

The Problems In Creating And Developing A Crowdfunding Platform

A study on how a company can create a new financial platform
in Finnish real estate industry

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Abstract

As a new method of financing crowdfunding is seen to be beneficial for the parties involved, but on the other hand it is understood that even though crowdfunding is seen as a future method in financing it also has some issues. Much of the studies in the field focus on the benefit side but only recently the issues with it have been under discovery.

This thesis is a single case study using a Finnish Crowdfunding company to study the issues that the company has in improving its operations and becoming a well functioning financial platform. With the use of the theoretical framework of actor network theory (ANT), framing and overflowing, and program and anti-program this paper sets to analyze where the issues come from and how the network must constantly adapt to the ever-changing environment that various entities inside and outside the network require. The application of these theories with the research used in the paper enable an inductive approach to answering the research question.

The purpose is to understand why the case company was created in the first place and how they attempt to grow and what are the reasons that prevent the growth. Through qualitative research the paper analyzes first the reasons why there is a need for the existence of crowdfunding companies and then analyzes problems in the development of the method of financing. The data is gathered mostly from the employees of the case company as they are seen to have a more comprehensive image of the company operations and are able to shed light on the issues that the company faces with the various entities. Additionally to this an external interview is used in order to gain valuable insights on what could be the issues in crowdfunding and how the company could be developed.

The analysis reveals that issues largely exist in the entrepreneur side of crowdfunding and companies are reluctant to participate due to its public nature and high cost of capital as well as the negative perception that persists with crowdfunding. The outcome of the study is of course relative to the specific to the company and industry it operates in but it confirms many of the obstacles and issues that crowdfunding is seen to have based on existing research in the field. This research should be used as a preliminary work for studying additional industries to verify the issues in a larger scale and to understand how the method of financing could be developed in a bigger picture.

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1 INTRODUCTION

In early 2000's the financial crisis that caused banks to become a lot more careful in financing left room and need for alternative options for providing capital for the companies that need it (Turan, 2015). Roughly during the same times the emergence of self-created Internet content has enabled the continuous rise of social media (De Buysere et al., 2012). These two together helped in creating a new financial phenomenon that is now called crowdfunding or crowdsourcing (later crowdfunding or CF), where private people can offer financial help through different types of crowdfunding services such as peer-to-peer charitable causes, peer-to-peer lending and reward based investment opportunities. This is typically done via Internet based platforms from which investors can first choose a platform of their interest and consequently decide causes that they find interesting and invest or donate an amount of their willing (Agraval et al., 2013). Recently a number of similar platforms where the gains are purely financial in nature have been growing in numbers starting from the Western countries and spreading continuously around the globe (Turan, 2015). In these platforms private people are given the opportunity to act as investors and gain financially from providing capital aids for mainly start-ups and other small and medium sized enterprises. Crowdfunding is thus becoming a large and widely recognized form of alternative investing and financing and although crowdfunding in essence has always been a method of financing, social media has made crowdfunding the new innovative product in finance for companies in the need of capital as well as for investors to invest (Lasrado, 2013). After starting out as reward based platform it has become a serious method of investing and financing globally.

A vast number of companies operating crowdfunding services have made financially beneficial investments possible with just a few clicks on the Internet (Mollick, 2014). For those who are in need for capital, was it for personal needs, charity causes, starting up a company or the like, one way of reaching the capital target has always been to source funds from people you know pooling small contributions to a larger pile of cash (Ahlers et al., 2015). Charity is a case in point, where funds are gathered from hundreds of thousands if not millions of people to attain a certain goal. And frankly, taxation can be said to be the largest form of sourcing funds from the crowd. The emergence of crowdfunding has become evident and the focus of this paper is to

look the financial niche of the market in one of the newest industries where crowdfunding is taking a steady foothold.

Even though crowdfunding is a relatively new phenomenon, various scholars have found it interesting and have conducted studies on the front. In this relatively new field studies have been conducted only during the recent years ranging from what crowdfunding is and what different types of crowdfunding platforms there exists (Bellaflame et al., 2015) up to studying the geographical dispersion of investments that is made available by the online platforms where anyone has an access (Agrawal et al., 2011). The studies have also spread into the benefits and issues of the parties involved, where there is theoretical front of the possible issues and benefits (Turan, 2015) and research on start-up company executives where some of the issues are empirically seen to prevail (Gleasure, 2015).

On top of studying entities that are involved in crowdfunding some research is based on the current state of crowdfunding in a more industry report manner outlining the reasons for the emergence of crowdfunding (De Buysere et al., 2012). Whereas some papers have mentioned the impact crowdfunding has on the more conservative financing methods (Turan, 2015). These papers are supplemented by studies on how governing bodies have noticed the positive impact crowdfunding has on the economy and how countries have acted and should act on introducing legislation and educating the various stakeholders to improve the national operations (Jegeleviciute & Valanciene, 2015). One study was conducted on crowdfunding in Finnish market (Lasrado, 2013) where the current state of crowdfunding operations was analyzed on empirical data gathered from the existing companies. The existing literature then proves that the field has gained academic interest and crowdfunding as a phenomenon will be explained more thoroughly in the literature review section below.

1.1 Crowdfunding in real estate

Due to various reasons, especially changes in capital that is being provided through the more conservative financing channels, crowdfunding as a new method of financing has emerged in multiple industries (De Buysere et al., 2012). And when studying potential implications for crowdfunding in real estate industry Vogel & Moll (2014) mentioned that in the U.S. there has

been major development in crowdfunding in real estate industry where a variety of companies have established platforms providing companies with opportunities to raise additional equity or loan that is sourced from a crowd.

Even though the idea of these platforms is to provide help for those involved, the emergence of the industry has not come without issues. As Turan (2015, pp. 355) stated:

“There are three direct stakeholders to the EC (equity crowdfunding, own adding) model: the entrepreneur, the investor, and the EC platform. These players may not be fully aware of the immediate and long-term risks they have to bear prior to, during, and in the aftermath of the EC process.”

In Finland after years of rising construction in the early 2000's the industry quickly halted after the financial crisis. Being highly sensitive for capital the dip was inevitable due to financial shortages as well as due to lack of trust from individuals in the housing market. This can be seen in fall of the size of the industry measured by projects started (OSF, 2017a).

A group of business and IT professionals in a Finnish city of Turku realized that there is a gap in the financial market in real estate in Finland and especially in construction. The idea of the company that could provide capital for the construction companies started in late 2015. In a table there were seated professionals in software development, an owner of a construction company as well as a business professional who later was appointed CEO of the company in question. Conversation in the table circulated around the fact that construction entrepreneurs now have more difficult times in being able to get constructions started and develop and grow their companies. The idea for the company in question came largely from studying companies that offered this service abroad. This led into realization that there was no crowdfunding platform targeted strictly towards Finnish real estate and construction industry, while the need for capital existed due to banks not issuing enough loans. With influence and inspiration from companies established in countries like United States or closer correspondents such as Sweden, the four men decided to go forward with the idea and establish a company that could provide a crowdfunding service for Finnish construction industry. One of these men now works as a CEO of the company and three others as board members. The initial group then started looking for venture capitalists to invest in the company and after a number of conversations they found an investor from real estate industry that agreed with the reason for starting a company and took

the seat of chairman of the board. The company in question is now called Groundfunding (or GF).

The point of starting this company was to enter the market with a financial product that would benefit the construction companies as well as private investors. The main issue in the industry being the higher equity requirements, due to less construction loan issued by banks that small and medium sized construction companies were unable to fulfill from their own cash reserves and on the other hand provide investors with an interesting high return investment possibility. With the product that Groundfunding offered, construction companies could narrow the gap that banks had left them to finance with own equity or using other private investor. GF was therefore to offer additional capital for the companies to attain the financial requirements for starting the projects as well as to give construction companies the ability to untie equity capital without losing any ownership of the projects.

To explain the financing of housing construction in Finland it is to be noted that it is mainly based on loan scheme called RS-financing (abbreviation from Finnish equivalents of recommended by the consultative committee of financial institutions) that was developed in the 1970's to protect the consumer in the housing market in the case of the construction company falling into financial troubles during or after the construction (finanssivalvonta, 2015). The system has been in use for decades and the basis of the system is that the entity taking the loan is not the construction company but the housing complex, while the construction company is to give the rights to the construction as collateral in the case of falling into financial troubles. The housing complex is a limited company on its own and when the private buyer is buying a dwelling he or she makes purchase on the corresponding shares that give direct rights to the dwelling. While buying the shares one can decide to either amortize the loan with a higher buying price or leave the debt as it is and amortize the loan in the maintenance charge of the building. This said, while there has been a somewhat continuous rise in the cost of construction during the least 15 years (OSF, 2017b) the proportion of this RS-loan that banks are issuing has not been rising or has decreased (Kortelainen, 2016) during the recent years leaving a gap to be financed from other sources, typically equity reserves.

Thus the idea was not unique, as in real estate industry crowdfunding has been gaining foothold in the recent years starting from the US and spreading towards Europe. For example in 2015 in

the US saw nearly half a billion USD invested to real estate through crowdfunding, tripling the amount to the year before (Clark, 2016). The point in CF in real estate is similar to that of crowdfunding in general: Individuals can invest into a project that they find interesting, either with a bond loan or towards equity and wait for the returns. Crowdfunding platforms are thus places where those who are in the need of money can meet people who have money to invest (Jegeleviciute & Valanciene, 2015). Additional point in these is that people who used to be unable to invest in real estate because of the high capital need, are now able to put small amounts, as small as a few hundred dollars, towards something physical (Vogel & Moll, 2014). This has made real estate as one of single largest asset types that is being crowdfunded, startups being the only larger single entity (Crowdexpert, 2016). But due to the scattered nature of industries that startups engage in real estate is clearly the largest individual asset type financed through crowdfunding (ibid.).

But although idea is simple and looks like a relief for the construction companies as well as for investors it is not a dream come true, as Groundfunding has realized. Although there were a great number of successful projects that were financed during the first year of operations, the company also saw a number of issues. The issues are not company specific and have globally prevailed mainly in the finance seeking side, but exists also on the investor side and includes issues that initially were external to the core operations (Turan, 2015). This is what the paper seeks to uncover by telling the story of successes as well as problem in the first year of operations of the case company.

The main problem that crowdfunding companies have is that there might exist a lack of interest in the finance seeking side to apply for financing through a crowdfunding platform as is for example argued by Turan (2015) and found empirically to be true by Gleasure (2015). This is in conflict with the fact that companies have realized a need for additional financing (De Buysere et al., 2012). The trouble of convincing customers in the finance seeking side leads in issues in gathering revenue for the platform operator and although there has been a number of successful financing rounds adding up to €1,65 million in issued loans during the first year of operations, changes are likely to be needed in order to succeed in the future.

1.2 Purpose of this research

As many scholars that study crowdfunding have mentioned, if crowdfunding is done correct, it can become a serious method of financing projects and companies in their start-up phase (c.f. De Buysere et al., 2012). Crowdfunding is likely to transform the way private capital markets work as investors keep realizing the possibilities for investing and companies start realizing the power of this financing method for their operations (Freedman & Nutting, 2015). The section above briefly explains the starting ground for this study, while this section goes deeper into the explanations why this study is of importance ending with the problem statements. Crowdfunding seems like a simple idea that is beneficial for all, but previous literature suggests (cf. Turan 2015, Gleasure, 2015) the idea does not come without resistance.

There has been relatively large number of studies in the industry taking into consideration the young phase of the development of the industry, but multitude of scholars (cf. Mollick, 2014) have argued for the issues of lack of academic research in the emerging field. Literature review below will explain theoretically what are the main issues that could prevail, while the story of the case company and the analysis that based in the two respectively will unveil what are the issues and the reasons behind the negativity. The importance of the study comes in the form of understanding the fuller scope of these issues in crowdfunding and trying to further analyze what could be the solution for these issues.

As is mentioned above the issue that the company has is not in the way of not getting the financing rounds to succeed, as all the five rounds have so far been successful. The issue is in understanding what are the reasons for Groundfunding having had only five rounds and not more and what have been the difficulties in publishing the existing rounds. The founding of the new company under study has not been without its issues and there is a possibility of various obstacles in realizing the ambitions of the company developers. Thus the importance of this study comes in understanding what is the reason behind those that have not participated and why is it difficult to convince customers to take part in the financing. This is in line with what Gleasure (2015) argued, as it is not important to just understand those who have participated and the reasons behind it but rather to understand what are the reasons for the resistance towards crowdfunding and what creates the obstacles in the development of crowdfunding operations.

As the theory in the paper suggests, new issues are uncovered constantly as the network expands. This is why the paper also focuses on what are the main driving forces in how the company can develop and become a more successful service.

1.3 Problem statements

From the above we come into conclusion with the problem statements. The empirical research in the paper tries to find the reasons various entities have that prevent them from participating in crowdfunding by using theory outlined in next sections. This paper thus tries to answer **Why various entities create challenges and obstacles for a development of a crowdfunding innovation?** This paper tries to answer the research question by telling a story of the first year of operations of the case company by explaining the main obstacles and what have so far been done to overcome certain obstacles and what has not been able to solve.

The research question is about why issues exist and it enables understanding on what the company must do to overcome the issues and stabilize the company operations. The company must constantly innovate and alter to better serve the clientele as it expands. New issues emerge constantly and the company must act accordingly. The problem then is how the company can overcome these and better stabilize what they do business in order to become a larger marketplace and better serve those in need and evolve to a phase where the company is large enough for not seeing every issue as new setback.

To answer these questions the paper uses a single case study of a Finnish crowdfunding company. This is done in order to take a close look to find the issues at hand through interviews of the company employees and external parties to seek for the possible themes that the company is facing. To answer these questions actor network theory is used in order to understand what are the entities that create the troubles to the network and how the network must continuously shape and reshape in order to take the issues into consideration and try to solve these problems.

1.4 Structure

The structure of the paper is as follows. Starting with the methodology of the paper section 2 will introduce the methods that the paper uses to study the relevant issues outlined above. Section 2 will introduce approach to the study as well as the strategy and the contents of the case with the data used. Section 3 will introduce crowdfunding and how it functions based on a literature review of the theoretical frameworks of crowdfunding. That section will introduce what crowdfunding is and what enables crowdfunding, how it has been rising as a method of financing as well what are the possibilities and prevailing issues in it for the different parties involved. The literature review explains what is the main theme of the study and introduces the issues that are studied in relation to the case company to try and find out how they affect the company and what are the possible developments to overcome the issues.

This paper is empirical in two stages; first the case company is introduced in section 5 followed by the analysis in section 6. Section 5 explains starting ground for the company and tells the story of how the company was started, giving reasons behind the establishment and how the company was set to be able to help the parties involved in the core operations. This story of the starting ground will then be used as the point of beginning for where the main analysis in section 6. Before the empirical sections a theoretical framework in section 4 includes literature on actor network theory mainly according to Callon's (1986) framework. This includes theory of what are believed to be the main causes for actors in the network and how ANT could be used in order to understand where the issues for the company emerge to answer the research question. This includes theoretical framework of framing and overflowing, which is used to give understanding on how the network is formed and how changes in the network are necessary based on the obstacles brought by different parties.

Actor network theory is used in the paper because of its power to see where issues emerge and how the issues affect the network of operations. In relation to crowdfunding another useful theory to be used could be neo institutionalism and especially isomorphism within it. ANT is chosen as a better alternative to answer the questions of constant change in the emergence of the platform with every additional client and focuses on the internal changes. Rather than the changes that institutions and society in larger picture puts into the platform due to overwhelming situation this paper focuses on the changes that are necessary due to issues that

single individuals put on the company. ANT was thus chosen as it was better seen to explain the internal changes in the case company rather than new institutionalism. As a theory that focuses more on explaining why there is a need for crowdfunding companies in the first place due to pressure from larger organizations such as bureaucracy or legislation and why they are rather similar in nature (DiMaggio & Powell, 1983) this paper attempts to focus on issues that are company tied to a certain market. Even though new institutionalism could explain the existence of Crowdfunding in the first place the purpose is not to study the reasons for the existence but the issues that have prevented the development of the case company.

In the analysis section the data and is then used in connection of ANT. The first task here is to see that the problems are in accordance to the literature review and if there exists additional issues followed by how the network that Groundfunding operates in must be taken into account to see what could be done to solve the issues. By following the framework by Callon (1986) the analysis will then walk through the theory to get a better picture of how the case company can first become important to the proposed actors and further create the network around themselves and get an understanding of where the issues exist.

The analysis section is then followed by discussion of the issues at hand in section 7 where the analysis is brought together, follows by conclusion in section 8 giving concluding remarks and the possibilities of further studies based on this paper.

2 METHODOLOGY

This section outlines the methodology used in the paper and uncovers the research approach, the collection of the data used and how the data is then analyzed. In a socially constructivist way the paper establishes to create a view of how relationships up and down the supply chain matter in forming a new company and tries to uncover where in the relationships issues are mostly established and how they require change in the studied company. As social constructivism focuses on how the world around us is created through everyday discussions in peoples behavior (Keaton & Bodie, 2011) it is used as the scientific viewpoint in the paper to gain understanding on answering the research question. Social constructivism is in connection to the research question with happenings before the establishment of the platform that matters in viewpoint of the various entities to understand why the issues are created and then again to gain insights on how it affects the platform in question.

2.1 Research approach

Where as quantitative research has traditionally been more fact based on hard numbers, qualitative methods are softer in their attempt to find more in depth meaning for phenomenon (Barnham, 2014). In their preliminary distinction quantitative research attempts to answer what whereas qualitative seeks answer to why, but it is not so clear cut in reality and before understanding the “why” it is important to have an overview of “what” is it that we seek to answer “why” (ibid.) Consequently, as the main research agenda of this paper is to get a better understanding of why the management of the company sees as the reason for the existence of the issues it is important to have an overview of what the issues are and then to qualitatively assess the reasons for why they seem to make the company development difficult.

Qualitative research focuses on creating understanding and meaning from words (Mayer, 2015) and hence the most suitable method for this study’s purposes would be an interview. The purpose of qualitative research done by interview is to seek in depth meanings of a phenomenon and thus it is used in this paper in trying to obtain sense in the development of a said phenomenon. It tries to create an understanding of how the interviewee sees that aspect of life

rather than just answering specific and quantifiable questions (Kvale, 2007), through which the researcher then attempts to interpret and construct meaning.

Qualitative research is a form of research focusing in interpretation of meaning of social phenomenon that is seen to occur and attempts to create understanding of the said phenomenon (Van Maanen, 1979 in Mayer, 2015). The most suitable approach for this research would then be interpretative approach due to this study's aim to create a more comprehensive understanding of the rather new phenomenon of crowdfunding. Rather than building theory around crowdfunding the focus is on single company and the paper attempts to build understanding of the said new phenomenon and look at how it works in practice.

The paper then sets in analyzing the data gathered. The data is collected through interviewing the core employees in the company. These are believed to have knowledge of the primary and secondary parties in how they see the problems emerging and what they see as the possible steps that should be taken to overcome the issues. The employees are able to combine their knowledge from their preliminary work with the various entities to see what are the initial issues that the entities experience. With semi structured interviews based on the literature review and the writers previous experience this paper seeks to answer which existing theories of the issues with crowdfunding exist in practice and to look for what are issues that go beyond the scope of previous literature.

2.2 Data collection

Nowadays, qualitative interview is seen method most often used in various researches (Brinkmann, 2016). This study is conducted as an interview since it is seen as the best fit for the purpose of this research. There are different interview types that suit different occasions and purposes differing mainly in structure and in the involvement of the interviewer. A semi-structured interview is very much conversation-like tied around some specific themes that the interviewee wishes to cover (Kvale, 2007). As there does not exist a universally fixed research it becomes more a result of actions of the participants where the situation the interview is done possess a great role in affecting the results (Brinkmann, 2016). Qualitative research also works with a framework of questions that is subject to change during the process of data analysis and

this flexibility is an important aspect in the character of qualitative research (Mayer, 2015) and therefore semi-structured interview is seen as the correct choice for the interviews in the data collection. But as there is room for interpretation it is also the main deficit of such research as it leaves room for researchers own interpretation and possible biases (ibid.)

The data collection in this research is done through semi-structured theme interviews. The purpose of this research is to study the development of the company based of 4 main themes that are based on the theoretical framework used in the paper and issues that initial issues that are covered in the literature review in section 3. The purpose of this is to get an understanding of what were the reasons behind the establishment of the company and why and how the events occurred. The goal is to study the events and what are the reasons for the success and the resistance and what can be done to overcome the issues. Therefore a theme interview gives a hoped insight to the topic by following the themes starting from the definition and characteristics of the phenomenon with looking at the perceptions and attitudes of those involved. The interview is a semi-structured one to make sure there is a possibility for open and free conversation. This way it is possible for the interviewee to bring up topics and issues one finds important and relevant.

The research includes 4 interviews, done in person or via Skype. The interviewees are a CEO of the company (Interviewee 1), a sales manager of the company (Interviewee 2) and an external person who conducts research on crowdfunding on her own (Interviewee 3). The interviewees were chosen for this study, as it is believed that they have a thorough understanding of the company operations from the initiation through the success as well as the issues and recognize both sides of the platform, the investors and the finance seekers. The external researcher was introduced to develop stability and validity in to the understanding of the issues and delimit uniform biases that the company personnel might have. The language used in the interview was Finnish because it is the native language of the interviewer and the interviewees apart from the external interviewee who was interviewed in English due to her Russian origin. The duration of the interviews ranged between 15 and 50 minutes and were recorded and noted during the interviews. Afterwards the interviews were transcribed and analyzed according to the themes of the questions.

