit risk. The interest rate varies between 6 - 13% total according to today's interest rate environment (STIBOR + 2-9%). Security: All loans can have security in, for example, agricultural real estate, corporate mortgage (movable property), or guarantee, and the level of security is reflected in the risk rating.
Note that currently, crowdlending is not covered by deposit insurance, and lenders therefore run the risk of not getting back the loaned capital if the borrower becomes insolvent.

Below follows a brief description of the crowdlending process.
Three different actors are involved in the process:
A borrower (Agricultural Business) in need of financing. A mediator that connects borrowers and lenders via a platform. A lender (financiers and investors) looking for businesses to lend to.
First, the borrower applies for a loan with the mediator/platform and provides them with information regarding the loan. Information may include the purpose of the loan, the requested amount, and details about the borrower's financial situation.

The platform then assesses the borrower's creditworthiness, often using algorithms to evaluate the risk. Based on this assessment, the loan is assigned an interest rate and a rating that reflects the perceived level of risk.
Once the loan is approved and rated, it is listed on the platform. Now, investors can review the available loan listings and choose which ones they want to finance according to their investment criteria and risk tolerance. Investors can choose to finance a part of a loan, or multiple loans, thereby diversifying their investment portfolio.

Repayments from borrowers, including capital and interest, are managed via the platform and distributed to investors according to the proportion of the loan they financed. The platform also manages various practical aspects related to the loans, such as handling the securities for the loans.

Välkommen till denna forskningsstudie!

Denna enkät samlar data över hur du som investerare/sparare ser på möjligheten att lånefinansiera lantbruksföretag via lånebaserad gräsrotsfinansiering (Crowdlending). Enkäten vill även fånga hur intresset är uppdelat. Detta berör frågan om vilka typer av projekt och lån som är intressanta för investerare, samt vilken information kopplad till lånen som är viktig för dem i deras övervägning att finansiera lånen/projekten

Enkäten inkluderar flervalsfrågor och öppna frågor och tar cirka 10 minuter att genomföra.

Datan kommer användas i forskningsammanhang och offentligöras i form av en uppsats som publiceras i Sveriges Lantbruksuniversitets databas. All insamlade data kommer att vara anonym och respondenter kan närsomhelst dra tillbaka sina svar om så önskas.

Genom att klicka "JA" samtycker du till ditt deltagande i studien och bekräftar att du är minst 18 år gammal. Du bekräftar även att du är medveten om att deltagandet är frivilligt och att du när som helst kan lämna om du så önskar det. Du godkänner även att dina svar sparas och behandlas i enlighet med studiens syfte och av Sveriges lantbruksuniversitet (SLU).

Genom att klicka "NEJ" avsäger du ditt deltagande i studien.

Introduction to the subject:

I lantbrukssammanhang innebär lånebaserad gräsrotsfinansiering eller crowdlending en unik möjlighet för lantbruksföretag och primärproducenter att få tillgång till kapital som kan vara otillgängligt eller oöverkomligt dyrt via traditionella kanaler. Crowdlending gör det möjligt för investerare att direkt stödja lantbrukssektorn för att kunna bidra till hållbara jordbruksmetoder och landsbygdsutveckling, samtidigt som de erhåller ekonomisk avkastning. Den decentraliserade och direkta karaktären av crowdlending kan således spela en roll för att överbrygga de ekonomiska klyftorna som lantbruksbefolkningen står inför - främja tillväxt och innovation inom sektorn, samt möjligöra att fler hållbara initativ realiseras.

OBS! I denna enkät/studie avser lantbruksföretag ett företag med en verksamhet inom jordbruk, skogsbruk, husdjursskötsel och trädgårdsodling
(Lantbruk ses som ett samlingsnamn för jordbruk, skogsbruk, trädgårdsodling och djurhållning).

Vid besvarande av frågorna kan du ha följande generella antaganden om lånen i beaktande:

Löptider på lån: Varierar mellan 1 - 8 år beroende på om det är kortare rörelselån eller längre investeringslån.
Räntor på lån: Lånen åsätts ett riskbetyg från A-F samt en rörlig ränta beroende på kreditrisken. Räntan varierar mellan 6 - 13% totalt enligt dagens ränteläge (STIBOR + 2-9%).
Säkerhet: Samtliga lån kan ha säkerhet i t ex lantbruksfastighet, företagshypotek (lös egendom) eller borgen och nivån av säkerhet reflekteras i riskbetyget.