On top of interviews additional data used in the analysis is collected from various websites including website of the case company and websites of governing bodies and financial regulators of Finland to support the interview data in some instances.

2.3 Data analysis

The data analysis is conducted in order to clarify the collected material for the purpose of finding possible new information on the researched topic. Multiple interviews should be conducted to gain insights on the most relevant and valuable topics that arouse from the research contributing to the existing knowledge on the topic. That is said to be the purpose of qualitative research as argued by Eskola & Suoranta (1998).

A thematic interview is a good option for inductively assessing qualitative data and serves especially well in cases with a practical research problem (Eskola & Suoranta, 1998). Thematic analysis enables the structuring and consequently analyzing the data based on themes. This requires a strong connection between theory and empirical data from which the themes may arise. (Eskola & Suoranta, 1998). In this study the themes are based on the literature review that is used in the paper and is used in finding how the company established and where are the biggest issues in the processes that the company does and attempts to understand what these reasons are and why they unfolded.

The beginning of the analysis should be based on the themes of the initial interview but it should be mentioned that it is subject to change during the interview process (Eskola & Suoranta, 1998). This is likely to alter the outcome of the analysis with the fact the interviewer always interprets the interview answers on some level. The interpretations are created based on the interviewer's own previous knowledge as well as their background (Mayer, 2015). Nevertheless as Eskola & Suoranta (1998) mentioned interviewers initial perceptions should be kept aside from the collected empirical material.

The structuring of the material often starts along with the transcribing of it. In this study, after transcribing the material the interview answers were sorted by different themes according to the content. After clearing and structuring the material according to the themes, the actual analysis

took place. As mentioned before, this study is conducted as a thematic analysis. Also quotations were used in some parts to enliven the analysis and to emphasize the interviewee's opinions and perceptions of the topic.

The analysis is divided into four broad sections based on the themes in the interview and based on the theory used in the paper. Through these sections the analysis aims to find an answer to the research question. These are (1) reasons for the company was started, (2) what are the benefits for the different parties involved and how the interest of stakeholders is attempted to be captured, (3) has the reasons put forward worked or what are the issues that have been realized and (4) how to create interest around the companies and parties that matter. Through these the analysis attempts to create a story of the happenings in the company and how they unfolded to enable to study the successes and the problems.

3 LITERATURE REVIEW

As crowdfunding is more of a concept than widely accepted theoretical paradigm, this literature review will focus on what crowdfunding is and the benefits and negative aspects of the new financing method. As CF is still in the early stages, multitude of scholars (cf. Mollick, 2014) has argued for lack of academic research in the emerging field. A large number of studies have so far focused on explaining the concept and what crowdfunding is for the parties involved and sufficient number of these papers are used to explain this new phenomenon in finance to clarify the status that it has created around various industries and how it benefits those involved (c.f. Lasrado, 2013). There has been number of studies that take into consideration the viewpoint of the investor (c.f. Kuppuswamy & Bayus, 2017) and on the other hand there has been a large variety of studies that look into the finance seekers side of the equation (c.f. Ahlers et al. 2015). Not many papers in the end have taken into consideration the fuller scope of the crowdfunding studying both parties and the operator in connection, i.e. the network of individuals and other entities that participate in the action. Henceforth the importance of this paper comes in the form of understanding problem creation and problem solution, as well as bringing in the issues and solving them in the process.

In studying the development of crowdfunding and the issues that prevent companies from taking part in the method of financing Gleasure (2015) mentioned that the importance is in studying individuals and companies that have not participated in crowdfunding. Furthermore this means that the reasons behind not participating are of importance in understanding where development of the industry could go. Furthermore Gleasure (2015) mentioned that to understand the full network of crowdfunding entrepreneurs must understand the fuller scope of interplay that sits within crowdfunding and the entities involved. Thus the importance of this paper is in the scope of looking into and understanding the issues that give a negative perception towards crowdfunding and further understand and come up with a way to solve these problems. This paper seeks to learn how the operating platform studied in the paper has solved issues to get the current customers and further seeks to understand the main issues that those who have not participated have and what are the possibilities for creating positive examples to engage more customers and investors. Thus apart from the larger consensus in the academic research on crowdfunding, this paper will not directly focus on what brings the success behind the financing

rounds, but rather what has been the main driving forces with those that have not participated and how this will constantly alter and change the how the company should operate.

Crowdfunding includes a number of stakeholders and primary stakeholders are the platform, the investors, and the finance seekers. These entities create the need for the platform and enable the function of it as a marketplace (Turan, 2015). In the loan seeking side, companies can be divided into two categories. First there are companies that have seen the method of financing as positive, and secondly companies that have issues that prevent them from participating (Gleasure, 2015). The same can be said for investors, as those who have invested are not as much of interest as those who have not interested and the reasons behind it. First this section shortly explains what crowdfunding is, followed by the benefits and issues that the industry has based on existing literature.

3.1 Crowdfunding in brief

“Crowdfunding is an umbrella term used to describe an increasingly widespread form of fundraising, typically via the Internet, whereby groups of people pool money, usually (very) small individual contributions, to support a particular goal” (Ahlers et al., 2015 pp. 955). Through crowdfunding individual investors can choose specific projects or companies to which they wish to invest during a given time period. This enables private investors to act as venture capitalists with relatively small contributions that in the end pool into a larger sum (Turan, 2015). This new method of investing helps in financing various types of projects that either have not been able to raise at capital from elsewhere or that have seen crowdfunding as powerful method of gathering funds from the market (Jegeleviciute & Valanciene, 2015). Crowdfunding works through Internet based platforms where private investors choose the specific project to invest in (Ahlers et al., 2015). The runners of these platforms typically handpick the projects to include in their platforms, collect the investments from their investor pool and subsequently distribute the capital for the founders, or developers, of the projects. These owners will then invest the funds appropriately and give rewards for the private investors based on their promises (Mollick, 2014).

Contributions made through crowdfunding can be divided into two main categories. The typical objects where money is directed are charitable causes where the contributions are more donation based and financial assets where the investors contribute their money to securities in the form of equity or as debt issuers (Mollick, 2014; Turan, 2015; Bellaflame et al., 2015). In this method of sourcing funds, project owners and entrepreneurs can go round the trouble of finding single venture capitalists using a less direct, but on the other hand a simpler method through scaling the investment towards multiple individual investors (Mollick, 2014).

3.2 Financing construction

When talking of primary stakeholders in the construction industry a crowdfunding platform enables investors to make small-scale investments towards a tangible asset and provides necessary capital for construction companies in the need for financing to enable their projects (Vogel & Moll, 2014).

Crowdfunding has become a highly recognized method of financing in real estate (Vogel & Moll, 2014). This can be argued to be largely because, as mentioned above, bank loans and equity capital from various sources have so far been the major financing in construction or real estate development projects, but changes have occurred in the more recent times in the loans that banks are willing to give (De Buysere et al., 2012) and construction companies have consequently realized the method of financing (Vogel & Moll, 2014). On the other view point crowdfunding is said to alter the status that conventional financing have had by taking away proportions of financing that is now directed through these online platforms (Turan, 2015).

The purpose towards the investors then is to create larger diversification options through new investment options, such as real estate, that is now enabled due to smaller individual investments to single real estate projects (Vogel & Moll, 2014). But one of the fears in the investment side is that as the investment operation is less regulated than for example banks the riskiness will subsequently increase (Turan, 2015). Still it seems that investors are taking trust towards crowdfunding in real estate industry as investments towards real estate made through crowdfunding platforms have increased widely during the recent years and it is stated that

crowdfunding in real estate is seen to become a more legitimate method of financing (Crowdexpert, 2016).

Although the legitimacy seems to be a profound issue towards investors in crowdfunding (Turan, 2015) there are two developments in the industry that are likely to create trust around this investment vehicle (Vogel & Moll, 2014). First of them is legislation. In the United States a law on crowdfunding was signed in 2012 that enabled more marketing and better transparency in crowdfunding. The second is leading investors taking part in crowdfunding as investors as well as inclusion of big and well-known construction companies in crowdfunding operations (Vogel & Moll, 2014). This was also mentioned by Jegeleviciute & Valanciene (2015) as in some countries crowdfunding has been seen to be beneficial for the economies and they had published legislation around the financing method. The other one is inclusion of more investors, and as Agrawal et al. (2013) state is likely to lead to accumulation of investors and invested capital called the herding phenomenon. This means that investors who have knowledge of a specific industry are likely to invest into companies and projects that they find interesting as well as seemingly profitable and investors that are somewhat uncertain of the investment opportunity will follow (ibid.). The analogy of this is that investors who have prior knowledge of the industry see that there is demand for housing in some specific geographical location and trust that the construction goes well are confident on investing into the project. This leads into trust and consequential investments within the more novice investors.

When talking of real estate and construction the starting point for the financing was short-term loan lasting from months to few years for small individual housing projects or buy, renovate, sell operations called 'flipping' (Vogel & Moll, 2014). For these investment investors expected an annual rate of return between 7% and 10% (ibid.). Since the earlier and smaller projects real estate crowdfunding has become more serious and the financing can be in the form of equity, debt or some form of mezzanine financing (Vogel & Moll, 2014) to finance larger projects that can be as large as a skyscraper (Campbell-Dollaghan, 2015).

3.3 Problems in crowdfunding for entrepreneurs

A number companies and investors have accepted crowdfunding as a method of financing and the market has been seeing great growth during the recent years (Crowdexpert, 2016).

But even though the growth cannot be argued against and it has largely been noticed that within early adopters the form of financing has globally been well accepted, there are still issues with the method of financing (Turan, 2015). There is a large resistance within the entrepreneurial side of the platform that should be studied extensively and this section will focus on the issues that the entrepreneurs are seen to have with crowdfunding. By studying the reasons for resistance it is possible to uncover the potential that crowdfunding has within those who resist it (Gleasure, 2015). In his study Gleasure (2015) studied a number of entrepreneurs who have decided to resist crowdfunding to understand the main issues that prevent companies from participating. He found that the main reasons for resistance relate to impression management (IM) where he argued for three more specific issues as well as switching costs that occur from when changing from more traditional methods.

Much of problems in crowdfunding are said to be due to impression management issues, where the company does not wish to publicly engage in fund raising and three main impression management issues were seen to prevail according to Gleasure (2015). These are (1) *fear of failure*, (2) *fear of seeming desperate*, and (3) *fear of disclosure*. Companies do not wish to participate in crowdfunding due to fear of not meeting the targets of the financing or seeming desperate in the sense of not having other financial resources available (ibid.). Also the risk of going default during the project could be one of the reasons as a large number of investors would be left without their principals and they would all be aware of the company going bankrupt (Turan, 2015).

3.3.1 Impression management issues

To shortly review impression management here, and without further focus on the theory as such; IM is used by individuals to give a perception of themselves through use of specific personal appearance and a set of interactions that control the image (Dillard et al., 2000). This

could be exemplified in context by stating that a company that denies the use of crowdfunding gives a perceived image of financial wellbeing while a company seeking capital may in fact give an impression of being first mover in the field and being an early adopter. Largely meaning that in they way that individuals represent themselves is directed towards a certain goal contributing to the external impression that the said individual is willing to pursue (Gleasure, 2015). The will of managing the impression is thus said to give issues in the field of crowdfunding, where failure to meet the set target is as public as the success.

Gleasure (2015) and Turan (2015) introduced impression management reasons to be one of the main arguments for companies not participating in crowdfunding. Therefore it is of importance in the paper to review the theoretical aspects of impression management and it's implications for actor network theory to understand how the problem prevails in the analyzed case company. One of the firsts to introduce Impression management was Goffmann in late 1950's and as according to Gleasure (2015, pp. 220) "describes human behavior as performances by individuals taking place before real or imagined audiences".

Leary & Kowalski (1990) described Impression management as "the process by which people control the impressions others form of them". In their review of impression management Leary & Kowalski (1990) introduce two components of impression management, (1) impression motivation and (2) impression construction. Impression motivation is especially important as it is increased in situations of goal orientation and external pressure (Gleasure, 2015). Impression construction on the other hand implies to the management of how people that one exposes themselves to make perceptions (ibid.).

According to Gleasure (2015) three main issues of crowdfunding persist with the entrepreneurs; these are (1) fear of disclosure, (2) fear of visible failure and (3) fear of projecting desperation. These three also seemingly increase the negative perception and thus resistance towards crowdfunding (Gleasure, 2015). Furthermore this creates problems for the platform operator due to the fact that entrepreneurial impression management makes it much more difficult to establish companies that would like to seek for funding on a public platform. The same reasons, among others, are mentioned in paper by Turan (2015) where he explains that the entrepreneur that seeks for funding through a crowdfunding platform has the risk of a failing pitch and is

usually subjected to high visibility that might look desperate in the eyes of investors and possibly competitors who have not engaged in crowdfunding.

Fear of projecting desperation

According to Gleasure (2015) impression management issue comes in the form of crowdfunding being the last resort for financing giving a reason why companies do not wish to engage. This is said to bring an impression that companies that seek for financing through this method could be broke or not being able to source for funds elsewhere and thus using crowdfunding as the last resort (Turan, 2015). By setting a minimum amount a question is raised in why does the company need more financing raising a question if the companies applying for financing seem desperate.

Gleasure (2015) noted that it was of no matter for entrepreneurs if the financing round was successful or not, but the act of raising funds through crowdfunding could result in negative results on the company image. The issue was raised due to concerns on how possible other investors and stakeholders could view the act of applying for financing through the public method of crowdfunding and saying that crowdfunding could cheapen the brand association as well as give an impression that there is a lack from conventional financiers that the company can obtain (ibid.). This is believed to weaken the company ability to source financing from other sources such as larger venture capitalists (ibid.)

The fear of failure

As crowdfunding usually works in the way of a company setting a minimum target amount there is threshold that the company must obtain to get any of the financing within a given time frame (Turan, 2015). Through the platform the company tries to reach this minimum capital requirement from third party investors representing the market. This being either successful or not will give a perception of the willingness to invest in such product and represent the demand for such project or product raising the question for the second issue, the fear of visible failure (ibid.).

The failure for a company to obtain its target in a specific platform is also likely to negatively affect the platform operator in projecting lack of reliability for the operator (Gleasure, 2015).

The fear of failure should also be the worry of the platform operator, with general failure rates for the financing round that have circulated at around 60% (Kuppuswamy & Bayus, 2017).

The fear of disclosure

The third issue is then fear of disclosure in that companies do not wish to show their names being engaged in crowdfunding (Gleasure, 2015). Crowdfunding is a public method of seeking financing and companies might feel distressed about the fact that their company is publicly seeking funds (ibid.)

When company is disclosed into crowdfunding operations the fear of seeming desperate becomes a valid point for many companies. Also the possible failure to meet the target should be understood as one of the main reasons for not to participate (Turan, 2015). Thus the fear of disclosure should be tied to the other two and is relevant for the study for the reasons of switching costs and benefits of other investors that might perceive the act of raising financing through crowdfunding as negative (ibid.).

But, Gleasure (2015) argued that the fear of disclosure started to fade within entrepreneurs who were largely exposed to crowdfunding or even had invested in some projects themselves. This could mean that as crowdfunding comes even more widespread method of financing the acceptance of it will increase through more companies being engaged and more investors being involved.

3.3.2 Switching costs

The above creates the second main assumption for the study. A large number of companies are not willing to seek for financing through crowdfunding created by impression management reasons. But understanding these reasons are important in order to see the problems that arise from the new innovation (Gleasure, 2015). This will be more deeply tied into the main theory used in the paper and to the issues that one single actor can create in the whole network.

Basically this means that entrepreneurs must see crowdfunding as strategically beneficial for the companies if the strategy is to become explicit and if the costs of switching from some other form of financing are less than the benefits of using crowdfunding (ibid). This builds on the assumption that initial starting point for any entrepreneur is to resist crowdfunding because of

impression management issues as long as they realize that the strategic benefits of it in outweigh the possible switching costs (Gleasure, 2015). An example of the benefits could be the fact that when the crowd invests in the given project of the entrepreneur there is instant positive feedback of the demand for such product / project. A switching cost could be for example the loss of a single larger investor who has a comprehensive view of the market and can be of more and closer help in the development phase of the product or project (Gleasure, 2015).

Companies that have had these issues with crowdfunding that have in the end prevented them from participating are likely be in a stage where they would be interested in participating in crowdfunding if the issues could be solved (Gleasure, 2015). For the platform to be successful it must then solve these issues for the favor of the entrepreneurs and if possible use the same problem solving possibilities for the sake of providing better solutions for the investors and their problems outlined below.

3.4 Problems in crowdfunding for investors

When talking about investing there is always the risk of losing the investment and in crowdfunding one of the prevailing issues is the fear of fraud when it comes to companies that seek for funds through such platforms (Freedman & Nutting, 2015). Another issue that Freedman & Nutting (2015) argued for is the negative perception that investors have towards the companies that seek funds through crowdfunding. This second argument is in direct line with the fact that companies fear to seem desperate when they apply for financing through crowdfunding platforms as Gleasure (2015) argued for.

Fraudulent behavior seems to be the fear in crowdfunding preventing investors to invest in campaigns (Freedman & Nutting, 2015). This said it was found out in one study that less than one percent of the fund raising campaigns are fraudulent (Mollick, 2014). Mollick (2014) studied 48 500 campaigns in a U.S. based crowdfunding platform Kickstarter and although the said platform is not based on financial rewards it gives an idea of crowdfunding being relatively reliable for the investors. As will be stated below the due diligence process that the platform operator must engage in is a preventative matter in funneling out the projects and companies that are seen reliable. Another way of reducing the risk is the strong network that investors

participate in through the crowdfunding service (Freedman & Nutting, 2015) that can be said to be in connection to the herding phenomenon and create trust around platform through every additional investor.

Still much of reasons not to participate in crowdfunding is due to the high unknown risk that crowdfunding still has. There has been a number of projects that become unsuccessful during the investment rounds not reaching the targets or the companies seeking for the financing failing after raising the capital and not being able to pay back for their investors (Turan, 2015). This raises high unknown and unsystematic uncertainty, which is believed to repel much of the investors (ibid.). Investors who have not participated are thus argued to do so due to risk management issues.

3.5 Benefits and possibilities in crowdfunding

It has globally been realized that crowdfunding creates benefits for those involved as well for the economies in which crowdfunding operations are gaining foothold (Jegeleviciute & Valanciene, 2015). Though referring to several articles Jegeleviciute & Valanciene, (2015, pp. 286 & 272) made it clear that national regulators can boost and promote crowdfunding activities in their respective countries by for example introducing legislation, promoting crowdfunding for entrepreneurs and investors, and supporting crowdfunding platforms that are trustworthy. The countries that Jegeleviciute & Valanciene (2015) refers to are the largest countries by crowdfunding during the time of writing the paper and explains that these countries have realized the national benefits from CF in their efforts of boosting the economies in these countries.

3.5.1 Benefits for investors

The main reasons that entice investors to participate in crowdfunding are “The prospect of financial returns, the ease of the investment process and control over where the money goes, on the other hand, are the main features that trigger investments” (Turan, 2015, pp. 354). When talking about crowdfunding investments, equity based models are believed to be riskier than

those that are debt based (Turan, 2015).

As crowdfunding expands it is possible that the industry is going to see changes when it comes to how investments are being made. Different sort of automators and profit calculators are likely to become an internal part of crowdfunding platforms, where these add-ons will help investors to make investment decision and ease the financing by making it faster (Freedman & Nutting, 2015). These technological changes and advancements thus create benefits for both the investors as well as the finance seekers. One of the issues in crowdfunding, although prevailing mainly in the equity side, is that there does not exist a real secondary market for crowdfunding securities (Freedman & Nutting, 2015). This makes it difficult to invest, as there is not any specified way in which the investor can liquidize the investment.

3.5.2 Benefits for entrepreneurs

One issue that has been realized within the entrepreneur side is that getting venture capitalists or angel investors to invest in projects and products can be time consuming and costly (Gleasure, 2015). Through crowdfunding investors can be obtained much quicker as the financing round is targeted and marketed to the more general public. Although it is not the topic of the paper it is worthwhile mentioning that online marketing makes it possible to target the investors that usually look for crowdfunding or the specific field that the platform operates in and works as a great marketing tool for companies that raise funds through crowdfunding (Brown et al., 2016) and due to the Internet platform nature it is likely that a certain platform is prone to find investors that are interested in specific field.

This makes it possible to target larger amounts of interested investors as the platform users are interested in investing in specific field and the marketing is yet targeted towards a greater public to sweep for the interested public and gain the financial benefits that were introduced above.

4 THEORETICAL BACKGROUND

To understand how the issues affect the stakeholders outline above in this paper it must be understood how the power of different actors make others in the network dependent on the decisions they make. This is where the main theoretical framework, that of Actor network theory comes in to play. Callon (1986) described the sociology of translation with four moments that will be explained below. But for a short outline of them Callon (1986) in his paper of the four moments described them as problematization, interessement, enrollment and mobilization.

The literature review first and foremost focused on the establishment and development of crowdfunding and the theory behind it ending with the problem solving capabilities of these platforms as described above. This is followed here with a review to the theoretical background of actor network theory by Callon (1986) and the relevant concepts within ANT, such as framing and overflowing and inscriptions.

As a part of actor network theory framing and overflowing will be theorized first for the understanding of the set up of the actual network. This will be followed by the main theory in Crowdfunding as Callon (1986) suggested and consequently to program and anti-program by Latour (in J.Law, 1991) for the support of ANT and framing and overflowing.

4.1 Framing and overflowing

To start of the theoretical review to the basis theorem used in the paper it is important to theorize one of the main reasons why markets exist, that of externalities (Callon, 1998). These externalities can of course be both positive and negative but for externalities to exist there must be a certain something that produces these factors that are unequivocally affecting the parties that are not involved in that certain something (ibid.).

Externalities in this paper are not discussed as with their presupposed meaning. That of an action by some party that negatively or positively affect another, but that of what are the consequences that must be taken into account when creating the market and the larger parties that are involved in the making. The focus is more on the framing of the market and the

overflows that it creates, not for parties that are external to the market, but parties that must involve themselves as actors in the network that is of importance when creating the network for the paper. This is where the terms in the subheadings framing and overflowing come in to discussion.

4.1.1 Frame

Frame is the place within which the interaction initially takes place and sets boundaries for within which the initial parties are to set their roles without actually deleting and neglecting the links above the boundaries (Callon, 1998). But this does not mean that there is no physical evidence of where the frame is set. Those involved in the framework should be made aware of the existence of the boundaries within which they operate (ibid.). This tacit knowledge that the parties involved have is what creates the framework.

Thus the outside world is also heavily present in the setting of the framework and in working both ways the boundaries are broken. Outside world brings actions towards the framework as well as the framework creates actions towards what is outside the framework (Callon, 1988). Framing thus creates the essential boundaries within which the interactions take place (ibid.).

According to Callon (1998) two different circumstances emerge. One in which framing is the norm and overflowing is something that frequently occurs and the second is where overflowing is the norm and frames are only temporary. In the first setting there is a presupposition of an agreement that sets the boundary between two or more parties and something from the outside tries to enter this barrier:

“It is also popular in economic theory, where one of the central preoccupations is to postulate the existence of configurations within which a series of agents develop (commercial) relationships with each other that are sufficient in themselves to account for all co-ordination requirements. The concept of framing indicates that such closure is possible: individuals, whether two or 2,000 in number, whether by communicating through prices or taking turns to negotiate contracts, together regulate problems of resource allocation or property transfer while simultaneously establishing a

temporarily impenetrable barrier between themselves and the rest of the world.”

(Callon 1998 pp. 5)

But in reality this is not the case as imperfections in these framings emerge and this should instead lead to an understanding of another viewpoint: overflows exists normatively and leads to an imperfect framing (Callon, 1988). This viewpoint is also more pronounced to the paradigm of social constructivism as external forces are believed to shape the interactions and thus a position that a certain individual has in a framework (Callon, 1998). This follows the reasoning from Granovetter (1985) stating that individual behavior is constantly being altered by social relationships, which according to Callon (1998) can be argued to happen within or externally to the framework, hence the importance of overflowing. This theory of embeddedness, the division between economy and constraining social force, as was originally mentioned by Polanyi (1957, in Granovetter 1985) gives room for the overflowing whether these social forces are for example cultural or legal in nature as was then argued by Granovetter (1985).

4.1.2 Overflowing

Framing is difficult and costly as individuals are believed to have relations beyond the scope of the frame that affect their decisions (Callon, 1998). Framing and overflowing can be demonstrated in the form of a contract where an agreement is made between two parties. This contract creates a framework between the parties that are involved in the contract but it is necessary to notify that for this framework to be set up there is likely to exist overlapping frameworks within either one or both of the parties (ibid). Take an example from construction industry: Company A (a developer of a real estate project) orders company B (a constructor) to build a new housing block on the land that company A owns thus making a contract for the project and a frame between A and B. Company B might then require a subcontractor to take care of assembling floor tiles from company C creating a frame between B and C. Without the positive overflow from the frame between A and B, company C could probably be left without a contract. Then again if company C fails to properly assemble the floor tiles creating a risk of water damage in wet areas, company C creates a negative overflow to the frame between A and B and consequently towards the tenant of the dwelling that is to be the ultimate sufferer of the water damage.

The implication of the above is that no framework was it a single contract or a larger market is not simply stagnant but works in ways of continuously expanding and emerging in the way of inclusion of actors in to the framework. This according to Callon (1998) requires continuous investments that are substantial enough to cover the need of the constant overflowing. This is a major implication for this the paper and for the case company used. Continuous change that require restructuring of the network is an important part of actor-network theory where it is argued that constant changes in power relations within the network, as for example the necessary technological changes following the investment, are likely to change the roles of the previous framework (Holmström & Robey, 2002). Hence a link towards the theoretical framework of ANT where framing and overflowing is an important aspect explaining the changes in the network.

Based on framing and overflowing we can then include parties into the discussion, which in the initial phase of setting up the case company were not included in the network. In the below part of the paper the inclusion of various actors will be theorized and analyzed as for their meaning for the parties that from the beginning have been included in the framework.

4.2 Actor Network Theory

The main argument in actor-network theory is that actions that are taken by an individual choice in the network, but are shaped and taken according to the influence of the network (Holmström & Robey, 2002). By studying an entity and a network, through actor network theory it is thus possible to study the power relations that are existents within the network, i.e. how the roles given and taken by certain actors within the network are shaped and reshaped by time taking into consideration other actors within or outside the network. These roles given to the actors and the interest that they have are then said to temporarily set a stable network (Holmström & Robey, 2002). Holmström & Robey (2002) also state that after a given initiated starting point to the network, a collection of continuous processes and happenings will continuously change the network, or at least make changes necessary to make the network able to function.

Actor network theory is used in this paper, as it is useful in explaining how for example technical artifacts can initiate and necessitate change (Holmström & Robey, 2002). The actors can be both human and non-human and additionally to the technical artifacts described below they can be reasons that are necessary because of bureaucracy, legislation, or the technological changes (ibid.). Nevertheless the point in actor network theory is that the actors can be both human and non-human and the inclusion of these in the network will require change (Callon, 1986).

“By contrast, ANT regards the technological artifact as being moved and changed by social actors who are engaged with it. Actors not only reshape technologies but actors themselves change as the changing artifact spreads through a social network. Thus, one of ANT’s central principles is that nonhuman technologies also become actors in actor networks.” (Holmström & Robey 2002 pp. 6)

In socially constructivist way ANT links together human and non-human actors to an actor network. This is why the main focus of actor network theory is in the paper by Callon in 1986, where he theorized the interplay between the actors to certain interrelated and continuous steps that included both human and non-human actors. ANT does not have a single explanation as such and thus one theoretical viewpoint is chosen for the understanding of the network. Callon’s (1986) framework of translation is used in the paper. In this framework it was stated that although there is four given steps in his concept of actor network theory change is a continuous process and the steps are to overlap during the process of change.

The changes are constant and actors should be made aware of these changes and sensegiving is a theory by Gioia and Chitipeddi (1991) of transferring the knowledge of these changes and restructuring for the network. Although Chioia and Chitipeddi introduced the theory for changes in an organization that are to be explained by the CEO it is believed that this theory can be broadened for a network of larger base of actors that include the stakeholders and actors from above the network. Sensegiving is an important aspect of strategic change (ibid.) and in the end as actor network theory suggests that change is constant due to re-structuring of the frame it is in the heart of this study to understand strategic change. Gioia and Chitipeddi (1991) also suggest that the ability to understand strategic change lies in the heart of the top management of the organization in the sense that they are the ones that need to put forward and communicate the message of the changes that occur.

4.2.1 Four moments of translation

Callon (1986) called these steps the four moments of translation during which the presupposed roles of the actors are likely to change in the network. The steps are called problematization, interessement, enrollment and mobilization and although they are explained below in an order that seems chronological in reality they can overlap and happen in parallel (ibid.).

Problematization

In ANT what is meant by problematization is how to make oneself indispensable and create a problem where you believe that the creator is the solution (Callon, 1986). In this first setting there is to be initiators that find some issue to be solved and according to Callon (1986) requires the initiators to define a set of actors that one entity must tie around itself. This should be done through creating a set of problems and self-claiming to be the solution to the issues implying that the problematization of a specific issue means that there must be a problem as well what is believed to be the solution to the issue (ibid.).

The above requires interdefinition of the actors included in the network as well as the roles that are given for them. The actors can be human and non-human and exist in as many quantities as necessary for them to be involved in the network and to be assigned a role (Callon, 1998). The point in defining the roles is to make sure that it is clear how a specific actor is concerned in the problematization and how the initiators can come up with a solution to the issues (Callon, 1986). This latter is what Callon (1986) calls the obligatory passage point where the initiating actor creates a network of other actors around itself by self-claiming to being or having a solution to the prevailing issue.

Interessement

To begin with, interessement is a group of actions with which the initiating actors “attempt to impose and stabilize the identity of the other actors it defines through its problematization” through attempting to use various different methods (Callon, 1986 pp. 8). In this phase of the setting the problematization is not yet being tested but by trying to convince the other actors that it will be beneficial for their interest the initiators attempt to lock in the actors that are defined in the problematization (ibid.). Roughly said this means that the actors that are believed to be willing to take part in the network of actions can either agree or disagree with initiating parties.

Interessement is also a stage where the initiators additionally to attempting to lock the allies into their roles consistently try to find new allies (Holmström & Robey, 2002).

Interessement is thus done through the use of various devices in which the interest of different actors is supposed to be woken through a set of different actions. The goal is to impose a stable identity for the actors that are involved to enable the problematization to take action (Callon, 1986). Callon (1986) explained interessement as an act “to build devices which can be placed between them and all other entities that want to define their identities otherwise”. This largely means that the interessement to be successful the actions mentioned above must be made stronger than interessement devices that try to define to roles of the chosen actors otherwise. A successful interessement confirms the problematization (ibid.).

Enrollment

Enrollment is a necessity for the success of the initiation, but even though the problematization is necessary for the actors involved and it is possible to create interest in the actors for the issue at hand; enrollment is not surefire to happen (Callon, 1986). In the interessement phase the interessement devices i.e. a set of hypotheses that are believed to capture the interest of the presupposed actors is purely a set of negotiations and tricks to try and capture the interest of these (ibid.). In enrollment the goal is to transform the questions in the problematization to hard facts through real events that are believed to occur based on the negotiations in the interessement phase (ibid.). It is then to transform the interessement of the actors to taking part in the initiation by overcoming obstacles through negotiations and trials of strength (ibid.)

Before successful enrollment a number of externalities might emerge and prevent the enrollment from happening (Callon, 1986), forcing the negotiations to happen with parties that were initially not included in the network or in restructuring of the network. Simultaneously the initiators must discuss with the party that they want to include in the network in order to find better ways to capture their interest in the form of enrollment (ibid.) What is important in enrollment is the motivation of the actor (Holmström & Robey, 2002) through something called ideological control where the actors' reality is attempted to be altered through an alternative option.

Mobilization

Mobilization is the final stage in ANT and what is meant by it in essence is to ensure that the

spokesmen of the parties involved are a representation of the actors (Callon, 1986). This means that even though a single individual can decide to take part in the initiation it must be understood that it might not be the representation of the whole population. The main question here then is to ask “Who speaks in the name of whom? Who represents whom?” (Callon, 1986 pp. 12).

“*Mobilization* is a set of methods that initiators use to ensure that allied spokespersons represent their constituents properly and do not betray the initiators’ interests. With allies mobilized, an actor network achieves stability. Stabilization of a technology implies that its contents are “black-boxed,” that is, institutionalized and no longer controversial.” (Holmström & Robey, 2002 pp. 7) thus it is also important that the allies that are mobilized in the network are reliable and do fully represent the entities.

4.3 Inscription

Translation above is the first important part in ANT, the other is called inscription. Because in the paper it is an important notion that technologies are one of the main actors in the network, inscription should be added to the theory as through inscription human actors can take their social agendas and transform them into technical artifacts and information systems or other technologies where information can be formalized to work well (Holmström & Robey 2002). The importance of inscriptions devices as non-human actors becomes important in talking of interessement devices.

4.4 Program and anti-program

One of the purposes of actor network theory is to be able to include a certain set of actors into the network that might have been resistant to act according to the initiators interest (Holmström & Robey, 2002). Therefore it is important to explain the concept of program and anti-program by Latour (in J.Law, 1991) as an important addition to actor network theory. The concept can be used to explain the enrollment and mobilization of the actors that are achieved to be interested and enrolled along the way relating to the concept of inscription above by attempting to engage

more actors through bringing more interessement devices to the network (ibid.). The basis of the concept is in increasing the number of inscriptions to gain acceptance to the program from those that have resisted it in the beginning. This relates to ‘naked’ and ‘loaded’ manifests where naked means that not much is getting done by the initial inscriptions and towards the loaded inscription more actors are enrolled to accept the concept or idea of the initiator (Latour in J. Law, 1991). The loaded inscriptions can thus be said to be a number of stacked inscription devices to first capture the interest of the actors and further enroll them into the network following a set of changes to the network based on the needs of the actors. The programs then get “more complicated as they respond to the anti-programs of the listeners.” (Latour in J. Law, 1991; pp 105). And as with actor network theory when a threshold of number of actors is included in the network of predictability, or stability in the network can be achieved (ibid.). These necessary changes to make the network work through getting the actors to accept the program is in relation to the process of translation.

4.5 Delimitation

Although theoretical, these issues will be studied and tested using a case company from Finland. Using theory of actor-network theory these issues that are established from one party are assumed to transfer to other parties, was it investors problems affecting the platform and entrepreneurial side or entrepreneurial side affecting the other two and as a third option, an external party that is included in the framework and thus affecting the actors in the network. These are also issues that the platform must be able to solve to become successful. Using the theoretical framework from Callon (1986) the analysis and discussion of the paper will try to outline the issue within moments of translation and try to seek for the issues that have emerged so far and explain the way that company have solved and what should be done in future to become even more successful.

5 THE STORY OF STARTING GROUND FUNDING

The successes as well as the failures that the company has had during the first year of operations will be explained in the analysis section below and the reasons for them will be analyzed more thoroughly to seek deeper into the reasons for it as well as what it means for the company in the future. This section will unveil the case company and the case that is built up on the story of the company. The story will be opened more in this section of the paper putting the starting ground of the company in to a context and explaining the case more thoroughly. The following will be used in the analysis section with the theory below to analyze the company and the development of it during the first year of operations. As mentioned above the basis for the foundation of the company was that there was seen to exist a lack of capital in the construction companies due to decrease in the size of loans that banks are issuing. This gives the starting point to the story as well as for the analysis.

The literature review of crowdfunding above suggests that companies are more and more starting to seek financing through alternative methods as bank loans have become more difficult to source in early stage real estate projects. This has been the trend also in Finnish real estate and construction industry where loans for developers and constructors have recently become more difficult to raise (Interviewee 1, 2017). The alternatives for bank loans to finance the construction projects have then been to fill the gap with equity capital from elsewhere, usually making it necessary to resort to own cash reserves or using angel investors who provide pure equity or to subscribe for an expensive short-term loan. But the below will explain how the company came to existence after the realization of this and what Groundfunding is attempting to develop to service the issue that construction industry in Finland is seen to have.

5.1 The beginning of Groundfunding

In late 2015 a group of marketing, information technology and real estate entrepreneurs in the city of Turku in Finland came up with the idea to try and meet this gap with a method of financing that has been found to work around the globe and bring that method of financing also to Finnish market. This section will outline the case company based on the story of how the company was founded and started, leaving room for analyzing the main topic of the paper that

is the issues that have unfolded during the development. As is often the case in crowdfunding (Freedman & Nutting, 2015) the platform was set up to unite the investors who wish to invest and the companies that are in need of capital and in the case of Groundfunding that something to unite the investors and companies is real estate and construction industry (Groundfunding, 2017a). Additionally to this Groundfunding aims to facilitate the investment transactions both ways, announce the offerings publicly with risks and do the due diligence of the projects for the sake of the investors, and try to accomplish the distribution of funds as smoothly and quickly as possible (Interviewee 1, 2017). Additionally to this GF tries to enable collaboration with, and between the investors as well as within the finance seekers for constant development of the platform (Interviewee 1, 2017) fulfilling the points that Freedman & Nutting (2015, pp.6) mention. Due to the higher riskiness of equity based crowdfunding as mentioned above, GF decided to operate on the debt side with a bonded loan that is relatively short term and relatively high in return taking. Even though debt financing is assumed to be less risky GF took into consideration the riskiness that investors might perceive in the financing for various reasons analyzed section 6 and to capture the interest of the investors.

From the above we can derive the importance for the existence of the financial service that the case company operates. The issues created by larger investors i.e. banks and angel investors have made companies wish to find other forms of financing that are more flexible and can cover larger proportions of the costs of projects that the construction companies wish to engage in (De Buysere et al., 2012). One of the main reasons for the emergence of crowdfunding is the lack of financing that small and medium sized companies can retract nowadays. As mentioned above, after the financial crisis in 2008 banks started to give out fewer loans for small and medium sized companies (De Buysere et al., 2012). But just putting up the platform does not solve the issues, as the story behind the company development will entail.

The purpose of the financial instrument that Groundfunding initially decided to provide was a short-term loan for a specific construction project (Interviewee 1, 2017). The company in charge of the project would be the one raising the loan thus not needing to give up ownership of the project. The loan will simultaneously decrease the necessity for investing own cash reserves towards the project leading to higher return for the possible capital that they have then invested themselves. The purpose was not to wholly eliminate the need for own equity from the construction companies as it is seen as important commitment from the loan seeking company,

but rather to ease the high requirement for capital that construction has as explained by the CEO of Groundfunding.

“Business is very capital intensive ... the need for capital is constant and capital is not available at the moment due to the financial crisis as used to be. There has been a decrease in capital that is being provided by banks is the biggest single reason. If banks give less nowadays than they used to before it is obvious that it is additional funding so that (construction) companies can start bigger projects or if they (construction companies) can start overlapping constructions or if they wish to for example start the next one, or in practice towards project development ... we have also come across that banks do not wish to finance some specific objects as for example land purchases... and also that in smaller projects banks do not wish to engage in. Basically was the funding object whatever we try to finance it.” (Interviewee 1, the CEO of Groundfunding)

As servicing the construction companies was the starting point for the company the service that GF provided for the investors is strictly tied to it. The security that the company then provided for the investor was a high return bond loan that would be sourced from a large investor pool. This followed the analogy of crowdfunding securities where small individual amounts pool to a larger sum (Ahlers et al., 2015).

“What we have realized as the interest of the investors is high return, good target and concrete investments so that the target is public and that the investor can follow the investment. No costs for investors with fixed return on investment with or no collateral. And then diversity with small amounts that investors can invest in and the easiness of the platform” (Interviewee 1, the CEO of Groundfunding)

The main market that GF decided to target was small and medium sized construction companies and real estate developers (Interviewee 1, 2017). According to De Buysere et al. in their 2012 report about the framework for European crowdfunding mentioned that after the economic crisis in early 2000, small and midsized companies started having more difficulties in finding funding from conventional channels. When interviewing the CEO of the company (Interviewee 1, 2017) he mentioned that it has become evident that banks are not interested in issuing loans for

smaller constructions but wish to target larger projects. This leaves small construction companies without ability to finance projects.

5.2 Early realization of possible obstacles

It is then not surprising that small construction firms started having difficult times in 2008 and for a few years onwards the trend in construction was downward sloping (OSF, 2017a). The downward sloping trends could be assumed to largely be a reason of less loans being issued towards construction following the financial crisis. Later at around 2010 crowdfunding companies started emerging around the world (Crowdexpert, 2016) and in 2015 GF decided to hit the Finnish market for the small and medium sized companies. The regulation of European banking after the financial crisis tried to start solving the big issues and not focus on SMEs (De Buysere et al., 2012) even though point was made that the biggest financial influence will stem from the creation of jobs that comes from the smaller companies and start-ups. Thus GF headed to the SME market and towards small investors that wanted higher than average rate of return for their investment. As the interview with the CEO of the company suggest, construction companies largely admit that one of the biggest issues they face is lack of bank financing.

But even though this section explains the successful rounds the company has not been without facing issues in the financing. The first project that was published in the platform was a construction project developed by a Finnish entrepreneur and a well-known celebrity real estate broker to gain maximum presence in media. The first project saw a total of 66 investors investing a combined maximum amount of 300 000 € within two weeks (Groundfunding, 2017b) with initial registered users of 300, every investors not being able to invest. This has been followed by 4 fulfilled financing rounds totaling an amount of 1 600 000 € in the first year with an increase to investor base of 800 registered users in the end of 2016 (Interviewee 1, 2017). The idea was to be the first crowdfunding platform purely for real estate and construction industry in Finland and make an initial capture of the market (ibid.).

The first project was a new building constructed near the city of Turku. The second project that was financed was a little bit different in the sense of the building being an old one and the loan that was directed towards a total renovation of one of the larger apartment in the building. The

company seeking the loan bought the pent house in question, split it into two smaller apartments and later sold for private owners, after which the loan was paid back to the investors. The total amount that was financed was 205 000€ from 50 investors with a 12% annual return (Groundfunding, 2017f). Where the first financing was done with a bond loan, the second one was done with a subordinated loan because of issues that were realized with a bank as the main financier for the project.

The next two loans were issued for one company counting up to a total of €350 000. The loans were issued with a regular bond where the return for investors in both securities was set at 11%, again the banks being the ones regulating how the financing would be directed for the project (Interviewee 1, 2017). The latest financing round was then done with a different method using a private offering for larger investors due to issues with the public nature (Ibid.). With this round the company seeking loan was able to raise €800 000 through 8 investors with a 5,25% annual interest rate with a loan was issued against collateral. (Groundfunding, 2017a)

To sum up the starting point for the company, Groundfunding thus decided to help the main parties involved by helping companies that are in the need for financing to raise necessary capital to be able to start the projects. Towards investors GF wanted to make a worthwhile investment opportunity with relatively high return. They have been able to do this with the projects that are explained above but as the analysis will suggest the issues and resistance that the company prevails.