Notera att för närvarande omfattas inte crowdlending av insättningsgaranti och långivare löper därav risken att inte få tillbaka utlånat kapital ifall låntagare hamnar i obestånd.

Nedan följer en översiktlig beskrivning om crowdlending-processen.

Tre olika aktörer ingår i processen:

En låntagare (Lantbruksföretag) i behov av finansiering.
En förmedlare som sammanför låntagare och långivare via en plattform.
En långivare (finansiärer och investerare) som söker företag att låna ut till.

1. Först ansöker låntagare om ett lån hos förmedlaren/plattformen och förser dem med information angående lånet. Information kan inkludera syftet med lånet, det begärda beloppet och detaljer om låntagarens ekonomiska situation.

2. Plattformen bedömer sedan låntagarens kreditvärdighet och använder ofta algoritmer för att utvärdera risken. Utifrån denna bedömning åsätts lånet, en ränta samt ett betyg som speglar den upplevda risknivån.

3. När lånet godkänts och betygsatts listas det på plattformen. Nu kan investerare granska tillgängliga låne-listor och välja vilka de vill finansiera i enlighet med deras investeringskriterier och risktolerans. Investerare kan välja att finansiera en del av ett lån, eller flera lån, och därigenom diversifiera sin investeringsportfölj.

4. Återbetalningar från låntagare, inklusive kapital och räntor, administreras via plattformen och distribueras till investerare i enlighet med hur stor andel av lånet de finansierat. Plattformen sköter även olika praktiska aspekter kopplat till lånen som exempelvis hantering av säkerheter för lånen.

Appendix 2

Appendix 2 shows the interview guide the reserachers followed for the interview.

Interview guide:

Crowdlending för lantbruksföretag:

1. Hur skulle du beskriva din syn på crowdlending som en investeringsform?
2. Hur skulle du beskriva din syn på crowdlending som en investeringsform för lantbrukssektorn och lantbruksföretag?
3. Vad tror du är de största fördelarna/nackdelarna med att finansiera eller investera i lantbruksföretag genom crowdlending jämfört med traditionella finansierings- och investeringsvägar?
4. Vad för risker, utmaningar, känslor, åsikter generellt förknippar du med att investera/låna ut genom crowdlending?
5. Vad för risker, utmaningar, känslor, åsikter generellt förknippar du med att investera i eller finansiera lantbruksföretag?
6. Varför svarade du som du gjorde? (Specifikt valda frågor från enkäten)

Informationsbehov och Lån:

7. Vilka typer av lantbruksföretag eller lån skulle du vara mest benägen att lånefinansiera och varför? Är lån med miljömässiga eller andra mervärden att föredra? Varför?
8. Om du skulle lånefinansiera ett lantbruksföretag genom crowlending, vad för information och möjligheter i anslutning till lånet och lantbruksföretagets verksamhet är avgörande för ditt finansieringsbeslut? Vad bidrar till att du får förhöjt förtroende och intresse?
9. Ökar ditt förtroende och intresse för en låntagare om fler av dina informationskrav och möjligheter är tillgängliga (exempelvis de som du angav som viktiga i enkäten) i anslutning till lånen? Är uppbyggnaden och presentationen av informationen viktigare? Utveckla gärna ditt svar.
10. Om det föreligger osäkerhet om låntagarens situation på grund av bristfällig information eller annat, hur påverkar det dig i ditt finansieringsbeslut.
11. Hur bedömer du tillförlitligheten i den information som tillhandahålls i anslutning till lån? Vad för signaler, indikatorer gör dig mer eller mindre benägen att finansiera?
12. Vad för intryck, signaler och engagemang från en låntagare ökar ditt förtroende och intresse för dem?
    - Exempelvis, att lånetagarna förekommer och uppvisas i generella sociala/mediesammanhang? (Tidningar, industrievenemang osv)

- Exempelvis, att lånetagarna förekommer och uppvisas i anslutning till kända aktörer inom sektorn? (Exempelvis på aktörernas hem- och nyhetssidor, i debatter och reklamer osv)
- Exempelvis att låntagarna engagerar sig inom sektorn för dess utveckling och expansion (Exempelvis genom deltagande i kooperativ, föreningar och förbund som arbetar för sektorns bästa)
- Exempelvis, certifieringar, intyg,
- Exempelvis, uppbackning och bestyrkande av uppgifter och annat av olika aktörer.