Although the successful rounds explained above are showed in the front page in the company website (Groundfunding, 2017a) giving impression of all successful financing it is important to notice that the first year did not come without issues. The rounds that have been provided have not come without problems that were necessary to be solved before they could be published. Also out of several hundred companies that have been contacted 4 have so far raised capital through the platform (4 companies once and one company twice) (Groundfunding, 2017a). When interviewing the sales manager of the company the main reasons he stated for the problems of not taking part in the financing was due to financing not being necessary and the high costs creating a conflict towards the investors:

“If we consider the pure contacting work, often the feedback is that there is no need for capital and then the conversation doesn’t progress ... as the money we offer is without collateral it of course means that it is a bit more expensive”

(Interviewee 2, 2017, Account manager at Groundfunding)

But according to the same Account Manager this issue is actually external to the case company by stating that companies that have been in the crowdfunding market longer have brought the image to double-digit return for the investors. Although this issue is brought externally it must be integrated to the service that GF provides and must then be taken into consideration in the interest that the company gives out in order to keep its investors.

“We do not wish that any financing round fails, we do not want a situation where we have to do a research through some financing round so that in a financing round where we have had a 10% return and the next would be 8% and it does not fill out so I don’t think we are willing to take that risk”

(Interviewee 2, 2017, Account manager at Groundfunding)

As it is obvious that issues exists the theoretical background in the next section is used to explain where for the case company prevail. The theory is then used in the analysis section to dig deeper into the development of the company and what it has done. The issues and successes that have happened on the ongoing process of the company are studied more in the analysis section using the theoretical background below in correspondence with the case analysis and literature review as is explained in the methodology section.

6 THE STORY OF DEVELOPMENT

This section will outline the empirical material used in the paper in the form of analyzing the interviews and other data to develop the analysis for the paper. Section 5 above introduces the initiation to the company and why the platform was established in the first place and this section continues to create understanding of happenings as they have unfolded. The analysis in the paper is divided into four main sections based on the theory outlined in section 4 following Callon's (1986) division of actor network theory. In these sections framing, overflowing, inscriptions and program and anti program will be used in the analysis in accordance to the case company in question. The analysis looks for themes that are found in the interviews as explained in the methodology section of the paper and looks to back it up through other data sources that are Groundfunding website and website of financial ministry of Finland that summarizes the regulation of crowdfunding.

The purpose of this is to look into the case company and further develop the story of the company based on the themes of Callon (1986) and to look into how the company has been able to make themselves important and to try and see how the issues have unfolded. In the analysis it is first looked into how GF has been founded and what are the reasons behind it. Section 3 of the paper introduced crowdfunding in general and the basis of the establishment of these companies as well as the benefits and the deficiencies and the shortages that the method of financing has. The case material is then analyzed based on this to see whether similarities with the literature review are found or if there is additional empirical data that must be taken into consideration to understand what are the issues and why they occur.

To begin with the analysis is set to look into finding the reasons for the problematization by looking into the interview data and other material to develop the problematization. First the analysis section looks into the starting of the company to find the reasons for this going back to the initiation of crowdfunding in real estate. The problematization and the interessement of the company are easy to recognize. Through the reasons that have been stated various times it has been clear that companies are in increased need of financing and investors are willing to invest with high return. This has not enabled full enrollment as will become clear in the analysis.

A number of companies have taken financing through the platform as well as number of investors has invested in these projects. Even though problematization was guaranteed and roles were given and accepted, issues have occurred between the stages of interessement and enrollment. A sample of companies has accepted their roles and have subscribed to the platform but total enrollment has been difficult to establish. The lack of full enrollment and the neglecting that has occurred are issues that the company faces and by explaining the story of the case company and this section looks into why the enrollment has been unsuccessful leading to failed mobilization.

6.1 Founding of GF

Section 5 above shortly explained the starting grounds of the company in the introduction to the case company but is reviewed shortly here. In late 2015 in Turku, Finland it was largely acknowledged that similar companies than the case company had been founded around the world starting in the U.S. and further expanding into larger economies in Europe. The main reasons for this had been realized in being due to bank policies in lending that had become stricter after the recent financial crisis (interviewee 1, 2017). The company first involved five men, the CEO, the head of board and three other board members. The backgrounds of these men and the roles that they are assigned to in Groundfunding are in business, marketing, IT and software development as well as real estate and construction (Groundfunding, 2017c). According to the CEO of the company the combination of these men enabled the software development as well as marketing and knowledge of the industry from the inside and gave an edge of entering the construction industry with the financial product (Interviewee 1, 2017). A direct quote from the CEO of the company explains the starting grounds for the firm.

“We have our basis in that we are a spinoff from a software company and we had in the same table owner of a construction company and software developers and we realized that companies like this exists around the world and that we lack a purely real estate focused crowdfunding platform. And as I mentioned we had in the same table a representative from a construction company who understood the business and professionals in software development and from there we started wondering how this (starting a crowdfunding platform) could be executed and started looking for venture

capitalists. It was natural that we looked for experience in real estate construction industry and for their opinion in a service like this and their interest to join ...”

(Interviewee 1, 2017)

The company then appointed a professional real estate investor as the head of board. The same real estate professional is one of the venture capitalists that invested in the development of the company. Later Groundfunding hired two more employees to develop the company who are in charge of finding construction companies to be clients in the finance seeking side. These two employees are professionals in real estate and finance.

6.2 Problematization

Crowdfunding is a program and in essence Groundfunding is a company within this program that is attempting to achieve growth. Through an issue that the founders have realized they wish to grow and develop the company and for this GF needs the interest of the entities that they wish to involve into the program mainly through being able to service as many construction companies and investors as possible (Interviewee 1, 2017). In a larger picture than talking of company specific problematization it has been realized in the governing bodies of Finland that there is need for crowdfunding in the nation and in September 2016 a crowdfunding act was released in the country (vm, 2016a). The main reasons for this were to improve investor protection and to diversify the financial markets making it easier for companies to apply for financing (vm, 2016a). The legislation largely clarifies the need for crowdfunding in Finland and can be argued to back up the problematization of GF and as Jegeleviciute and Valanciene (2015) argued it is like be beneficial for all the entities involved.

The problematization is thus realized in government level and from this it is possible to define the actors in the network as the regulation is directed towards the platform, the parties seeking finance and the investors (vm, 2016a). On one hand it eases the regulation that is required for the platform operators making it easier for companies to open crowdfunding platform. It is seen that these platforms are one major solution to lack of capital in small and medium sized corporations and start-ups (vm, 2016b). This regulation also mandates the companies to be registered in a certain registry that is a necessity for crowdfunding platforms to mediate funding. To be enrolled in this registry requires the management of the company to have

adequate financial knowledge and a good reputation (VM, 2016b) and thus GF has the ability to act according to the legislation due to the background of the company personnel.

Therefore the wise men of Groundfunding were on the right path. Crowdfunding operations were seen to be beneficial in many western economies as well as work in various industries, real estate and construction being one of the largest. The government operations also back up the importance of the new method of financing through regulation that gives it a more reliable and permanent position in the market.

6.2.1 Definition of actors and their roles

As in the first phase the company was founded it became important to set straight who and what are the initial actors in the network. The purpose of the company is to serve as many construction companies as possible through investor base that the company has and simultaneously develop and grow based on what the clientele wishes (Interviewee 1, 2017). To start the analysis with the theoretical framework by Callon (1986) it is first important to define the actors and their roles. As the purpose of problematization is to see how an entity can make oneself indispensable the below image explains how GF attempts to service the entities.

The starting ground for the company was to be able to serve the lack of debt financing that construction companies have by mediating financing from the public that is interested in investing in real estate. This gives three main entities into the network of operations, namely companies that need financing, investors who invest into construction projects and the company operating the platform. This gives the initial frame for the analysis that is subject to various overflows.

6.2.2 The role of construction companies

By simple definition the construction companies that are to be involved in the network develop, construct and sell the projects for either investors or private persons depending on the nature of the project. They act as owners of the projects and are in charge of financing the construction from the initial blueprints that are later transformed into final, usable buildings. Therefore costs

occur through the project and as is mentioned by multitude of scholars (c.f. De Buysere et al., 2012) the role that construction companies are given in the network is to apply for financing based on their needs and report GF of the ongoing process during the construction (Interviewee 1, 2017).

The CEO of the company, when interviewed, mentioned that although GF wishes to finance as many construction companies as possible the method of financing is probably not suitable for everyone (Interviewee 1, 2017). The point of financing is to enable growth for the companies through enabling larger projects, enable to start two simultaneous projects by enabling less equity capital to be tied into the projects (Groundfunding, 2017d). Thus the financing might not be suitable for companies that only make on project per year but rather for companies that seek growth through some mechanism where financing might be needed but banks only give a certain amount of credit that is insufficient for the full construction (Interviewee 1, 2017).

Due to constructing companies being the main reason for the establishment of the idea the men decided to start a new company that is targeted in financing this entity. In February 2016 the company was officially founded and registered to the city of Turku as a financing company that has its targets in short-term mezzanine financing for the time of the construction process (Interviewee 1, GF.fi). The role that the company designated for the construction companies was to apply for financing that enables them to construct more.

6.2.3 The role of investors

The role of investors is more complicated than that of purely assigning financing towards projects that they find interesting. Based on the literature review on crowdfunding it includes that of being first mover as well an influencer (c.f. Agrawal et al., 2013) as mentioned by Interviewee 1 (2017). By being first mover and investing though crowdfunding is seen as new and innovative. They also act as influencers as the more investors are willing to participate in crowdfunding the more it will enhance the method of financing and develop the market by clarifying to role of it as a mainstream method of financing (Interviewee 1, 2017).

More importantly they act as angel investors and enablers for the construction companies and by investing enable the companies that are financed to grow. Literature review suggest that by

investing they are also seen the help and develop the overall economy by creating jobs and functions in a specific field (Jegeleviciute & Valanciene, 2015). But most importantly investors provide confidence for the construction companies. This is been seen through the mechanism of investors acting as a representation of the market. As the investors show their willingness to invest into certain projects they also show that they believe the project will be successful and show demand for the specific construction (Interviewee 1, 2017).

6.2.4 The role of the platform

In the heart of Groundfunding is the platform. This is the technical artifact that is used in bringing together the investors as well the construction companies. The platform basically enables a large pool of investors that scales the effort of construction companies in raising capital (Groundfunding, 2017a). Without further details in technical matters the financing through GF could of course be possible without the online platform but it enables the investors to make the investments easier as well as makes it possible for the construction companies to benefit from the large investors base with one application (Interviewee 1, 2017). To put it in the terminology of Callon (1986), GF tries to make themselves indispensable and creates an obligatory passage point around them making construction companies and investors relatively dependable on them. The below graph takes inspiration from Callon (1986) making the company the obligatory passage point in attempting to solve the issues that the two entities have but shows it in a simpler manner.

Entity	Obstacle problem	Goal
Platform	To become to obligatory passage point for investors and constructors	To create a marketplace for construction finance
Investor	High unknown risk in new method of investing	Small scale high return investment on real estate
Construction company	Impression management Other financial entities	Enable construction projects with additional financing

Table 6.1: The problem and the solution

By establishing the platform Groundfunding wanted to become a server of an issue that is prevailing but that no entity before them has fully tried to solve in the Finnish market. GF realized that all parties have issues and they cannot obtain the solution by themselves (Interviewee 1, 2017). Thus the need for the platform is to work as an obligatory passage point to give a solution that will work for all the parties and get the construction industry back to booming. This is done via enabling the construction companies to find additional capital and enable investors to make small-scale investment into real estate and construction (Interviewee 1, 2017). The governing bodies in Finland have also realized and acted upon due to introduction of legislation. In this way the company in question has been able to come up with an issue as well as with a solution to the issue for the construction market.

But as can be seen in the above table 6.1 the various parties also have specific issues for their entity. These obstacle problems are what Groundfunding must be able to overcome in order to service the various entities to create benefits for them that are outlined in the right column of the image.

The problematization then that the company realized was to become the platform and marketplace where money changed hands in the financing operations of the specific industry as had been realized by the founding parties to have worked in real estate industries in other economies, but a question persisted on will the method of financing work in Finland. The step that GF needed to take next was to create interest around the platform, much of which was believed to exist in the strategic decision making of the company due to the early nature of the operations.

6.3 Interessement

Following the problematization Callon's (1986) next step was to talk of interessement and how to get the different stakeholders to accept their various roles. The clear-cut roles that GF wanted for the different actors are something that is to be accepted because the innovation is not unique as a number of companies have made similar platforms before and the roles are also established by the legislation. But it was not clear whether it would work in the specific segment that GF was to enter and if the various actors were to accept their roles without further resistance (Interviewee 1, 2017). The next task that GF did was to design the interessement devices that

would attempt to lock the actors into their positions and act according to their roles. GF wanted to get the construction companies to apply for financing and consequently get the investors to invest in these projects and for this the company has a number of benefits for both parties (Interviewee 1, 2017, Groundfunding, 2017d&e). These can be called the interessement devices and through these various interessement devices listed in table 6.2 Groundfunding attempts to lock the actors into their places and make them accept their roles in the network. The locking of the actors is done through interessement devices that attempt to capture *the interest* of the individuals.

Interessement device	Investors	Constructors
Legislation	Trust around crowdfunding	Endorsed image of financing
Financial	Relatively high return No transaction fees	Additional financing Higher ROE from the projects
Marketing benefits	-	Visibility of project Visibility of company
Platform	Easy method of investing Other investors	Simple way of raising financing Other construction companies

Table 6.2: Interessement devices

The roles that were first assigned in the problematization phase lead instantaneously to interessement and these phases happened relatively simultaneously. This raises the importance in asking how the different parties are locked into the place. Questions persisted in how to get investors to invest, how to get companies to seek for loan that is relatively expensive, what form of financing should it be for the banks and legislation to accept it, and what are the different types of loan seeking customers that GF should have.

6.3.1 Interessement through legislation

As it is mentioned in the literature review in section 3, a number of countries have introduced legislation for the support of crowdfunding. This is due to the one of the main overflows that are seen in crowdfunding where governments are believed to benefit from the economic outputs that crowdfunding enables through establishing new companies and venture.

But as Interviewee 1 (2017) mentioned, legislation works as way to give credibility for the platform with the rights to do the financing and legislation that protects the consumers in analogy with (Jegeleviciute & Valanciene, 2015). In this way legislation also worked as a positive overflow that GF is able to benefit from as an interessement device. As according to literature review, legislation works as defining the credibility for crowdfunding operations and how it is done in order to be credible towards the entities involved (Jegeleviciute & Valanciene, 2015). After the implementation of the legislation, the tone of trust from investors should change towards the companies doing the operations as investors become protected from for example the fear of fraud.

The platform was established to work as an interessement device in itself by locking in investors who then invest and cannot escape before the investment is paid back and requested for and on the other side are the companies that apply for financing and are locked in place until they have fully amortized the loan with interest. But the platform operators must look trustworthy and it is important that there is knowledge of the possible field and the companies who seek for financing; this is where the bespoke nature of Groundfunding comes in as all the companies that seek for financing are checked with proper due diligence, this is also what is commanded by the legislation (Interviewee 1, 2017). The trustworthiness of crowdfunding is thus created though the legislation as it allows all the companies operating crowdfunding platform to be included under same regulatory network (Interviewee 1, 2017).

While the legislation works as a back up for problematization it also works as an interessement device through inscription. Legislation mandates that the company operating the platform has adequate knowledge of operating the platform and is registered as a trustworthy companion to either invest, or apply for financing (VM, 2016a). This way legislation works also as an inscription device. The inscription also includes regulations that concern the information that

must be published of the companies that seek for financing, which includes company financial information and risk assessments (VM, 2016b). This way legislation works as a positive overflow for Groundfunding as it is said to create trust towards the company through the permits that the company applies for, which is believed to create trust towards the investors (Interviewee 1, 2017). This was also argued to be an important aspect that enables crowdfunding to grow in the countries that introduce legislation (Jegeleviciute & Valanciene, 2015)

But even though legislation is seen to enhance the role of crowdfunding in the eyes of the investor and thus work as an interessement device Interviewee 1 (2017) notified that it has not come without issues. The legislation demands the crowdfunding companies to apply for certain permits in order to do financing (VM, 2016a). These permits take time to process and because of the lack of permits GF had to give up one of the modes of financing that was the main argument in the first place (Interviewee 1, 2017). Applying for the correct permits takes time and due to small resources that GF has as a new company it has created issues. In this way the introduction of legislation created negative overflows for Groundfunding but as Interviewee 1 (2017) and interviewee 2 (2017) mentioned these are seen to be only temporary. In the long run when the resources enable the necessary permits the regulation will only be beneficial for the company and crowdfunding.

6.3.2 Interessement through open information

Interviewee 1 (2017) wanted to make it clear that Groundfunding is an open source of information for the investors. This adds another interessement device that GF decided to use in connection to both parties. The openness of information that is given of the companies involved in their financial as well as project details works is believed to create interest around the investing public (Interviewee 1, 2017). GF attempts to be as open as possible in the information published to capture the interest of the investors with details of the projects and the investor will get the full details of the projects after registering to the platform (Interviewee 1, 2017, Groundfunding, 2017a). This is seen to be beneficial for the interest of the investors as they have explicit knowledge of the investment (interviewee 3, 2017). This is also seen to be a marketing benefit for the construction companies involved as they will get publicity both for their company and the project at hand (Interviewee 1, 2017). To gain more investors something

called the herding phenomenon will work as interessement device. Investors who invest in projects will gather more investors as it generates interest around the project and the platform and with the financing rounds that have so far been held the investment have escalated to closer the round is to its target (Interviewee 1, 2017).

But public information when tied to applying for financing is also seen as a negative aspect from the construction companies. A number of companies that have been interested have failed to enroll due to the fear of the public nature (Interviewee 1, 2017). Crowdfunding within construction companies is sometimes seen as creating negative impression around the company applying for financing as it can be seen as last resort for getting financing as well as companies seemingly fear the possibility of failure with not obtaining the minimum level of financing (ibid.). This can create and has created obstacle problems when it comes to companies seeking for financing through an open platform in relation to impression management issues as argued by Gleasure (2015) and Turan (2015)

6.3.3 Financial interessement devices

For the investors Groundfunding on their website lists a number of benefits that they use to discuss why they should accept the role of investors on the platform (Groundfunding, 2017e). These initial interessement devices were believed to help the investors in realizing the problematization (Interviewee 1, 2017). To name a few interessement devices designated for the investors GF promises high return and allows investing to concrete real estate projects with small capital. The investments are also free of any costs that are usually common in investing and uses no middle hands the process (Groundfunding, 2017e, interviewee 1, 2017).

Additionally to this the platform seeks to differentiate with concrete investment opportunity that the investors can follow and that there is no additional costs with the investment (Interviewee 1, 2017). Interviewee 3 (2017) also mentioned that as an investor she saw the benefits of being able to invest small amounts to real estate because investing in real estate is usually seen as something that requires large amount of capital and is seen as relatively risk free.

Groundfunding also attempts to bring as differentiated investments opportunities as possible to the platform (interviewee 1, 2017). So far there has been investment without collateral with high interest as well as with collateral with lower interest (Groundfunding, 2017a). But one of the

main arguments for investors to invest in GF is the easiness of it. Through being a marketplace for those who supply and those who demand GF attempts to create as frictionless a process as possible (Interviewee 1, 2017)

But what has been realized to be the biggest benefit for investors is the high return that the companies seeking for financing through the platform promise (Interviewee 1, 2017). From the initial investment opportunity this was found to stand true, as GF was able to create interest around the investment opportunity. Even though for the high perceived risk in crowdfunding investors found the investment opportunity to be beneficial and the financing campaign of 300 000€ was fully invested within two weeks (Groundfunding, 2017b).

Even though the high interest is used as an inscription device towards investors it is important to analyze here the impact of one of the main external overflows. That is the high risk and negative image of crowdfunding that was created before GF started its operations. Interviewee 2 (2017) mentioned that the high interest rates that GF informs the companies to pay for the loan is largely due to competing companies in Finland. These companies that have operated some form of crowdfunding before Groundfunding have initially set the yield high mainly to attract the interest of investors and not loose them for supplementary investment opportunities. GF has been able to frame this overflow as a benefit for investors and use it as an inscription device but it is seen to create one of the main issues for construction companies and for the platform. This is because a number of construction companies have denied the service due to the high cost of debt capital causing the companies to not participate (Interviewee 2, 2017). Interviewee 2 (2017) also mentioned that the trouble this brings to GF is that even though they wish to serve as many construction companies as possible in these early stages of the operations they cannot risk to not fulfill a target of a financing campaign due to an interest rate that is too low.

While the financial interessement device is used to capture the interest of the investors it can be seen as negative towards the construction companies. GF has lost many prospected clients due to their recommended interest rates that are usually seen as a high from the perspective of construction companies (Interviewee 1, 2017 & Interviewee 2, 2017). Therefore the risk exists that GF does not wish to lock themselves to a lower interest rate as this would make companies that are continuously contacted in the constant interessement try and use these interest rates as references in their loan applications and might risk in the loosing of clients (Interviewee 2,

2017). Instead GF must use other interessement devices to overcome this obstacle towards the construction companies.

6.3.4 Interessement devices for constructors

In the same way that Groundfunding on their website introduces benefits for the investors they inform the construction companies of the various benefits that can be said to work as a device to create interessement. These benefits include optimizing the capital structure, from which the main benefits are in enabling the same equity capital to be used in starting multiple projects at the same time and enables the full ownership of the project when there is no angel investors used. As is common in crowdfunding the marketing benefit of the public financing round is seen as positive towards the various companies (Brown et al., 2016). GF also puts marketing effort into the financing rounds that helps the project and the company behind it to gain presence (Interviewee 1, 2015; Groundfunding 2017d).

The easiness in the financing should of course be seen from the viewpoint of construction companies in the sense that GF is a simple method of raising the needed capital. One of the main interessement devices that GF uses is the reference of other construction companies raising capital through the platform (Interviewee 1, 2017). Interviewee 3 (2017) mentioned that the easiness should be used as the main aspect to be negotiated in as early stage of a process as possible. As a former employee in a real estate development company she said that it is usually difficult to establish financing in early stages and that crowdfunding could be seen as easy, quick, and relatively cost efficient way of getting necessary initial financing.

6.3.5 From interessement to Enrollment

In the interessement phase the contacted companies have accepted their role as the ones that are to take the finance but in many cases this does not lead to enrollment. Companies are seemingly interested in the first phase accepting the problematization, but then due to various reasons do not enroll (Interviewee 2, 2017).

Interviewee 1 (2017) mentioned that companies that seek for financing have all seen the benefits a little differently and it is difficult to engage with companies in similar manner. Hence the importance of contacting phase where the companies are asked of their needs and reasons to use the financing and continuing the negotiations where the issues are attempted to be solved. Still, although companies seem to be interested in the first place the interessement rarely leads into an open financing campaign (Interviewee 1, 2017).

But a simple benefit that has been realized is the differentiation of Groundfunding in that they are the only crowdfunding platform in Finland that is purely focused on real estate and construction (Interviewee 1, 2017). One construction company had explicitly stated that they would choose to discuss financing with Groundfunding solely due to the reason that GF is purely focused on that specific industry and has knowledge of how financing works in construction (interviewee 1, 2017). This decision had been made because the company in question had been in talks with another crowdfunding platform that tried to provide financing but had little knowledge on the industry thus not creating enough trust (ibid.).

But even though there are realized benefits in crowdfunding it is also noticed by Interviewee 1 (2017) that there is specific issues with the financing. These largely prevail in the presupposition in the method of financing. But as is true and many scholars have argued, crowdfunding is still in its baby steps but is evolving constantly (cf. Mollick, 2014).

Through the various interessement devices Groundfunding was able to lock in place a number of actors. By the end of 2016 the company had approximately 800 investors and 50 prospective companies that could seek for financing through the platform (Interviewee 1, 2017). Some of the companies were further in the process while some had only implied initial interest to the product (Interviewee 1, 2017). It is of course difficult to near impossible to imply what are the individual reasons that investors were locked in place but all of the above interessement devices are argued to have importance in creating the interest. But when it comes to construction companies the reasons are more clear-cut.

6.4 Enrolling the companies

The below image boasts a rough image of the first year of operations of Groundfunding. It takes into consideration the cases that have been successful and introduces major actors that had to be included in the network to be able to enroll the companies and what was the outcome of it. This section compresses the findings from the interview in explaining the various cases and compares it to the findings from previous literature.

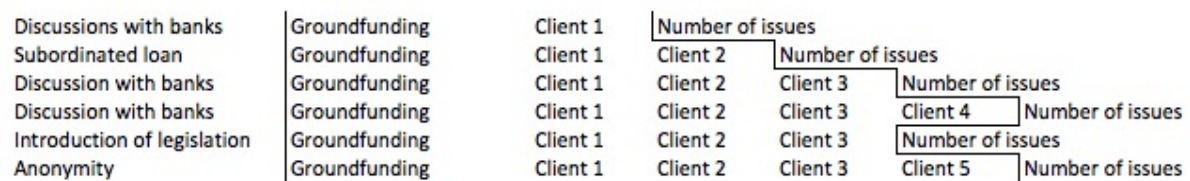


Image 6.1: Program and Anti-program

Image 6.1 takes inspiration from an image in Latour (In J.Law, 1991 pp. 107) and explains the rough development of the company based on obstacle problems and trials of strength that have been overcome. This discussion will be based on the program and anti-program giving more light on the analysis section. This is done in order to explain how the enrollment is being successful when various actors for different entities are included in the network and how the network consequently changes and grows.

Even though there are seen to be issues in the form of financing, still out of the 50 or so companies have implied clear interest and 4 of these were enrolled during the first year of operations (Interviewee 1, 2017, Groundfunding, 2017a). The first campaign was published in April 2016 (Groundfunding 2017b). Out of the public information on the website it is simple to get an impression that all went well with the financing round but the story is more difficult behind the curtains. For the financing round to be opened an obstacle problem with banks had to be overcome first (Interviewee 1, 2017). With the specific loan regulations in construction in Finland the financing had to be done through another route. At this point it became clear for Groundfunding that they are not able to provide financing in the way that they had first planned to financing the building to be constructed as is the basis of RS-financing as introduced in section 1. Thus banks created an overflow that had to be included in the network, which made a restructuring necessary (ibid.). Multilateral negotiations were thus needed between the various

parties and as banks denied the financing to be put directly into the building to be constructed (Interviewee 1, 2017). The company taking the financing needed to raise the loan through another direction and invest it towards the construction as another form of capital (ibid.). During this financing campaign GF ran into the first trial of strength and had to see if they were capable to solve the issue with an opposing force.

As for program and anti-program number of new inscriptions need to be included into the original framework to establish enrollment of various entities (Latour, in J.Law, 1991). This will become clear in the below explanation of how Groundfunding needed to adapt in the framework to get acceptance from those that initially restricted the program.

6.4.1 Cases where banks mandated restrictions

GF and the company in charge of taking the loan were able to overcome this obstacle problem with banks and opened a financing round that banks accepted (Interviewee 1, 2017). The first campaign was then fully invested a few weeks later (Groundfunding, 2017b). Analogically to this Groundfunding has provided similar financing for another construction company that raised loan for two consecutive constructions through the platform (Groundfunding 2017a). But not being able to serve the loan as was first supposed, GF decided to include another method of financing in the network analogically to program and anti-program where new inscriptions are included into the network (Latour, in J.Law 1991). This way banks created a negative overflow to the initial framework that did not consider banks and made restructuring necessary. This restructuring was done to be able to provide financing in situations when banks give red light for additional financing directly to the building to be constructed. In similar vein in May 2016 GF supplied a construction company with a subordinated loan due to the banks denial of other forms of junior financing (Interviewee 1, 2017). This way GF could get round the trouble of banks not accepting more than their loan to finance the construction.

6.4.2 A case where anonymity was included

As image 6.1 suggest GF was able to overcome the issues in one case where impression management was seen to be the issue (Interviewee 1, 2017). The company in their financing did

not wish to apply for financing from the larger market where the campaign is public but rather wanted to raise the capital in a silent offering (ibid.). GF then needed to find a way to be able to raise the high capital need of 800 000 € without public advertisement to be able to fully enroll the company. The way this was done was to contact large individual private investors and institutional investors to raise the high capital need and GF was able to raise the demanded amount in a few weeks (Interviewee 1, 2017). After the enrollment this actor was able to restructure the network in a way that GF is now able to provide a new service for the clients that require a level of privacy and made it able for GF to provide the financing with a certain level of anonymity (Interviewee 1, 2017). Again adding another inscription to be able to service the customers.

6.4.3 Full enrollment through contracts

To sum up the analysis so far, even though the Groundfunding has had issues in creating the enrollment the company was continuously attempting to adapt in the ever-changing environment but the continuous development of GF has not stopped to the issues of full enrollment. Rather through the interessement devices as explained above GF attempts to continuously create interessement towards new actors through communications. The company attempts to contact construction companies that would need financing as well as continuously discuss the changes towards investors through various forms of spreading information (Interviewee 1, 2017).

An important remark on the company and to actor network theory is that with every new client that has created issues the company has changed the approach (Callon, 1986). Was it new or different products that the loan seekers have wanted or some other way in which the financing could be obtained. GF have changed the approach and thus the network has constantly changed as they can add new interessement devices to their portfolio every time a new client wishes for something additional. It has also become clear that companies appreciate various different aspects of the financing (Interviewee 1, 2017) and thus the approach should be bespoke based on the needs of the client.

During this process and realizing that GF has not been able to create enough interessement it has been realized that the loan based financing is not the most suitable method for construction

companies and some other method would be better (interviewee 1, 2017). The purpose of GF is to “broaden the scope of the service based on the clients needs and to fit their purposes and balance between regulations and the needs of the clients and search for the middle road between them” (ibid.).

To be enrolled requires a set frame between the company and the investors where the platform sits in the middle as in image 6.2. This frame is agreed upon with contracts that mandate the use of the platform as well as financial information and documentation between the investor and the platform, the construction company and the platform as well as between the investors and the construction company. This way, as Callon (1998) explained it is possible to create temporary frameworks within the various parties to lock them into their place.

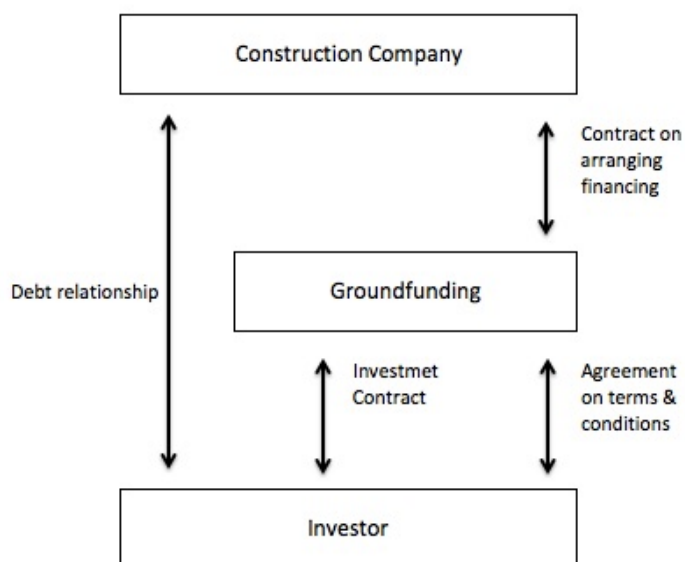


Image 6.2: Framing through contracts

By the agreements the network is set for the specific financing round, but as for now certain issues have had to be overcome for the financing round have been opened. The network that is the frame as in the image 6.2 above is subject to failing the financing round and full enrollment happens only after GF has been able to successfully arrange the financing to create the debt relationship between construction company and the investors. Up to this point the network has been able to overcome the obstacle problem of companies seeming desperate with four

companies that have applied for financing through GF. Still enrolling companies and investors have not been a simple task as other obstacle problems have created issues before the financing rounds have been opened to public. Even though each and every financing round can be seen as their own frame, the inclusion of every single project changes the larger network by an inclusion of a new actor as explained above. Every new company that is included in the network even before any contracts are made can be said to alter the processes and the company. As such the framework in image 6.2 is subject to a number of trials of strength before the full enrollment is managed. Some of these were overcome with the first companies that raised loan through the platform but a number of obstacles and trials of strength still exist. Interviewee 1 (2017) mentioned that Groundfunding will attempt to broaden the scope of services to better be able to serve based on clients needs as new clients emerge.

Enrolment happens through successful interessement. Thus in single cases if investors are to be enrolled they must be willing to start investing through the platform to fulfill the need of construction companies. Just as well as if loan seekers are to be enrolled they must be willing to seek for financing through the platform to make investment and debt relationship happen. Interessement thus does not necessarily guarantee enrolment and as has been realized in GF initial interest in the financing does not necessarily guarantee that the company will raise loan through the platform, even after long negotiations (Interviewee 2, 2017).

Involvement with banks would be a necessary part of enrollment towards the general acceptance of crowdfunding and this could be achieved through collaboration with banks (Interviewee 1, 2017). The ones financing the senior loan to the construction projects could be taken in as major investors towards the project (Ibid.). This would take acceptance from the general public the companies seeking loan as well as from the construction companies. The method of collaboration could come in the form of those banks that finance the construction projects in the first place could take the primary investors role in the project (Ibid.). They could thus make a new portfolio of CF investment or include the investment in an existing portfolio. This way banks would be better off with a high return on the short-term investment and low return on long-term investment (Ibid). Private investors would be willing to invest as they see that banks trust the projects. And loan seekers would get a surefire financing for their project and not fail the financing rounds.

6.4.4 Obstacle problems and trials of strength

But what is of additional importance of this paper is to find reasons for why companies that have been interested have not been successfully enrolled during the first year of operations apart from the examples above. As is mentioned in the paper Crowdfunding has reached an established position as a method of financing real estate and construction (Vogel & Moll, 2014). But it has been noticed that in Finland it is still in its nascent phase and has not yet established a permanent role in the nation (Interviewee 3, 2017). Even though for successful problematization as guaranteed by legislations and interest that has been created around various entities through a number of devices there has been betrayals and enrollment has been difficult to establish. A number of the reasons that were stated above are believed to stand true and in next sections the data will be analyzed to find reasons for the unsuccessful stabilization.

As have been mentioned in the paper the main trials of strength come in the form of GF needing to be more attractive than other investment opportunities that are seen to be more trustworthy for investors, which is due to the overall negativity towards crowdfunding. Towards companies they are mostly seen to be due to impression management reasons and the cost of the financing. Cost of the financing is then seen to be the reason of overflows from the past and the negative perception and the ability to raise financing from other sources with more reasonable costs. A third trial of strength that was seen to come in the interview are the initial restrictions that GF has due to the legislation before GF has been able to apply for all the necessary permits, which due to bureaucracy takes an unknown amount of time. Although it was said that this is only believed to be temporary and possibly have a positive turn in the future.

But for enrollment to be successful beyond the cases that are described above Groundfunding must be able to change the perception of the financing method towards the construction companies as it is the entity that is seen to create most of the issues (Interviewee 1, 2017). There might constantly become issues that trial the strength of the financial platform with the investors and finance seekers who see a problem that the platform must overcome. Every investment round have been a new trial of strength in the way that the platform must be able to overcome the issue of raising the needed financing, thus enrolling investors and creating full enrollment through the contracts.

But even though some of the trials of strength have been overcome the question remains whether the different actors as members of their given entity will follow their leaders, the ‘spokesmen’. Are enough investors gathered to the platform through the legislation and enforcement of the trustworthiness of the company and will GF get more investors to the platform? Possible spokesmen could include financial bloggers and journalists in explaining that there is trust created around the platform (Interviewee 1, 2017). Who will then work as a representative towards the loan seekers? GF needs major construction companies enroll that are speak in the name of other companies in they way that even though the loan can be costly it does not matter when publicity is involved and that impression management is not an issues as the image of raising financing through crowdfunding is not desperate (Interviewee 1, 2017). On top of this legislation works as a way to establish a permanent position for crowdfunding (Interviewee 3, 2017) but for the legislation to be used in the mobilization Groundfunding must be able gain presence on its own, this will be elaborated more below.

6.5 How to establish mobilization

The stabilization of the company operations are said to happen through time, as company will have more companies enrolled in the financing (Interviewee 1, 2017). One of the greatest interessement and at the same time mobilizations has so far been the inclusion of government regulation to crowdfunding that has generated interest to crowdfunding in general. This is because the legislation is said to give crowdfunding a more accepted position as a method of financing in the eyes of the various entities (Interviewee 1, 2017) and CF companies such as Groundfunding can include the artifact in their network and use it as an interessement device towards both parties.

It must be noticed that GF has not been able to establish mobilization, as the full enrollment has not been achieved. Questions persist in who are the spokespersons from the investors, the loan seekers, and for example banks. Where can we get the mobilization from the legal parties and how do we represent the possible mobilization. As the company is young in nature and the success of GF will be seen in the future, no clear answer for mobilization was found when studying the company but ideas how to mobilize the various entities are explained in detail below.

6.5.1 Legislation as mobilization

Even though legislation confirms the problematization and works as an interessement device it should also be seen as mobilization. The legislation speaks in the name of all the actors making a framework that concerns the investors, the finance seekers and mandates the platform (vm, 2016b). If this mobilization is successful the outcome will be more companies seeking for financing and more investors investing in these projects.

But the enrollment has so far been unsuccessful apart from a couple of representative construction companies that have applied for financing through the website. This becomes clear in the sections above where it explicitly stated that GF has been unable to service construction as much as they could wish for. The longest negotiations corresponding to enrollment have been discussed with the construction companies as it has become clear thus far that they have most of the opposition to make the platform work (Interviewee 1, 2017 & Interviewee 2, 2017). The obstacles that has have prevented GF to establish a full mobilization concern the cost of the financing and the prevailing impression management issues as the method of financing is new and public (ibid.).

6.5.2 Mobilization through company personnel

On top of the legislation GF was able to get include in to the company a head of board that is venture capitalist in the firm who is a professional investor in real estate industry and as another member of board well as an owner of a construction company (Interviewee 1, 2017). These two men represent both the construction side of the platform as well as investor and although they were involved in the company in the problematization phase their opinions were believed to represent the private investors who would invest in the projects as well as the construction companies that would apply for the financing respectively. The head of board agreed that the platform like this would be needed in the market and the other board member was clear on his opinion that construction companies do not get as much bank financing as they used to before (Interviewee 1, 2017).

6.5.3 Education as mobilization

Another method that is likely to lead to successful mobilization is to educate the various parties of the benefits of crowdfunding. Interviewee 3 (2017) saw this as a great method to get new companies and investors to be enrolled in the company and to find spokespersons to further generate interest around crowdfunding and the company in question. This could be done via participating in fairs and other networks that speak in the name of crowdfunding (Interviewee 3, 2017). Thus all the spokespersons do not need to be involved in the company for it to benefit. This is an overflow that GF can benefit from without the direct inclusion in the network.

As ANT is an ongoing process the mobilization is dependent on the actors involved. When talking purely of the initial network and the actors it is important that the inclusion of the companies that have so far enrolled is finalized in the repayment of the loan. This is an important aspect in mobilization as GF is dependent on the trustworthiness of the companies that have raised financing (Interviewee 1, 2017). This will give interest for the investors as they see that investing through GF gives them their money back with the agreed upon interest. Through this companies will recognize the trust that investors have towards the platform in the form of increased investor base. The companies are thus positive representatives of their entities if they act according to the agreement and as mobilization means that the actors act as agreed and represent the entities correctly and stay in their part it is vital to establish a working financial platform and to stabilize the operations.

In this sense it is important to speak of the listing of the companies that have raised financing through GF. These companies are then used as examples in the website (Groundfunding, 2017a) and represent the construction companies that accept the form of financing. These are believed to be spokesmen of construction companies and are believed to evoke interest on other construction companies (Interviewee 1, 2017) and thus work as interessement devices.

The parties are also believed to follow each other. It was noticed in the interview that by time both the investors as well as the finance seekers will build trust for the platform and the position is likely to stabilize (interviewee 1, Interviewee 2, 2017). Neither failure nor success can be said to have happened overnight and time will tell. But one thing is for sure. With interest created through every new party the network will change. Was it through changes that are made though

requests that the finance seeking companies have or was it because new investment opportunity will bring more interested investors to the platform remains to be seen and is likely to require further studies in order to capture the reasons.

7 DISCUSSION

Due to the young nature of the company it has become clear that the most important parts of moments of translation are the first sections. The problematization in the company has become clear thus far as it is realized in a number of countries and companies that operate these platforms (Jegeleviciute & Valanciene, 2015). It is in the part of interessement that the company is at the moment making most of the benefits that will be realized in the future but is also facing the largest issues. The process of finding companies that need financing takes a long time and it is not easy to get the companies enrolled. After enrolling a certain number of companies mobilization will happen and the network will achieve stability. But the issues in gaining enrollment through interessement must be overcome. Even though much of the enrollment is up to the company certain parts were seen not to be in hands of the company, but are rather larger entities that are involved indirectly and hence the importance of overflows and inclusion of new actors into the network. To answer the research question of **why various entities create challenges and obstacles for a development of a crowdfunding innovation** an analysis was conducted using actor network theory to find where the main obstacles are. The findings will be discussed in this section and summarized to answer the research question.

7.1 The roles and frames

The basic setting in crowdfunding includes the investors, the company seeking the loan and the platform and its operators in the middle. This is the backbone that creates the need for crowdfunding in the first place and enables the functions. This was also noticed by the governing bodies in Finland that have set legal boundaries around crowdfunding. But it became clear quite early in the processes that overflows are normative and one form of these were banks that restricted the financing in one way. This basically mandated Groundfunding to be able to mediate the financing for the client in another way. The main framing tool that is used is the various contracts that tie the interest between the investors, companies raising the loan and the platform in the middle. These entities also possess other contracts and this made it necessary to discuss with the banks. The contracts are likely to be overlapping, as was for example the case in various financing rounds where banks did not accept additional financing.

7.1.1 Discussions with banks

In the analysis some other stakeholders are also involved in the discussions. These are namely banks that have established that in their conservative set of mind they see a secondary loan as an issue to their primary position in the financing even though they are not prepared to give large enough loans for the construction companies. This is in line with the literature review where Turan (2015) believed that the method of financing is likely to change the position of more conservative methods of financing. This can be seen in various cases above where GF and the company seeking the financing were required to arrange the financing in a way that banks would accept it. But the problem persists in how to engage understanding in banks that by providing companies with more financing and relaxing the equity capital construction companies are likely to engage in more projects, thus also become likely to seek capital more often through banks.