13. Är det viktigt att detta kommuniceras och framgår via plattformen/förmedlaren?
14. Ökar trovärdigheten och intresset för låntagaren för dig om sammanställningen av informationen är väl strukturerad, organiserad, riklig och rimlig? Är korrekt språk och skrift en viktig signal/indikator?
15. Är det något annat en lantbrukare, ett lantbruksföretag eller låntagare kan göra för att få ökad förtroende och ökat intresse för sitt lån från dig?

Plattformen:

16. Hur skulle du vilja att kommunikationen ser ut mellan dig som investerare/långivare och lantbruksföretaget du lånar ut till genom crowdlending? Vad för rapportering och uppdateringar är viktiga? Vill du kunna ställa frågor via plattformen eller kontakta låntagarna direkt?
17. Hur viktigt är det att se hur stor del av lånet som är täckt och antalet finansiärer?
18. Hur prioriterar du mellan olika aspekter för ett lån såsom ränta, låneperiod, risk (säkerhet), syftet för lånet och dess bidrag till ökad hållbarhet när du väljer mellan olika crowdlendingprojekt? Är det något annat vi missar här?
19. Hur ser du på den bedömning och betygsättning om kreditvärdigheten och risken som plattformen/förmedlaren gör för en låntagare? Är den viktig eller är din egen bedömning och analys viktigare?
20. Vad vill du att mer för funktioner, information och liknande som ska finnas på plattformen?
21. Varför svarade du som du gjorde? (Specifikt valda frågor från enkäten)
22. Har du några andra kommentarer om möjligheten att lånefinansiera lantbruksföretag via crowdlending eller något annat att tillägga?

Appendix 3

Table 16: Survey answers - Reasons to not being interested

Är det någon av följande påståenden som förklarar varför du svarade att du inte var intresserad på föregående fråga?	NP	P	ALL	
Jag har inte tillräckligt god förståelse för hur lantbruksföretag fungerar företagsekonomiskt	3	0	3	30,0%
Jag har inte tillräckligt god förståelse för de risker, utmaningar och osäkerheter som lantbruksföretag står inför och behöver ta höjd för i sin planering, utveckling och drift av verksamheten	4	2	6	60,0%
Jag har inte tillräckligt god förståelse för vad ägare av lantbruksföretag värderar och vad för målsättningar som driver deras företagande	2	0	2	20,0%
Jag har inte den kunskap som krävs för att utvärdera potentiella investeringsmöjligheter inom lantbrukssektorn och i lantbruksföretag	2	1	3	30,0%
Jag är inte intresserad av att finansiera lantbruksföretag	3	1	4	40,0%
Jag är inte intresserad av att låna ut genom lånebaserad gräsrotsfinansiering (crowdlending).	4	2	6	60,0%
Risken associerad med lantbruksföretag är för hög för mig	3	0	3	30,0%
Avkastningspotentialen för lån är för låg för mig	3	2	5	50,0%
Lantbruksföretag uppfyller inte mina investeringskriterier	1	0	1	10,0%
Jag är inte intresserad av att investera genom lån	2	3	5	50,0%
Vill ej ange	0	0	0	0,0%
Övriga orsaker, vänligen skriv ditt svar	0	0	0	0,0%
Antal svar	6	4	10	

Hur intresserad är du av att finansiera följande typer av lån och projekt i anslutning till lantbruksföretag?	Svarsalternativ	NP	P	ALL	
Omställningslån (Exempelvis ställa om till ny driftsinriktning som exempelvis ekologiskt eller regenerativt)	Mycket intresserad	3	2	5	16,1%
	Ganska intresserad	5	6	11	35,5%
	Ganska ointresserad	5	2	7	22,6%
	Inte intresserad	6	0	6	19,4%
	Vet ej	1	1	2	6,5%
Rörelsekapital (exempelvis till insatsvaror, expansion etc)	Mycket intresserad	2	0	2	6,5%
	Ganska intresserad	6	1	7	22,6%
	Ganska ointresserad	5	4	9	29,0%
	Inte intresserad	6	5	11	35,5%
	Vet ej	1	1	2	6,5%
Medfinansiering av fastighetsförvärv	Mycket intresserad	4	0	4	12,9%
	Ganska intresserad	9	4	13	41,9%
	Ganska ointresserad	3	2	5	16,1%

	Inte intresserad	3	4	7	22,6%
	Vet ej	1	1	2	6,5%
Finansiering vid investering i den löpande verksamheten och förbättringsåtgärder. (Exempelvis maskiner, inventarier etc)	Mycket intresserad	3	1	4	12,9%
	Ganska intresserad	4	1	5	16,1%
	Ganska ointresserad	7	2	9	29,0%
	Inte intresserad	5	5	10	32,3%
	Vet ej	1	2	3	9,7%
Bryggfinansiering (För att hjälpa med likviditeten innan stöd och inkomster av olika slag kan betalas ut och realiseras)	Mycket intresserad	3	0	3	9,7%
	Ganska intresserad	6	3	9	29,0%
	Ganska ointresserad	3	2	5	16,1%
	Inte intresserad	6	5	11	35,5%
	Vet ej	2	1	3	9,7%
Tillväxtlån (Exempelvis för expansions ändamål)	Mycket intresserad	4	0	4	12,9%
	Ganska intresserad	8	5	13	41,9%
	Ganska ointresserad	6	2	8	25,8%
	Inte intresserad	1	3	4	12,9%
	Vet ej	1	1	2	6,5%
Ägar och generations- skiften	Mycket intresserad	2	1	3	9,7%
	Ganska intresserad	3	4	7	22,6%
	Ganska ointresserad	4	1	5	16,1%
	Inte intresserad	10	4	14	45,2%
	Vet ej	1	1	2	6,5%
Nyetablering (Exempelvis till individer som söker kapital för att starta ett lantbruksföretag)	Mycket intresserad	3	2	5	16,1%
	Ganska intresserad	3	3	6	19,4%
	Ganska ointresserad	5	1	6	19,4%
	Inte intresserad	8	5	13	41,9%
	Vet ej	1	0	1	3,2%
Antal svar		20	11	31	

Table 17: Survey answers - Importance of different added values

Hur viktigt för ditt finansieringsbeslut är följande typer av mervärden och miljöaspekter som lånen till lantbruksföretagen potentiellt kan bidra till?	Svarsalternativ	NP	P	ALL	
Förbättrad Djurvälfärd/omsorg	Mycket viktigt	2	4	6	19,4%
	Viktigt	8	3	11	35,5%
	Ganska viktigt	4	2	6	19,4%
	Mindre viktigt	5	1	6	19,4%
	Inte viktigt	1	0	1	3,2%
	Vet ej	0	1	1	3,2%
Förnybar energi	Mycket viktigt	6	6	12	38,7%
	Viktigt	8	4	12	38,7%
	Ganska viktigt	3	1	4	12,9%
	Mindre viktigt	3	0	3	9,7%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Förbättrad jordhälsa	Mycket viktigt	3	3	6	19,4%
	Viktigt	10	8	18	58,1%
	Ganska viktigt	2	0	2	6,5%
	Mindre viktigt	4	0	4	12,9%
	Inte viktigt	1	0	1	3,2%
	Vet ej	0	0	0	0,0%
	Mycket viktigt	5	5	10	32,3%
	Viktigt	7	4	11	35,5%