The initial financing round then mandated a few other campaigns where the financing was done another way. This way an overflow from a third party made it necessary for GF to include an actor into the network and consider another way of developing the company. Thus the first issue in crowdfunding in Finnish real estate is that banks do not allow other forms of financing on top of their loan.

7.1.2 Impression management

It is largely recognized that as companies are not familiar with crowdfunding they have a fear towards it and are likely to reject participating. Gleasure (2015) mentioned that companies that have heard of it and are exposed are much less against the method of financing. It was also realized in the analysis section that it is believed that through time when companies here more and are able to mobilize examples on the entrepreneurial side companies are much likely to take part in it. It was also found to be true that within construction industry in Finland it is difficult to get the idea across companies, which could be due to the rather conservative mindset of construction entrepreneurs not willing to show lack of capital in their core operations.

In the analysis section the impression management issues were raised and according to Interviewee 1 (2017) the persistence of projecting desperation and the fear of failure are issues that are constantly being raised by the construction companies and much of this is believed to be

due to the young nature of the financing. These issues were raised by Gleasure (2015) and Turan (2015) as the main reasons that prevent crowdfunding operations from growing.

Trials of strength come from the main issues that are derived in the crowdfunding section in this paper. One of the main trials of strength that has also been realized in one of the largest projects for GF has been the fear of the publicity through the platform, which is in line with research done by Turan (2015) and Gleasure (2015). The latest enrollment from the construction side of the platform was achieved through acting according to the wishes of the customer enabling a private financing round. This changed the network in the way that GF is now able to host hidden financing rounds to cope with the obstacle and to be able overcome the trial of strength. What GF decided to do was to hold a hidden financing round where the information of the project was initially directed only towards certain investors. This way GF did not publish the information nor was the project marketed in usual ways. GF was able to surpass this trial of strength by holding such financing round and only afterwards publish as a successful case for the company.

7.1.3 Competing overflows

Secondary stakeholders also include the competition, which in itself can create positive and negative externalities for other operators in the field depending on the reputation that they create on the field. This creates a two fold effect as it will be argued in the paper that as crowdfunding is a new field the reputation of it depends much on the companies operating the platforms. The negative overflow that this has created is in the cost of financing as interviewee 2 (2017) mentioned. Because of the high interest they have introduced in CF before Groundfunding, the case company was necessary to follow and match the expectations of the investing public.

Thus competing companies are dependent on the positive reputation that the company studied can inflict as much as the company at hand is dependent on the competition so far have been established. The problem is that crowdfunding companies are seen as “shadow banks” and have somewhat a negative reputation yet so far (Interviewee 1, 2017). Introduction of legislation around crowdfunding in Finland is yet another issue platform operators must take into account but is assumed to clarify the field through licensing the companies that are allowed to do crowdfunding. But the benefits of this should be realized in the long run as Jęgeleviciute &

Valanciene (2015) argues that it has been beneficial for crowdfunding companies in large economies.

7.1.4 Switching costs

As was mentioned in the literature review there are switching costs tied to crowdfunding that are largely to outweigh the benefits of the financing method (Gleasure, 2015). Impression management issues were one of them as described above but another is the high cost of the financing. As in the analysis it was realized that many companies do not participate in crowdfunding due to the high cost of the financing (Interviewee 2, 2017) it can be argued that there are cheaper alternatives on the market.

These cheaper financing options are then one of the main obstacle problems for Groundfunding. These became somewhat clear in the analysis where many construction companies have wanted to opt for the cheaper alternatives; these could for example be angel investors. Therefore the issues persist on how to make the switching benefits greater than the costs for the construction companies. As Jegeleviciute & Valanciene 2015) and Interviewee 3 (2017) mentioned one way of doing this could be educating the construction companies of the benefits and make companies aware of crowdfunding to lower their threshold to participate.

But switching cost can also be other than the physical cost of the financing method that was seen to be relatively more expensive than that of other forms of financing but the analysis did not reveal any clear answer to this. But is noticed that before crowdfunding can establish a permanent and the benefits of crowdfunding are widely recognized it is likely that companies are likely to resist it due to high cost or other lost benefits that other financing methods could have.

7.1.5 Risk Management of investors

Even though it does not come up as explicitly in the analysis as does the issues of companies in crowdfunding, the investors risk management is believed to be the reason for not being able to

enroll investors as much as is possible. Not being able to enroll investors then leads is then likely to lead into issues with crowdfunding companies for two reasons. First of all it increases the cost of financing, which is due overflows from other crowdfunding platforms and the perceived riskiness of it and the reason that it is used in order to capture the interest of the investors. The second is the lack of possibility of raising larger amounts of capital for specific projects and hence improving the position of crowdfunding, which has been difficult for GF to establish even though crowdfunding in real estate seems to be working in other markets. Thus investors risk management is believed to increase the negative perception towards the construction companies as well. This way the decisions made by one entity affects the position of other entities and makes it difficult for investor reasons to establish a permanent role as a financing method towards construction companies.

7.2 Communicating the benefits of crowdfunding

But as it has difficult to establish a permanent position in the Finnish real estate industry it must be recognized that attempts have been made though attempting to communicate the benefits for the larger public both within the investors as well as construction companies. It is clear from the analysis that GF has been able to create initial interest around the platform in the construction company side as well as the investor side, but not enough. Crowdfunding in general is seen to offer an additional investment opportunity for private investors and especially in real estate where the capital requirements were usually seen as high but now enables small-scale investment towards the asset class that was also realized by Vogel & Moll (2014). Interviewee 1 (2017) mentioned that it is noted that private investors appreciate the high return for their investment and interviewee 3 (2017) mentioned real estate is an interesting investment opportunity as it enables investment that has been unavailable before and at the same time has a high yield and is relative risk free. The benefits of crowdfunding are the devices and inscriptions through which GF tries to create interest around the various entities they wish to enroll.

Benefits for construction companies that are used as an attempt to create larger benefits than the possible switching costs include the financial benefits in increased returned on invested capital and the possibility to achieve growth, but discussing these reasons for the companies is difficult.

7.3 Summary of the findings

To summarize the main findings that are in correspondence to the literature review and some that beyond it is here explained in a manner that explains them in brief. First and foremost the analysis explained that the largest obstacles for Groundfunding are in the entrepreneurial side of the platform where companies are seemingly reluctant to participate in financing. According to the literature review impression management issues due to the public nature of the financing method were seen to be one of the main issues that companies do not wish participate in crowdfunding (Gleasure, 2015). This was also seen to be the case for Groundfunding where a number of companies during the first year have denied participating due to the public nature of the financing. But it was also noticed that GF has been able to overcome this issue, at least partially, in being able to host investment rounds as a silent offering where only certain investors are being contacted.

Another issue with the construction companies is the cost of capital that GF offers. Even though the initial starting ground for the company was to offer additional capital to supplement the decreased bank financing, companies still see that the loans come as too expensive to make it worthwhile for them. For this GF has tried to implement interestment devices attempting to discuss the financial benefits but companies seem to vary a lot on what they prefer and no coherence was found on this regard. It was believed that construction companies do not appreciate the financial benefits of for example return on equity but only worry of the high costs of capital. Interviewee 2 (2017) mentioned that the issues of high yield is due to an overflow from other companies that have set the margin high and it is difficult to try and tackle this obstacle problem with lower yield due to the consequential lack of interest on the investor side.

But legislation is seen to change the image of crowdfunding (Jegeleviciute & Valanciene, 2015). This was also seen to be the case in the analysis but so far the regulation has demanded more from Groundfunding than it has actually given. But although the expectation of it is that it brings positive overflows due to increased trust, legislation at the moment yields a negative overflow for Groundfunding due to lack of resources that would enable the application for all possible permits. Inclusion of this actor into the network is likely to bring positive contributions in the long run such as more conservative interest rates, but for now it has created a temporary obstacle that has restricted the development of the company as the founders have wished.

In a socially constructivist way the interest rate has been set as it is at the moment due to other companies that have set the interest rate high. The reality of crowdfunding has come from the companies that have operated in the market longer than GF has and as Interviewee 2 (2017) mentioned the high yield is set by the older actors in the market and investors have initially taken this perception in the interest rate that they want for their investment.

To finish off it was noticed in the last part of analysis that much is dependent on the future of the method of financing. As crowdfunding is only a recent development in larger picture and especially in construction industry in Finland it remains that the overall acceptance for crowdfunding still remains somewhat skeptical. This is believed to alter in the future as more and more companies and investors notice the benefit of and mobilization and stabilization of the company operations is believed to happen through time.

Another mobilization is believed to generate interest. That is the mobilization of the venture capitalists that were included in the network through the investment made directly to the company. In this case it is not to talk of investors that invest to the projects, but one of the initiating men that was included in owning the company, the head of board. By having a head of board who has knowledge on real estate and believe that there is said to generate interest towards the private investors who are then enrolled as investors to the campaigns. This is in line with the legislation that mandates management of the company to have adequate knowledge of the finance business.

Thus as an answer to the research question companies and investors and other parties create resistance for developing the financial innovation in Finnish construction industry. They all have their own issues and construction companies are not willing to participate mainly due to high cost of financing and due to the public nature of in the fear of losing other investors. Investors are not willing to invest due to high perceived risk of the financing. And lastly banks as the main financing method in construction do not wish their clients to take additional credit in the fear of possible default.

8 CONCLUDING REMARKS

By using empirical research this paper was set to find out how the different stakeholders create issues and how these issues could be solved. By using the primary theoretical framework mentioned above this paper first includes theoretical background for actor network theory and how it helps in determining (and analyzing) the underlying issues.

Using Callon's actor network theory and four moments of translation (1986) as a framework this study aimed to find the main problems for establishing a well functioning financing platform. The issue at stake in this is how to set the frame and who to include and what are the issues that the platform must account for when developing the operations in the way that it will satisfy most or all of the parties involved.

The problems that arise from using the method of funding might come in the form of construction companies deciding to opt for a choice where they might lose larger single investors with the knowledge of construction projects or real estate investments. The way that GF tries to tackle this issue is by providing the finance seeking companies with professionals in the field of real estate. Thus GF tries to position in the form of real estate development consultants rather than purely a financing platform. This enrollment and mobilization of professionals in the field will also be beneficial for the investor side of the platform as investors will have a more comprehensive belief that the decision makes in GF will only accept financing rounds that they believe will be successful as well as projects that will be profitable.

This will create two sided benefits for the platform as the help in developing the projects will make companies more willing to participate in the financing and give their projects for the public rounds as they are also receiving some intangible benefits in the making. Investors will trust the projects more and thus be more willing to invest larger amounts more often, this leads into diversification benefits leading more investors and more investment rounds and the story goes on!

To answer the research question it was first important to know what the possible issues are that prevent GF from developing. This was done in the literature review where the possible issues were found to exist. Then using actor network theory and material that was analyzed the reasons

for the existence for the issues were looked into deeper and found that there are specific reasons for why they persist.

8.1 Future research

The paper focuses on one company in one industry in one market leaving room for expansion of the research towards multiple industries including more crowdfunding platforms and more stakeholders to be studied. The sample used in the study is relatively small but it already concludes on the issues that have been researched in the field based on a single case study. What is of interest for future research is to see whether the same issues persist in other markets or other industries that are being crowdfunded. But real estate being the largest single asset class that is being crowdfunded it is of interest to see how it develops.

As this paper was a qualitative study aiming to research the development of the relationships between the entities and finding obstacles for the growth in this way there is possibilities in further expanding the knowledge on the issue and quantitatively analyze the development of crowdfunding in real estate in other countries. This could be done for example by simple assessment of the current state of crowdfunding in absolute numbers or trying to obtain answers into what are the companies like that are most eager to apply for financing through crowdfunding platforms to ease the burden of companies struggling to find the correct clients to be included in the network.

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10 APPENDIX A – INTERVIEW GUIDES

Interviewee 1, First interview

Background on founding Groundfunding

- What were the reasons for starting the company?
- What was the knowledge behind the founders of the company?
- How was it recognized that the company like this was needed?
- Why did you decide to become the CEO of the company?

Alternative method of financing and investing in real estate industry in Finland

- What was the outlook for alternative financing in real estate industry in Finland?
- How large could alternative finance be in real estate and construction?
- What could be the presence with the companies in the industry?
- Has crowdfunding reached the peak point or is there room for growth?
- What is the outlook for Groundfunding?
 - o What forms of financing is there likely to be in the future
 - o How large amounts is it possible to expect with one financing round? Within a year?

The benefits of crowdfunding for the various entities

- What are the benefits of crowdfunding for investors?
- What are the benefits of crowdfunding for construction companies?

The issues of crowdfunding for the various entities

- What are the general problems in crowdfunding?
- What are the possible pitfalls with investors?
- What are the possible pitfalls with construction companies?
 - o How is the visibility of the method of financing perceived?
- What possible internal issues are there with the company?
- How does the regulation in Finland affect Groundfunding?

Competition

- What competition is there for Groundfunding?
- How does competition affect crowdfunding?
- How GF attempts to fight the main competition?
- Are banks an enemy or an ally?

Current issues and how they have been solved

- What have been the issues with the current and past financing rounds?
- How has GF attempted to overcome the issues and?

Interviewee 1, Second interview

The growth of Groundfunding

- How is the growth of GF established and made possible?

To roles of various entities

- What is the role of construction companies as finance seekers
- What is the role of investors other than that of purely investing?
 - o How will the promised interest rate affect the investment decision of investors?
- What other external entities, such as financial bloggers could be used in order to gain presence?
- What is the role of the platform in crowdfunding?
- How much of the various entities, mainly investors and construction companies had we manage to generate interest within during the first year?

Possible role of banks

- How could GF consider collaboration with banks?
- How could this collaboration be established?
- Could banks be considered as investors in the projects through GF?

Development

- Is it possible to state that GF has established a permanent for in financing during the first year of operations?

- What are the competing entities and how can GF compete with them to better establish a permanent place?
- What could be the costs and the benefits in switching to GF from other financing options?
- How could GF try to cut the relation with construction companies and other financing options to better serve the construction company needs?

Interviewee 2, First interview

Background on joining Groundfunding

- What made you change from your previous job in a bank to Groundfunding?
- What is your opinion on the current company and the industry?

Alternative method of financing and investing in real estate industry in Finland

- What was the outlook for alternative financing in real estate industry in Finland?

The benefits of crowdfunding for the various entities

- What are the benefits for construction companies?
 - o How do you attempt to bring them forward in your contacting work for the clients?
 - o What financial benefits would you put forward for the clients?
- What are the main benefits for investors?
 - o How do you see the high yield in the eyes of investors?

The issues in crowdfunding for various entities

- What are the biggest issues for construction companies in crowdfunding?
- What are the main reasons for construction companies to deny taking part in financing?
 - o How do companies inform that they are not interested?
- Where does the negativity in crowdfunding come from?
 - o How is the visibility of the method of financing perceived?
- How do you see the interest that we recommend to pay from the eyes of the construction companies?
- What other issues could you see that prevents GF from developing?

- How does regulation affect the development of GF?

Current issues and how they could be solved

- How could GF attempt to solve the ongoing issues?
- How could GF utilize major construction projects towards other construction companies?
- How could GF develop in its operations and business services to enable growth?

Interviewee 3, First interview

Background

- What do you see is the position of crowdfunding in Finland in the real estate and construction industry?
- How do you see the growth of crowdfunding in real estate in Finland?

Benefits of crowdfunding for various entities

- What are the main benefits of crowdfunding for investors?
- What are the main benefits of crowdfunding for construction companies?
- How could these benefits be endorsed for the various entities?

Issues in crowdfunding for various entities

- What are the biggest issues for investors?
- What you do see as the biggest issues for construction companies?
 - o How do you perceive the cost of financing?
 - o How do you perceive the public image of crowdfunding?
- What other external issues could you mention?
- How do you see legislation and education as a solution to these issues?
- How do you see that GF could solve the various problems?

Data used in the analysis in Appendix form

Interview data transcripts

**Interview 1,
Interviewee 1, Henrik Arén, 1st interview.
Done in person on 17.3.2017 in Turku, Finland
Duration: 49 minutes**

Niklas Vuorinen (Interviewer): Eli, ensimmäinen haastattelu, Groundfunding Oyj toimitusjohtaja Henrik Arén. Aloitetaan ihan siitä, että mikä on ollu Gf yhtiön perustamisen pohja ja minkä takia lähtenyt mukaan toimitusjohtajaksi tähän hommaan

Henrik Arén (Interviewee): Kyllähän meillä pohja on siellä, koska ollaan tällainen spinoff softa firmasta niin lähti sieltä että oli saman pöydän ääressä sekä rakennusliikkeen edustaja ja sitten softakehittäjä ja mistä koko idea lähti niin oli, että huomattiin että tällaisia toimijoita on maailmalla ja huomattiin, että puuttuu suomen markkinasta täysin kiinteistöalalle keskittynyt joukkorahoitusala. Ja kuten mainitsin niin oli saman pöydän ääressä oli rakennus liikkeen edustaja joka ymmärsi alaa ja sitten softakehityksen ammattilaiset ja lähetettiin sitä kautta miettimään ja purkamaan että miten sen voisi toteuttaa ja tosiaan haettiin siihen sitten sijoittajia. Kun haettiin niin oli luonnollista että haettiin kiinteistöalan osaamista, ammattilaisia. Kysytään heidän mielipidettä yleensäkin tämän tyyppisestä palvelusta ja heidän kiinnostusta lähteä mukaan ja siinä oli alkuvaiheessa käytiin muutamiaakin keskusteluja aiheesta ja mukaan sitten lähtivät nämä kyseiset herrat jotka tässä on mukana. Eli, siinä oli kysymys siitä, että miten lähdin mukaan tähän ja minua on kiinteistö ala ja sijoittaminen aina kiinnostanut ja sitten kun on tosiaan kaupallinen koulutus niin vähän jopa voi sanoa että ymmärtää niitten päälle. Ja tosiaan sitten kun oli vahva toi kiinteistöpuolen tuki ja sitten kun on itse siellä kyseisessä softafirmassa ollut hommissa ja tarjoutui tilaisuus et lähdetkö vetämään niin se oli siihen helppo vastata myöntävästi.

N: Tuossa tulikin toi seuraava kysymys sitten jo eli taustalla vaikuttavat tekijät ja se tietotaito asia mutta tuota mikä oli semmoinen suurin syy siihen että nähtiin et suomen markkinoilla tarvitaan tällainen alusta.

H: No kyllä se lähti sieltä et kun meillä toi Antti on rakennus, tai hänellä on rakennusliike niin kuin tiedät ja se oli hyvin vahvasti hänen näkemykseen ja asiantuntijuuteen pohjautuen, että tällä alalla, tämä on hyvin semmoinen ala et tarvitaan pääomia ja ne on oikeastaan samoja mihin Ilkka yhtyi ja itse asiassa Mattikin näihin samoihin kun puhuttiin asiasta. Et se on selkeästi se tarve tällä alalla että kun pääomia tarvitaan ja sitten kun sitä pääomaa nyt ei sattuneesta ole, nämä kaikki finanssikriisi selitykset, niin niistä johtuen sitä ei ollut entiseen malliin saatavilla. Ja se minkä Anttikin nosti silloin esiin että tällainen RS-rahoituksen osuus tällaisissa gryndikohteissa mistä hänellä on tietysti tietämystä niin että se on jopa laskenut tai ei ainakaan noussut et pankit on tuota, suhtautuu nihkeämmin kun ennen niiden rahoittamiseen. Että se tuli oikeastaan sieltä niinkun tarpeen kautta, että tällä alalla olisi sille pääomalle tarvetta, että kyllä se oli niinkun se suurin tekijä siinä.

N: Mites koska selkeästi se tarve on huomattu rakennusosalalla niin kuin joukkorahoitukselle tai sanotaan että vaihtoehtoiselle rahoitukselle joukkorahoitus yhtenä niistä niin mitkä on tavallaan ne näkymät mitä joukkorahoitus voi saada sitten niin kuin rakentamis ja kiinteistöalalla että minkä suurusta, kuinka paljon mimmoinen presenssi firmojen keskuudessa ja näin pois pain, mikä on firman näkemys siitä että mihin voidaan päästä?

H: No sanotaan nyt että kyllähän nyt kun ollaan tällaisessa murrosvaiheessa ja kun joukkolahotus on kohtuullisen pientä mutta kasvaa nopeasti siis nyt puhutaan suomen markkinasta, kyllähän se nyt tietenkin korreloi myös muihin, muiden maiden markkinoihin

mutta kasvu on tosiaan nopeaa ja sitä on tietysti haastavaa arvioida et miten isoksi se kasvaa. Mutta kyllä se on tullut selkeästi tässä ilmi että se on niinkun nimenomaan tällaiset vaihtoehtoiset rahoituskanavat mitkä tulevaisuudessa tulee niin on vaikea arvioida et miten suureksi se kasvaa mutta kyllähän nyt jo on isoja tota myös muiden, sanotaan kilpailijoiden toimesta on isoihin hankkeisiin kerätty. Yleensä jos puhutaan joukkorahoituksesta niin on miljoonia ja ylikin kerätty et se on selkeästi sellainen että määrät kasvaa koko ajan ja vaan taivas on rajana. En tiedä vastasinko kysymykseen?