Självförsörjning (Exempelvis ökad inhemsk produktion av en gröda med låg självförsörjningsgrad)	Ganska viktigt	4	1	5	16,1%
	Mindre viktigt	3	0	3	9,7%
	Inte viktigt	0	1	1	3,2%
	Vet ej	1	0	1	3,2%
Cirkuläritet samt reducerad och effektiviserad resursanvänding	Mycket viktigt	5	7	12	38,7%
	Viktigt	6	3	9	29,0%
	Ganska viktigt	6	1	7	22,6%
	Mindre viktigt	2	0	2	6,5%
	Inte viktigt	0	0	0	0,0%
	Vet ej	1	0	1	3,2%
Ökad biologisk mångdfald och förbättrade ekosystem	Mycket viktigt	4	6	10	32,3%
	Viktigt	3	4	7	22,6%
	Ganska viktigt	7	1	8	25,8%
	Mindre viktigt	5	0	5	16,1%
	Inte viktigt	0	0	0	0,0%
	Vet ej	1	0	1	3,2%
Minskade utsläpp av växthusgaser (Exempelvis infångning och nedbrytning av växthusgaser, inlagring av kol i mark osv)	Mycket viktigt	3	6	9	29,0%
	Viktigt	6	5	11	35,5%
	Ganska viktigt	5	0	5	16,1%
	Mindre viktigt	3	0	3	9,7%
	Inte viktigt	2	0	2	6,5%
	Vet ej	1	0	1	3,2%
Minskad övergödning (reducerat läckage av näringsämnen)	Mycket viktigt	3	5	8	25,8%
	Viktigt	7	6	13	41,9%
	Ganska viktigt	4	0	4	12,9%
	Mindre viktigt	3	0	3	9,7%
	Inte viktigt	2	0	2	6,5%
	Vet ej	1	0	1	3,2%
Återvinning och återbruk (Exempelvis näringsåtervinning eller nyanvänding av gamla ekonomibyggnader)	Mycket viktigt	1	4	5	16,1%
	Viktigt	8	5	13	41,9%
	Ganska viktigt	2	0	2	6,5%
	Mindre viktigt	5	2	7	22,6%
	Inte viktigt	3	0	3	9,7%
	Vet ej	1	0	1	3,2%
Minskad använding av skadliga bekämpningsmedel och liknande preparat	Mycket viktigt	4	6	10	32,3%
	Viktigt	5	4	9	29,0%
	Ganska viktigt	3	1	4	12,9%
	Mindre viktigt	4	0	4	12,9%
	Inte viktigt	3	0	3	9,7%
	Vet ej	1	0	1	3,2%

Mindre produktionsförluster	Mycket viktigt	2	3	5	16,1%
	Viktigt	12	7	19	61,3%
	Ganska viktigt	2	1	3	9,7%
	Mindre viktigt	2	0	2	6,5%
	Inte viktigt	1	0	1	3,2%
	Vet ej	1	0	1	3,2%
Nya arbetstillfällen	Mycket viktigt	1	3	4	12,9%
	Viktigt	8	4	12	38,7%
	Ganska viktigt	8	2	10	32,3%
	Mindre viktigt	2	1	3	9,7%
	Inte viktigt	1	1	2	6,5%
	Vet ej	0	0	0	0,0%
Föryngring av lantbrukarkåren (Generationsskiften och nyrekrytering till lantbrukssektorn)	Mycket viktigt	5	4	9	29,0%
	Viktigt	1	3	4	12,9%
	Ganska viktigt	3	3	6	19,4%
	Mindre viktigt	7	0	7	22,6%
	Inte viktigt	1	1	2	6,5%
	Vet ej	3	0	3	9,7%
Antal svar		20	11	31	

Table 18: Survey answers - Variables importance for the financing decision

Hur viktigt är följande variabler för ditt beslut att finansiera ett lån till lantbruksföretag?	Svarsalternativ	NP	P	ALL	
Lantbruksföretagets geografiska närhet till dig	Mycket viktigt	2	1	3	9,7%
	Viktigt	4	3	7	22,6%
	Ganska viktigt	6	2	8	25,8%
	Mindre viktigt	5	1	6	19,4%
	Inte viktigt	3	4	7	22,6%
	Vet ej	0	0	0	0,0%
Lantbruksföretagets driftsinriktning	Mycket viktigt	4	2	6	19,4%
	Viktigt	7	3	10	32,3%
	Ganska viktigt	4	5	9	29,0%
	Mindre viktigt	4	0	4	12,9%
	Inte viktigt	1	1	2	6,5%
	Vet ej	0	0	0	0,0%
Lånets löptid	Mycket viktigt	6	2	8	25,8%
	Viktigt	12	4	16	51,6%
	Ganska viktigt	1	3	4	12,9%
	Mindre viktigt	1	1	2	6,5%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	1	1	3,2%
Lånets ränta	Mycket viktigt	12	5	17	54,8%
	Viktigt	7	5	12	38,7%
	Ganska viktigt	0	0	0	0,0%
	Mindre viktigt	1	1	2	6,5%
	Inte viktigt	0	0	0	0,0%

	Vet ej	0	0	0	0,0%
Lånets underliggande säkerhet	Mycket viktigt	12	5	17	54,8%
	Viktigt	6	5	11	35,5%
	Ganska viktigt	2	1	3	9,7%
	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Lånets risk	Mycket viktigt	9	4	13	41,9%
	Viktigt	10	5	15	48,4%
	Ganska viktigt	1	2	3	9,7%
	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Lånesyftets bidrag till ökad hållbarhet	Mycket viktigt	3	8	11	35,5%
	Viktigt	5	2	7	22,6%
	Ganska viktigt	6	0	6	19,4%
	Mindre viktigt	6	1	7	22,6%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Antal svar		20	11	31	

Table 19: Survey answers - Importance of informational features

Hur viktiga är följande information och möjligheter för ditt finansieringsbeslut i anslutning till de lån (lantbruksföretag) som listas på plattformen?	Svarsalternativ	NP	P	ALL	
Finansiella rapporter för nuläget och tidigare år (Exempelvis balans- och resultaträkningar, kassflödesanalyser och liknande)	Mycket viktigt	12	4	16	51,6%
	Viktigt	6	6	12	38,7%
	Ganska viktigt	2	1	3	9,7%
	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Framåtblickande finansiell information och prognos om företagets framtida ekonomi	Mycket viktigt	13	6	19	61,3%
	Viktigt	6	5	11	35,5%
	Ganska viktigt	1	0	1	3,2%
	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Verksamhetsmått och dess förändring över tid (Nyckeltal), exempelvis kapitalomsättningshastighet och omsättning per anställd	Mycket viktigt	6	2	8	25,8%
	Viktigt	10	7	17	54,8%
	Ganska viktigt	4	1	5	16,1%
	Mindre viktigt	0	1	1	3,2%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
	Mycket viktigt	10	4	14	45,2%

Finansiella mått och dess förändring över tid (nyckeltal) exempelvis soliditet, likviditet, räntetäckningsgrad etc	Viktigt	7	5	12	38,7%
	Ganska viktigt	3	2	5	16,1%
	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Lönsamhetsmått och dess förändring över tid (nyckeltal) exempelvis vinstmarginal, räntabilitet, avkastning på eget/totalt kapital etc	Mycket viktigt	13	3	16	51,6%
	Viktigt	5	7	12	38,7%
	Ganska viktigt	2	1	3	9,7%
	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Beskrivningar av utmaningar, risker och osäkerheter för lånet/företaget samt hur de hanteras	Mycket viktigt	12	4	16	51,6%
	Viktigt	6	4	10	32,3%
	Ganska viktigt	2	3	5	16,1%
	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Verksamhetsbeskrivningar (Kan innefatta allt från företagets driftsinriktning, utvecklingsarbete och strategi till företagets hållbarhetsarbete och målsättningar)	Mycket viktigt	7	4	11	35,5%
	Viktigt	8	5	13	41,9%
	Ganska viktigt	5	1	6	19,4%
	Mindre viktigt	0	1	1	3,2%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Bilder och videor kopplade till lantbruksföretaget och lånet	Mycket viktigt	5	4	9	29,0%
	Viktigt	3	3	6	19,4%
	Ganska viktigt	7	4	11	35,5%
	Mindre viktigt	4	0	4	12,9%
	Inte viktigt	1	0	1	3,2%
	Vet ej	0	0	0	0,0%
Information om bygden, området och geografin	Mycket viktigt	3	3	6	19,4%
	Viktigt	4	3	7	22,6%
	Ganska viktigt	8	2	10	32,3%
	Mindre viktigt	5	3	8	25,8%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Information om låntagarnas/ägarnas erfarenheter, kunskaper, värderingar och målsättningar	Mycket viktigt	9	5	14	45,2%
	Viktigt	5	4	9	29,0%
	Ganska viktigt	6	2	8	25,8%
	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%