N: Joo koko lailla se oli se pointtikin tavallaan että selkeätä niinkun kasvua on tiedossa ja joukkolahotus ei niinkun oo vielä siellä piikkiipisteessään vaan et se ala kasvaa ja etenkin kiinteistöalalla

H: Joo ja just sen takia et kiinteistöalalla nyt on sitten se pääoman tarve. Kyllähän se nyt alalla kun alalla on pääomalle tarvetta mutta niinkun erityisen paljon. Mutta tosiaan kyllähän se on fatka et joukkorahoituksella, mennään siihen varmaan kohta, on omat ongelmansa kun se ei ole vielä niin vakiintunut tapa kerätä rahoitusta niin onhan sillä omat haasteensa. Sillä (joukkorahoituksella) on omat ennakkoluulot ja Suomessakin on ehkä vähän joissain määrin huono, ainakin ollut huonossa maineessa mutta koko ajan niinku myös maine paranee kun se yleistyy rahoitusmuotona. Mutta ollaan vielä ihan niinkun siinä vauvan, babysteps, lapsen kengissä

N: Ja tota niin ja sitten tottakai joukkorahoituksessa osanaan niin GF:n osuus mikä nyt rajoittuu toistaseksi ainakin suomen markkinoille mut missä on yrityksen sisäiset näkymät tai oletusarvot siitä mihin parin vuoden aikana voidaan päästä. Minkä laisia rahoitusmuotoja? Muuttuuko muuta kun lainapohjasta ja minkälaisista summista puhutaan yksittäisissä kieroissa ja mahdollisesti vuoden aikana?

H: Joo siis tosiaan liikkeelle lähdettiin tosiaan tällä lainamuotoisella koska se on yksinkertainen ratkaisu ja sillä päästiin heti liikkeelle. Mutta et tosiaan niin varmaan käsittelet sitä joukkorahoituslakia varmaan jonkun verran siinä työssä niin tosiaan se on se nyt mihin toimitiluvat on sisällä ja edetään tavallaan askel kerrallaan sen mukaan että miten sitten se toiminta laajenee et nyt kun tuli laki niin sen joutuu ottaa huomioon noissa esimerkiksi tarjottavissa palveluissa ja tarkoitus on edetä askel kerrallaan. Että tosiaan fakta on se että tämä ei tosiaan ole rakennus, kiinteistöalalle tällainen suora laina muotoinen se paras vaihtoehto mutta tarkoitus on laajentaa sitä tarjontaa ja kehittää sitä asiakkaiden tarpeiden mukaan ja tarpeisiin sopivaksi. Ja siinä niinkun tuota sääntelyn ja asiakkaiden tarpeen kesken tasapainoilla ja hake sitä niinkun tavallaan keskitietä siinä.

N: Mä nappaan tosta nopeasti niin luvat ja laki siis toistaiseksi rajoittaa sitä mitä voidaan tehdä eli meillä ei ole mahdollisuuksia tehdä sitä mitä markkinalila halutaan

H: Joo kyllä näinkin sen voisi sanoo. Ja siis markkinoilla tietysti toimijoita on niinkun joukkorahoituspalveluiden lisäksi niin kaikenlaista rahastoa ja muuta mitä sit niinku alan toimijat käyttää et on tonttirahastoa ja mitä milloinkin. Että tietysti nekin voidaan nähdä sellaisina kilpailijoina sitten, että mekin jos ei nyt rahastoksi niin vähän niinkun rahaston suuntaan pyritään kehittämään sitä.

N: Vaikka kuitenkin tulaisiin tai tulisi firma toimimaan sitten niinku joukkorahoitus pohjalla niinkun ulkoisesti mutta rahoitus tavallaan niinkun rahastomaisemmin

H: Niin kyllä, kyllä sitä voi ajatella että rahastokin jossain määrin jos ei niinkun joukkorahoituksena niin idea on hyvin pitkälti rahastoissakin sama et kerätään useilta sijoittajilta ja yhteiseen pottiin et sen tyypisesti

N: Aivan, tota mennään sitten eteenpin, tosta tuli ihan hyvää pohjaa siihen mihin oltiin eteenpäin menossa eli seuraavaksi voitaisiin vähän puhua noista joukkorahoituksen hyödyistä eli puhutaan eri osapuolista niin puhutaan toistaiseksi vaan meidän sijoittajista ja sit taas toisaalta lainanhakijoista eli firman tällöisen niinkun lähimmät stakeholderit eli ei mennä sen pitemmälle vielä eli mitä on nyt sitten hyödyt eri osapuolille jos aloitetaan vaikka sijoittajista

H: Niinku tän meidän palvelun

N: Joo meidän palvelun, niin mitä hyötyjä me pyritään tuomaan

H: No me pyritään tietenkin et mitä me on havaittu et sijoittajaa kiinnostaakin niin hyvä tuotto, hyviä sijoituskohteita ja tosiaan se mitä millä pyritään myös erottumaan niin se semmoinen konkretisoimaan se sijoitus eli tuomaan siihen että tuodaan julki se kohde mihin se menee se raha ja pystyt sitä seuraamaan on se sitten vaikka se yksittäinen projekti niin sitä pystyy sijoittaja seuraamaan. Ja mitä tulee näihin tuottoihin vielä niin tietenkin se et on maksutonta meidän kautta sekä sijoittaa, tai että ei mene sen enempää merkintäkuluja kun hallinnointipalkkiotakaan, että se on ehdoton hyöty st niinkun sijoittajalla.

H: Kiinteä tuotto jäi sitten mainitsematta, niin se tällä hetkellä kun toimitaan tällöisellä lainamuotoisella niin kiinteestä korosta sitä aina puhutan ja joissain tapauksissa sitä jopa pystytään, tai lainan tarjooja (hakija) pystyy vakuuden tarjoamaan. Miten mä sanoisin, monipuoliset, monipuolisuus tai ainakin siihen me pyritään et siellä olis monipuolisesti niitä kohteita. Et on vähän pienemmällä korolla sitten ehkä vakuudellinen laina sitten joku haluaa ottaa vähän enemmän riskiä niin sitten siellä on vähän isommalla prosentilla vakuudetonta ja tämän tyypisesti. Että vaikka se tosiaan on lainamuotoisesta rahoituksesta kyse niin siinäkin pystyy sitä vähä tarjoamaan vaihtoehtoja.

N: Eli jonkun näköistä tietyn tyypistä hajauttamista sitten

H: Niin joo kyllä, et sijoittajalle se on sit kohtuullisen pieni se minimisijoitus että tarvittaessa tai halutessaan niin pystyy hajauttamaan sitä mukaan kun tulee kohteita niin pystyy sijoittamaan sitten tonnin yhteen ja tonnin toiseen.

N: Sitten tietenkin alustahan hoitaa kaiken

H: Joo hyvä, tosiaan se et pyritään. No se on oikeastaan molemmille osapuolille et me pyritään se mahdollisimman helpoksi tekee. Me pyritään kuitenkin olla markkinapaikkana ja yhdistää nämä vähän niinkun pankin tavoin rahoituksen hakijat ja ylijäämä ja alijäämä sektori. Et tarkoittaa sitä että me pyritään niinkun ottamaan se mahdollisimman paljon se semmoinen työ ja tehdä siitä niinkun saumatonta ja kitkatonta siitä itse puhutaan nyt sitten rahoitusprosessista tai sijoitusprosessista et kummasta vinkkelistä sitä kattoo että se on tietysti se meidän rooli.

N: Eiköhän siinä kaikki kokolailla tullut. Miten sitten rahoitusten hakijat tai rakennusfirmat miten niiden suurimmat hyödyt

H: No näissä tosiaankin niinkun puhuttiin pääomaa tarvitaan kun sitä omaa kassaa ei välttämät voida käyttää niin jos rahoitus lähtee niin et pankkikin antaa entistä vähemmän niin se on ihan

ehdotonta että etenkin lisärahoitus saa joka sitten toteuttaa isompia projekteja tai jos haluaa toteuttaa päällekkäistä tai jos haluaa just niinkun, no aloittaa seuraavaa eli käytännössä just hankekehitykseen aloittaa seuraavaa. Tai ollaan törmätty sit semmoiseen tilanteeseen että pankki ei tietynlaisia hankintoja halua rahoittaa että just esimerkiksi nämä tonttihankinnat, joissain tapauksia se (pankki) saattaa rahoittaa mut toisissa taas ei. Pankillakin ollaan huomattu se, nyt puhun tästä pankista paljon, mutta niinkun nyt tietyn kokoisiin esimerkiksi vähän pienempiin projekteihin ei pankilta riitä kiinnostus lähteä mukaan niin me tuodaan, se niinkun täyttämään sitä muun rahoituksen jättämää tyhjiötä. Että on se sit tosiaan se käyttökohde mikä tahansa niin pyritään tuomaan se ja sitet tietty rahoituksen hakijan kanalta mitä mainittiin et se helpous, pyritään tekemään mahdollisimman helpoksi olla joustava ja kattoo aina se tilanne et tota hanke ja käyttökarkotus et katsotaan se aina tilanteen mukaan ettei ketään suoralta kädeltä tyrmätä. Mutta kyllähän meidän tietenkin, se sääntely tuo omansa meidän pitää tehdä se due diligence ja kattoo se ja se on tietysti meidänkin etu ettei voida kaikkea hyväksyä mutta kyllä ne on niin kun se lisä pääoma selkeä sellainen, mihin sitä ikinä sitten tarvitseekaan.

N: Ja sitä kautta tulee sitten tietysti kaikkea mekaanista niinkun just se oman pääoman vähentäminen niin sen oman pääoman tuoton kasvattaminen

H: Niin se on huomattu että toimijat, lainanhakijat ajattelee kaikki vähän eri tavalla tai et näkee aina asiat vähän eri vinkkelistä. Niin just se et kuka haluaa pienentää sitä omarahoitus osuutta ja sitä kautta sit tietysti kasvattaa sitä oman pääoman tuottoa ja näkee ne niinkun muta se tosiaan voi nähdä saman asian monesta eri kulmasta, että.

N: Sitten ongelmakohdat, niitäkin on ollut. Niin ehkä ensin voitisiin käydä läpi mitkä on ne suurimmat ongelmakohdat joukkorahoituksessa niinkun yleisellä tasoolla

H: No se on tärkeä iso juttu tommonen niinkun uskottavuus eli se tota joukkorahoitus alustoja on markkinoilla monenlaisia.

Doorbell

N: Tarviiks laittaa pauselle

H: Laita vaan

H: Niin nojoo toi sääntelyhomma on semmoinen että jos tonne sijoittajan silmiin ajattelee sitä hommaa niin et saadaan tavallaan saman sääntelyn alle kaikki niin tuo semmoista uskottavuutta ja turvaa tietenkin ja tota sijoittaja kannalta site muuten niin...

paused

H: Ja sitte joukkorahoituksen maineesta yleensäkin niin et onko uskottavaa että sen voi nähdä et kun on kaiken näköistä ollut. Ainakin tässä niinkun parina kolmena viime vuonna ollut otsikoissa joukkorahoitus vähän huonossa valossa esitelty, mutta tosiaan lainsäädäntö varmaan auttaa siihen. Ja kyllä se sijoittajallakin on sellaista huomattu että kyllä se sijoittajakin on selkeästi joukkorahoituksesta kiinnostunut ja huomannut sen potentiaalin ja nimenomaan sen tuottopotentiaalin ja sen mitä siellä on. Ja tosiaan joukkorahoituksen allehan mahtuu niinkun aivan kaikkea, se on huomattu. Että jos miettii meidän palvelua et täs oli enemmän vissiin niinku siitä kyse niin voi tässä kohtaa ajatella et se hajautus tässä vaiheessa et kun se minimisijoitus on kuitenkin sen sanotaan tuhat tällä hetkellä että jos puhutaan tämän hetkisistä ongelmista niin se on tuhat - pari tuhatta euroa niin se tarkoittaa sitä et se voi joissain

tapauksissa joillekin muodostuu niinkun ongelmaksi et se on liian iso vaikkakin kiinteistörahastoihin jos vertaa niin se on niinkun pieni.

N: Mutta rahastoissahan se hajautus tapahtuu sisäisesti eli se on sinänsä eri.

H :Joo se on sinänsä eri ihan totta. Mutta se on et tällä hetkellä se hajautus mahdollisuus ei oo niin konkreettinen että tällä hetkellä ei pysty niin laajalti hajauttamaan just sitä. Mutta näihinkin tulevaisuudessa tietenkin kohteiden lisääntyessä niin pystyyhän sitä eri kohteisiin hajauttamaan ja pystytään laskemaan tota minimisijoitusta niin sekään ei sit jatkossa muodostu ongelmaksi, mutta nyt puhuttiin näistä nykyisistä. Oli yks juttu mielessä mutta nyt se hävisi. Niin se täs oikeastaan et jos ajattelee et oikeastaan tämän tyyppisiin kohteisiin ja tälle alalle sijoittamista niin vaikka me ollaan tehty se ikään kun se tarkastus, pureskeltu valmiiksi ne kohteet niin se ei tietenkään poista sitä sijoittaja riskiä ja onhan sijoittaja aina loppujen lopuksi vastuussa siitä omasta sijoittamisestaan se on selvä mutta et näissä joissain tapauksissa se saattaa olla et se muodostuu sijoittajalle esteeksi että se ei pysty arvioiman sitä kohdetta ja siihen liittyvää riskiä et se on niinkun sellainen selkeä mikä on muutamissa yhteyksissä noussut esille. Se vaatii ja on, sanotaan tommoiselle tavalliselle tallaajalle olla aika hankala että se vaatii tietyt perustiedot et se on sellainen et jos haluaa kattoo muutakin ku prosenttia ja sijoitusaikaa.

N: Tossahan teitty totta pystyy varmaan sitä kautta vähän hajauttamaa että jos meillä on kiinteistöalasta osaavia sijoittajia ja pystyy tuomaan esille sitä että nämä on sijoittanut. Et just koitan tuoda esille sitä meidän oma DD, laki vaatii ensinnäkin sitä ja että sitä kautta kun me tehdään se niin pystytään varmistumaan siitä kohteesta. Ja kyllähän se että Pankki on mukana on mukana niin kyllähän sekin referenssi.

H: Kyllä joo ja sitä me niinku pyritään näissäki kohteissa just mahdollisimman monessa et siin olis muita rahoituslähteitä mikä tuo sit tavallaan sijoittajalle sitä, ei nyt turvaa, mutta sitä selkänöjaa mihin pystyy tukeutuu ja sit se että näissä on luonnollisesti se että mitä useampi on siihen mukaan lähtenyt niin sitä helpompi on yksittäisen mukaan lähteä ku se on huomannut et joku muu on ikään kun tehnyt sun puolesta sen ikään kun joku sopuli.

N: Joo tällehan on ihan termi mitä yks tutkijaheppu joka tutkii joukkorahoitus alaa niin kutsuu sitä niinkun lauma

H: Joo niin herding mä oon lukenut joskus kanssa. Joo se on semmonen tietenkin, mutta pyritään tietenkin esittelemään kohde tota mahdollisimman kattavasti ja tuomaan itse tietysti esille jo et mistä ne riskit siihen muodostuu. Mut se on semmonen mikä on tosiaan niinkun tullut eteen.

N: Sitte enemmän ongelmia ku mitä sijoittaja ehkä näkee niin rakennus firmojen suurimmat ongelmakohdat

H: No oikeastaan et saattaa liittyä siihen että, tai liittyekin että rahoituskanavana tämä on uusi ja tuntematon ja tuntemattomaan liittyä aina pelkoja ja ennakoluuloja ja tota se ettei aina ymmärretä sitä että siitä lisä pääomasta on hyöttyjä. Se oikeastaan se semmoinen hyötyjen konkretisointi on huomattu et se jää monelta. Monella lamppu syttyy mutta et hyvin monella se lamppu ei syty. Ja tietysti se on todettava et jotta lisärahoitusta, eihän kukaan ota rahoitusta ilman että sille ois joku tarve niin täytyy olla se tarve et on ainakin jonkin verran kasvuhakuinen, haluinen ja tehdä niinkun useampaa projektia et eihän tämä sovi just esim rakentajille, jotka tekee yhden kohteen vuodessa tai tñ tyyppisesti mut tietysti tota se on yks sellainen tosiaan. Ja sit toinen mihin voidaan mennä on sit siihen näkyvyyteen liittyen.

N: Joo se on sellainen mikä on varmaan tullut kaikille esille että on julkinen rahoitus kanava

H: Me ollaan haluttu, kyllähän tän voisi tehdä myös anonyymisti, mutta me ollaan lähdetty siitä että me erotutaan ja tehdään se niinkun meidän kautta "julkisesti" ja automaattisesti se ei kaikkia miellytä ja se saattaa olla semmoinen isompi niinkun piilevä ongelma mitä me kaikki ei sano ääneen. On se sit esimerkiksi tota pelko siitä että se rahoituskierron epäonnistuu tai sit et pleko siitä että sinne jää tavallan tieto siitä että kyseinen firma on hakenut rahoitusta. Koska tähän liittyy hirveen usein semmoinen ajattelu et joukkorahoitus nähdään semmoisena viimeisenä oljenkortena eli silloin kun ei mistään muualta tuu rahaa tai saada rahaa niin tää on niinku ihan viimeinen oljenkorsi. Tämä pätee myös niinkun sinne sijoittajan puolelle et jos siel ajatellaan niin et nää on niin epätoivojia et nää firman ei saa muualta rahaa. Tää on itse asiassa useammasta suusta tullut ja tää on ihan selkeä haaste ollut myös meille.

N: No noi on nyt ehkä suurimpia haasteita mitä firmoilla voi olla. No täs on sit tietty se et miten tollasta näkyvyys asiaa tai maine asiaa pystyis puoltamaan ja et miten saadaan tavallaan taottua sinne yrittäjien kalloon että se ei oo näin, Mutta se onki sitte haastavampi tehtävä.

H: Joo ja se tuleekin oikeastaan sitte vaan ajan myötä ja sen mukaan että se asema, yleensäkin joukkorahoituksen asema vakiintuu ja se ikään kun "hyväksytään" tällöisenä rahoituskanavana. Että kyl se sitä on niinku yksittäisen toimijan hankala muuttaa koska se liittyy siihen koko kulttuuriin, vallitsevaan, näin se van menee.

N: Mites sitten firman, firman sisäiset tällöiset rajoittavat tekijät. Sä mainitsit tossa et ei voi kaikkia firmoja ottaa jotka esimerkiksi rahoitusta hakee ja sit on tietty määrä sijoittajia niin rajoitteet siinä rahoituksen määrässä mitä pystytään välittämään ja sit varmaan kolmantena on se että, aina ei halut asiakkaiden kanssa kohtaa niinkun esimerkiksi se XX-case missä rahoitus ois pitänyt järjestyä ennen sen tarvetta. Niin tällöisiä ongelmiahan tässä on ollut?

H: Mikä se toinen oli

N: Kaikille ei pystytä välittämään rahoitusta

H: Joo ettei olla hyväksytty palveluun kaikkia. Joo se on ihan selvä kun tota nämä nähdään tosiaan semmoisissa tapauksissa kun on ahdinko ja missä ei oikeasti saa muualta rahaa ni se on selvä et mehän niinku vakuutus yhtiön tai jonku muun tapaan, eikös akateemisestikin puhuta niinku, mikä se on, adverse selection - haitallinen valikoituminen niin se ongelmahan tässä tietysti on et ne hake ne kaikista heikoimmat sit kääntyy usein meidän puoleen ja kyselee et tota he ei muualta saa nii mites meidän kautta järjestykö. Tietenkin katsotaan kaikki kohteet läpi ja ei mekään sit tietenkään voida oman maineen takia lähteä tarjoamaan jos riskit tulee liian suuriksi et se on vaan fakta. Mut et se on haitallinen valikoituminen on sellainen et niit tulee kyllä sellaisia heikossa taloudellisessa kunnossa olevia sit ehkä keskimääräistä enemmän kyselyitä sieltä ja tota sit tosiaan mikä alaan liittyy näistä pääomista puhuttiin niin suuri pääoman tarve ni se on tosiaan se et täs alkuvaiheessa meidän pitää tässä pikkuhiljaa kasvattaa sitä uskottavuutta ja sitä sijoittaja poolia ni se on ihan selvä ettei mekään voida kaikkea. Niinku jos menee useassa tapauksessakin on rahoituksen tarve yli miljoona euro pitkälti niin se on tässä kohdassa selkeä haaste minkä voi sinne lisätä et tota koska täytyy askelin edetä niin ei pystytä heti ottaa välttämättä monen miljoonan rahoituskierron mut se on semmoinen ongelma mikä sit tulevaisuudessa varmasti kun saadaan kohteet auki ja sijoittaja poolia kasvatettua niin saadaan häviämään mut se on semmonen alkuvaiheen semmone selkeä haaste. Ja case XX ni tota tosiaan liittyy oikeastaan niinkun siihen joukkorahoituksen luonteeseen ja siihen et tosiaan

et mitkä ne pelisäännöt on ja millä periaatteilla me toimitaan et ku me välitetään toisten rahaa niin se tarkoittaa sitä et meillä on tietyt standardoidut jossain määrin ne ehdot et miten esimerkiksi rahoitusta tai lainaa nostetaan niin tota se saattaa sitten jossain tapauksissa se ei osu ihan sen tarpeen kanssa yksin et kun me ei olla rahoituslaitos et kun ei omasta taseesta myönnetä lainaa ni se asettaa tietyt rajoitukset et missä raameissa pystytään sit toimimaan eli vaikka pyritään tietysti olla joustaja ja tämmöinen pankkeja joustavampi ni se ei aina sit onnistu et ihan kaikkeen ei pystytä taipumaan

N: Hyvä, totta kai ainoat ongelmakohdat ei niinkun näihin rajoitu vaan sen lisäksi meillä on myös ulkopuolisia rajoittavia tekijöiltä tai GF:llä ulkopuolelta rajoittavia tekijöitä mitkä sitten vaikuttaa siihen mitä voidaan tehdä. Eli esimerkiksi meillä on suomessa sääntely tullut tähän alaan just ja valvonta mikä siitä tulee ja tota muut tavallaan kilpailevat rahoituslaitokset mitkä tlee ulkopuolelta niin miten näiden tavallaan, miten firma näkee näiden tuottaman ongelmat

H: No se sääntely, tietysti isossa kuvassa se sääntely on tietenkin hyvä, mä näen et se on hyvä asia minkä hyvin moni muukin jakaa tän saman mielipiteen eli tota tosiaan niinkun koko alalle ja pitkässä juoksussa meille mutta onhan se fakta et me ollaan toistaiseksi pieni toimija ja resurssit on rajattu niin kyllähän se vaatii tota meiltäkin sitten, tai vie resursseja se sääntelyn ja sen niinku nämä asettamat vaatimukset ja niiden täyttäminen se on niinku selvä. Ja mä näkisin kuitenkin et se on kohtuullisen kevyttä et se tarkoittaa et alalle on kuitenkin et sitä ei oo tehty tarkoituksella liian raskasta et se kynnys, sitä on ostettu ettei ihan joka janterti pysty alalle tulemaan, mutta se ei oo kuitenkaan niin ylivoiminen mikä on hyvä ja tota mikä se toinen kysymys oli.