	Vet ej	0	0	0	0,0%
Antalet nuvarande finansiärer för lånet	Mycket viktigt	8	3	11	35,5%
	Viktigt	7	8	15	48,4%
	Ganska viktigt	2	0	2	6,5%
	Mindre viktigt	2	0	2	6,5%
	Inte viktigt	1	0	1	3,2%
	Vet ej	0	0	0	0,0%
Hur stor andel av lånet som redan är täckt av andra finansiärer	Mycket viktigt	7	5	12	38,7%
	Viktigt	8	6	14	45,2%
	Ganska viktigt	2	0	2	6,5%
	Mindre viktigt	3	0	3	9,7%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Betygsättning som tilldelats på plattformen gällande den upplevda risknivån och avkastningspotentialen för projekten/lånen	Mycket viktigt	5	4	9	29,0%
	Viktigt	8	6	14	45,2%
	Ganska viktigt	7	1	8	25,8%
	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Möjlighet att kontakta låntagarna/ägarna	Mycket viktigt	4	5	9	29,0%
	Viktigt	6	3	9	29,0%
	Ganska viktigt	5	2	7	22,6%
	Mindre viktigt	3	1	4	12,9%
	Inte viktigt	1	0	1	3,2%
	Vet ej	1	0	1	3,2%
Möjlighet att besöka låntagarna/ägarna	Mycket viktigt	3	5	8	25,8%
	Viktigt	8	3	11	35,5%
	Ganska viktigt	4	2	6	19,4%
	Mindre viktigt	2	1	3	9,7%
	Inte viktigt	3	0	3	9,7%
	Vet ej	0	0	0	0,0%
Information om redan existerande externa finansiärer och samarbetspartners	Mycket viktigt	9	6	15	48,4%
	Viktigt	5	4	9	29,0%
	Ganska viktigt	4	1	5	16,1%
	Mindre viktigt	2	0	2	6,5%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Information om ändamålet för lånet samt dess påverkan på företagets framtida ekonomi och eventuella bidrag till ökad hållbarhet	Mycket viktigt	14	8	22	71,0%
	Viktigt	5	2	7	22,6%
	Ganska viktigt	1	1	2	6,5%

	Mindre viktigt	0	0	0	0,0%
	Inte viktigt	0	0	0	0,0%
	Vet ej	0	0	0	0,0%
Antal svar	20	11	31		

Table 20: Survey answers - Preferences for choosing a loan

Vad föredrar du av följande:	NP	P	ALL	
Att själv ha möjligheten att utföra en analys av underlaget för respektive lån (lantbruksföretag) som listas på plattformen.	2	3	5	16,1%
Att plattformen/förmedlaren utför en analys av underlaget för samtliga lån (lantbruksföretag), betygsätter dem och därefter uppvisar analysen och betygsättningen i anslutning till lånen på plattformen.	5	4	9	29,0%
Båda två av ovanstående alternativ	13	4	17	54,8%
Vill ej ange	0	0	0	0,0%
Vet ej	0	0	0	0,0%
Annat, skriv ditt svar	0	0	0	0,0%
Vad föredrar du av följande:				
Att aktivt välja vilka enskilda lån (lantbruksföretag) att finansiera, där du kan välja flera lån för att uppnå diversifiering	10	6	16	51,6%
Att välja en "färdig" portfölj av flera lån (lantbruksföretag) som en förvaltare eller plattformen kombinerat ihop	7	3	10	32,3%
Vill ej ange	0	0	0	0,0%
Vet ej	1	1	2	6,5%
Annat, skriv ditt svar	2	1	3	9,7%
Antal svar	20	11	31	

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