N: Kilpailu, mut jos pysytään tässä vielä hetken niin voisin tähän tavallaan ottaa lisäkysymyksen eli yks asiakas case taas oikeastaan sen sääntelyn takia osittain niin jouduttiin kuoppaamaan niin onhan se myös toistaiseksi vienyt meiltä ongelmakohtia pois. Eli jos puhutaan nit vielä tästä pääomalainasta niin meiltä, tai tällä hetkellä meidän luvat ei vielä salli sitä toisin kun mitä oli ennen lainsäädännön tuleamista niin siinä on myös ollut tämmöisiä pieni haastekohtia niin miten tämmöiset pystytään selvittämään ja pääsemään yli?

H: Joo se on ihan totta et se on asettanut siinä mielessä rajoituksia, mutta sekin on tosissaan enemmän tämmöinen väliaikainen ongelma, että siihen saadaan vähän pitemmällä aikavälillä niin uskoisin et löydetään tavallaan ratkaisu. Että tosiaan alkuun rajoittanut mut mä en nää et se rajoittaa tosiaan pitkälle pitkässä juoksussa et se on juurikin näin.

N: Sit varmaan tosta sääntelystä ni se on varmaan sen lainsäädännön pystyy katsomaan et mitä se on se lopullinen mitä se meille sallii mutta siitä on tietty kilpailu, toimijat vähän erilaiset kun me. Ensinnäkin joukkorahoitusluset ja sen lisäksi muut tälläsit yksittäiset vaihtoehtoiset kiinteistörahoitusta tai rakentamisen rahoitusta tekevät ja tietenkin pankit niin nämäkin ulkopuolelta tuo meille ongelmia mitkä pitää ottaa huomioon

H: Joo kyllä, kyllä et nää joukko, tai oikeastaan vois sanoa et tämmöiset yrityslainapalvelut mitä Suomenkin markkinassa on sanotaan et 3-4 semmoista varteen otettavaa mitkä sit myös rahoittaa tämmöisiä kiinteistöalan toimijoita siitä missä muunkin alan toimijoita ni tota se on luonnollista et kilpailijat asettaa omat haasteena ja siinä kilpailussa pärjääminen et kun toimijat. Me tultiin kuitenkin markkinoille selkeästi jälkeen ja me ollaan niinkun selkeästi pienempi ku nää muutamatsuuret, että siel on pari oikeinkin hallitsevaa toimijaa et se haaste saada sitä markkinaosuutta on tietysti selvä. Okei markkina tietenkin kasvaa että ei sinänsä et se on tietysti hyvä et sieltä pystyy sitä osuutta haalimaan mut tota vahvat jo voi sanoo et vakiintuneiden toimijoiden kanssa kilpailu on totta kai haastavaa ja me pyritään sit siihen vastaamaan sit

olemalla selkeästi erilainen vaihtoehto. Toki hintakilpailu on yks millä pyritään markkinaosuutta saamaan ja sit toinen on se et me pyritään tarjoamaan tulevaisuudessa tietysti vielä enemmän ni tarjoamaan muutakin kun rahoitusta. Eli tää meidän erikoistuminen me pyritään sitä käyttää hyödykäs ja siitä on itse asias saatukin jo hyvää palautetta et joku, tai eräs rakennusalan toimija on ihan suoraan sanonutkin et hän on kilpailijan kanssa keskustellut mutta ne ei ymmärrä mitään tästä alasta niin hän niinkun jatko sit meidän kansa juttua.

N: Pyrkimys siis anteeksi mä keskeytän. Pyrkimys siis kiinteistöalalle erikoistumaan vai pyrkimys tuomaan lisäpalveluja sinne kiinteistöalaan

H: Niin tavallaan et painottaisi sitä kiinteistöalan erikoistumista näissä että me saataisi ne toimijat sitten meidän puoleen kääntymään ja sit jatkossa myös mahdollisesti tarjota sit muutakin palvelua kun rahoitusta näille meidän asiakkaille.

N: Pankkien kanssa me ei pystytä rahoituksen kustannuksista kilpailemaan mut tos tuli monta kertaa toi et pankit ei rahoita tarpeeksi tai et pankit ei rahoita tietynlaisia niin mä en usko et meidän pitää siihen nyt sit enempää palata

H: Mä nään pankin niinkun lisänä, niin mä en nää pankkeja meille kilpailijana mutta sitten taas toisaalta me voidaan saada sitä osuutta mitä pankki ei lainoita ni päästään siihen ja niinkun mä nään pankit enemmän, mä en nää pankkeja meidän suoranaisena kilpailijan et se on enemmän ne jotkut tonttirahastot tai toimiluvattomat pankit jotka lainaa yrityksille rahaa ja nää muut joukkorahoituspalvelut

N: Sitten tota tässä on nyt noita ratkaisumalleja tullu samalla kun on menty et tää on oikeastaan niinkun viimeinen aihe mutta nyt kun näitä ongelmia on muun muassa näitä impression management juttuja ja luotto sit sijoittajan ja rahoituksen hakijan näkökulmasta ja kilpailijat ja toimijat jotka toistaseks ainakin on vielä vahvempia kun mitä GF niin miten tämmösii yksittäisiä ongelmia kun on tullu matkan varrella firma on ratkastu. Esimerkiksi kun puhutaan nyt näistä nykyisistä rahoituskierroksista mitkä on onnistunut niin minkälaisia ongelmakohtia näissä viidessä on ollu ja miten ne on ratkaistu. Esimerkiksi jos nyt puhutaan vaikka viimeisimmästä mikä oli suljettu kierros isommille sijoittajille. Pystyttiin järjestämään se niinku rahoituksen hakija halusi ja pystyttiin järjestämään pääomalainaa sitä tarvitsevalle ja sit taas kolme tällästä RS tyyppistä niin mikä laisia ongelmakohtia niissä on tullut ja miten ne on pystytty matkan varrella sitte ratkaisemaan

H: Pitää miettiä, niin tota tavallaan se et kun me vaaditaan ainakin vielä kohtuullisen tarkasti selvitykset ja että se on niinkun tiettyssä vaiheessa, että me vaaditaan että se on aika pitkällä se hanke ennen ku se julkaistaan sijoittajille niin se tarkoittaa sitä et siellä tarvis paljon paperityötä tehdä ja sit taas niis materiaaleissa voi olla niinku tai onki haastava saada kasaan et sit me ollaan pyritty ratkaisemaan sitä niin et me ollaan pyritty vähän aikaisemman vaiheen rahottais isitä ehkä vähän aikaisemmassa vaiheessa sitä projektia, jolloin tietenkin tietyt asiat täytyy olla kunnossa. Siinä helposti jos sitä venyttää niinku pitkälle sitä rahoituskierroksen järjestämistä niin siin voi helposti käydä niin et se vetäytyy se asiakas, kun se huomaa et se ei tarviikaan enää sitä rahoitusta niin tota toi myynnillinen ongelma. Mä en tiedä kuinka paljon sä sitä käsittelet siinä mut.

N: No kaikki ongelmia oikeastaan, mutta jos nyt käydään nopeasti läpi vaikka sit kaks kolme ensimmäistä kohdetta niin niiden ongelmakohdat mitä tuli ja miten ratkaistiin

H: YY oli, YY ku tuli puhetta niin siin oli oikeastaan se ensin kun sen piti mennä, siitä vois ottaa sen RS homman et miten sä saat sen hyvin selitettyä siihen auki mutta ku sen piti mennä alun perin taloyhtiöön sen lainan niin sit siinä tuli se RS homma et se ei sopinut pankille et sen voi ehkä muotoilla niin et sitä ei saanut sinne mikä tarkoitti sitä et se laina piti kohdistaa muualle eli siihen YY yhtiöön. YY oli vähän niinku Eerikkiläki niin poikkeuksellinen tapaus. Ni siin kävi niin ja sitä hierottiin ja väännettiin ja käännettiin et se oli oikeastaan sen lainan kohdistamiseen liittyvä. No sit joo sä vastasit ite siihen PH-asuntoihin. Siin oli vähän sama et pankki ei katsonut sellaista hyvällä sellaista lainaa et se ratkaistiin tosiaan niin ku sä sanoit. Ja mitä tohon aamukasteeseen sit..

N: No siinähan oli muistaakseni tilanteena että rahoitus ei meinannut kertyä mutta sit se tuli tunnissa sit yhtenä päivänä se kaikki rahoitus käytännössä eli mitä siinä tehtiin silloin torstain aikana kunnes se tuli sit perjantaina täyteen, tai perjantain aikana ku se oli kaks viikkoa ollu se kierros auki mut ei oikeen mitään tapahtunut

H: Ei siinä oikee muuta tehty ku tota no mainonta ja markkinointia, tietysti markkinointia säädetään aina kierroksen aikana ja pyritään säätää ja kattoo et mikä toimii ja sit se suunnitellaan tietenkin etukäteen et jos on vaikka kolme viikkoa kierros auki et okei et jos täs kohtaa nyt näyttää huonolta ni sit meillä on viimeisellä viikolla joku aamulehden juttu et se on tavallaan niinkun varattu et saadaan käytettyä. Siin oli muistaakseni niin et es aamulehti, sä voit laittaa siihen nii et se aamulehti et tota markkinoinnin säätäminen ja se kampanja ni es ratkasi sen vaik oikeasti se kävi niin et se. Tuliks siihen joku isompi sijoitus et se purkautu se tilanne nii et kun näissä nyt voidaan mennä sinne sijoittajan pään sisään vielä et näissä on selkeästi huomattu et sijoittajat niinkun kyttää ja ne ei sijoita jos kukaan muukaan ei sijoita ja sitten kun sinne rupee tulemaan niitä sijoituksia ja sitten kun saadaan se ketsuppipullo auki. Nii se oikeastaan näissä niinkun jokases kohteessa vois sanoo pois lukien kotikutonen niin on ollu se et se on lähtenyt lumipallona sit se et se on semmosesa niinku sijoittaja käyttäytymisessä selkeä havainto.

N: Siin on varmasti näiden kahden niinku markkinoinnin ja siten tän tämmösen niinku laumautumis efektin yhtälö ja sitten niinku kerryttää sen eksponentiaalisesti sen kierroksen täyteen

H: Niin. Että siitä voidaan vetää semmoisia johtopäätöksiä, että moni kyttää ja kukaan ei halua olla se ensimmäinen. Olisko se ollu se aamukaste ku sinne tuli yks isompi sijoitus. Kumpi se nyt oli ku ZZ kävi lyömäs pajatson melkee täyteen ni sittenhän se repesi

N: Mut eikös tää ollu se kohde ku soitettiin tai mä soitin sijoittajille. Mun mielestä se oli just tää kun mä soitin sijoittajille ja sitä kautta sinne tuli pari isompaa sijoitusta koska se oli ensimmäinen kohde mikä oli mun aikana auki niin sinne tuli pari isompaa sijoitusta ja sit se lähti siitä et me tavallaan vähän kutiteltiin niitä isompia sijoittajia

H: Joo ja eiks joku niist tainnu sanoo et hän katteli sitä et hän käy ehkä laittaa mutta ei ollut ihan viel niinku laittanut koska hän varmaa vähä kyttäs

N: Joo niin se vissiin oli ja sit sinne tuli joku 65 tonnii yheltä sijoittajalta ja tota sit se oli koko lailla täyttä

H: Et just se nois on se ku se voi olla et sijoittaja on päättänyt siihen sijoittaa mut hän ei tietenkään heti laita sitä rahaa välttämättä. Et ku siel on se kierros nii jos se on pari kolme viikkoa ni se on tietty ihan rationalistista käyttäytymistä et sä et käy laittaa ekana päivänä vaan

käyt laittaa vikana päivänä mut sit se voi ollaki nii et sä jät ulkopuolelle koska niitäkin on käynyt.

Interview 2,
Interviewee 2, Mika Susi
Done via Skype on 23.3.2017
Duration: 27 minutes

Niklas Vuorinen (Interviewer): Toinen haastattelu Mika Susi ja aloitetaan pikku pohjustuksella siitä mikä sai sut siirtymään pankista joukkorahoitukseen ja mitä oot nyt parin kuukauden aikana mieltä alasta ja duunista ja firmasta

Mika Susi (Interviewee): Pankista pois sai siirtymään monet asiat mutta oikeastaan tähän mukaan hyppääminen oli se syynä et mä huomion firman jo sillon ku firma perustettiin ja ajattelin sillon jo että mielenkiintoinen konsepti ja itse jonkin verran joukkorahoitusta seuranneena tiedän et se on jonkin verran kasvava ala ja tuli mahdollisuus lähteä mukaan ja kun se on aika lastenkengissä suomessa ja varsinkin tällä alalla niin koen et se on ihan hyvä paikka laittaa kenkää oven väliin

Niklas: Samat oikeastaan tuli Henkankin kanssa et on oikeastaan vähän semmoinen niinkun, tai sanotaan et alkava homma niin ihan silleen mielenkiintoista lähtee mukaan ja odottaa sitä kasvua kun maailmalla se on iso. mikä on sun näkemys siitä et mihin se voi suomessa sit tavallaan tai sitte nousta toi joukkorahoitus ja etenkin kiinteistöalalla

M: No mä uskon et kun firmaa ja ala tehdään tunnetuksi niin tästä tulee ihan merkittävä lisärahotuskanava, ei varmaan ihan isoille yrityksille koska siellä on sitte oma kassa on niin hyvin kunnossa mutta pienille yrityksille joilla oma kassa ei ole niin hyvin kunnossa ja vaikka oliskin kunnossa niin kun se saadaan suuren yleisön tietoisuuteen nämä hyödyt mitä tässä on niin uskon että on valoisa tulevaisuus

N: Ja sitten tossa nyt mainitsit noi hyödyt niin mitä sanotaan joukkorahoituksen ja etenkin Groundfunding hyödyt on tässä kiinteistöalalla ja miten sinä koitat tuoda esille niitä asiakkaiden näkökulmasta tai asiakkaille ja miten sinä koitat myydä tätä meidän rahoitusta niille siinä vaiheessa kun teet sitä lähestymistä ja miten sinä koitat jankata niille niitä hyötyjä ja että tämä on muutakin kun tapa sijoittajalle tehdä rahaa ja miten sinä koitat myydä sitä sinne rakennusfirmalle et ne ottaisi rahoitusta

M: Mä koitan oikeataan myydä sitä jatkuvuutta ja sitä kasvuhaluutta mikä oikeastaan kaikkein kenen kansa minä ihan tapaamisessa juttelen on kasvutavoitteet on kovat mutta on jokaisella on joku kasvutavoite. Meidän mukana tulo mahdollistaa sen et se koko oma kassa ei ole yhdessä projektissa kiinni ja tehdä yks kerralla alusta loppuun ja sitten siirry seuraavaan tontin ostoon missä tulee sitten taas kuitenkin se ajallinen gäppi missä sitten pääsee lyömään kuokkaa maahan seuraavaa projektiin eli mä koitan perustella sitä sen kautta että olisi tällainen luonnollinen jatkumo että siinä vaiheessa kun projekti on valmis niin voi alkaa uuden projektin tonttia jo hankkia

N: Eli tällomaisia niinkun hajautushyötyjä ja sitten toisaalta taas tämä et pääoman sitouttaminen?

M: Juuri näin, juuri näin et se oman pääoman. Monet kenen kanssa olen tuossa länsisuomi ja keskisuomi akselille keskustellut niin se oma kassa riittää mutta sitten se on melkein kokonaan siellä kiinni eli silloinhan se yrityksen liiketoiminta ei ole millään hirveen hyvällä pohjalla jos 90 pinnaa omasta kassasta isketään yhteen projektiin kiinni ja sitä sitä kuitenkin sen vuoden verran tehdään niin se ei ole hirveen hyvä asia ja totta kai GF:n hyötyjä haen sillä et jos

puhutaan jostain rivitaloasunnosta niin siellä ei välttämät kaikille ole ostajat jo niin miksei myöskin meidän sijoittajat voisi kiinnostua ostamaan esimerkiksi Tampereelle rakennettavasta rivitalosta yhden pätjän itselleen.

N: Eli samalla tammönen niinkun markkinointi hyöty siinä samalla et markkinoidaan sitä firmaa ja sitä kohdetta

M: Joo juuri näin

N: Joo mitä muita hyötyjä tässä voisi olla niille osapuolille jos näitä ei hyväksytä tai vähän siivutetaan. Et jos on esim firma joka tekee vaan yhden projektin vuodessa tai joilla on vahva asiakaskunta joka ostaa noita kohteita niiltä niin jos nämä ei riitä niin mikä on sitte seuraavat semmoset myyntivaltit, ässät hihassa mitä sä käytät näissä myynneissä

M: Okeastaan meidän kanssa on hirveen helppo toimia. Jos nämä ei uppoa jossain RS projektissa niin meidän kanssa on hirveen helppo toimia. Asiakas tai lainanhakija toimitta meille samaa dokumentit mitä on toimittanut pankkiin ja siinä menee se viikko että me tsekataan et kaikki on kunnossa ja voidaan käynnistää kierros ja sellanen niinkun helppokäyttöisyys olisi ehkä myöskin semmoinen meidän valtti. Et kuitenkin ne dokumentit pitää ettiä ja hankkia pankkia varten niin meillä toimii käytännössä samat dokumentit et ei me niin eri asioit sitten kysytä kuitenkaan

N: Aivan, ja onhan tossa sitten se helppous joka tulee siitä ja sitten taas koitetaan olla vähän ihmisläheisempi kun mitä pankit yleensä on ja sitten onhan tossa sitten tommosia mekaanisia hyötyjä. Et moni ei varmaan, tai harva varmaan ymmärtää sitten mutta se et pääomaa vapauttamalla niin sitä pääoman tuottoa pystyy nostamaan ja sit et omakaan pääoma ei oo ilmasta mitä ne käyttää et jos miettii osingoittamista tai muuta niin siinä vaiheessahan se pääoman kustannus tulee aika korkeaksi.

M: Joo sitä aika harva noista. Minä nyt itse olen pyörinyt aika pienine toimijoiden kanssa niin heillä ehkä se niin kun talouspuoli tossa bisneksessä ei ole niin tuttua et he osaisivat ajatella sitä oman rahan hintaa et ne ajattelee et se on ilmasta et sitä on kassassa niin sitä on ilmasta käyttää et se on ehkä yks suurimmista haasteista mikä tässä on saada se rakentaja tajuamaan että sekään ei ole ilmasta ja yleensä kun jotain haluaa kun rakentamisesta puhutaan niin jostain pitää myöskin luopua kun puhutaan rivitalon rakentamisesta niin se on meidän tapauksessa meidän se kate mistä meidän pitää luopua et saa välttämättä edes sitä projektia aloitettua. Et tällaista ja ne on ehkä ne suurimmat haasteet mitä tässä on et iskostaa nämä lainanhakijan päähän niin päästään keskusteluissa jo aika paljon pitemmälle

N: Joo se on ihan totta, mutta vaikka tossa tuli noita hyötyjä niin ongelmatonta tämä ei ole sinne rahoituksen hakijan suuntaan ja se tässä kun nyt on huomattu että firmojen on vaikea se ymmärtää niin mitä on suurimmat syyt siihen minkä laki firmat kieltäytyy rahoituksesta tai et ei pääse edes sellaiselle jutteluasteelle et mistä tulee se semmoinen kielteisyys ja kielteinen asenne sitten taas asiakkaan näkökulmasta

M: Jos ajattelee ihan niinkun kontaktointi työtä niin usein tulee sitä et ei tarvetta rahoitukselle ja sillon se puhelu ei oikeastaan etene siitä sen enempiä, Silloin saa erittäin nopean puhelu mutta muuten niinkun ehkä ne kohdat voisi olla siinä et meidän raha on vakuudetonta mikä sitten tietysti tarkoittaa sitä että se on vähän kalliimpaa ja siinä yleensä myös sellainen että kun käytetään katelaskelmaa esimerkkinä et mitä meidän mukaantulo vaikuttaa niin kate % meidän

mukaantulo ei vaikuta niin paljon eli lainanhakija enemmän pelästyy sitä sijoittajalle maksettavaa korkoa mikä sitten kuitenkin koko projektiin nähden se niin se korko on aika pieni

N: Tietenkin kun puhutaan sitten kuitenkin pienistä sumista sen kohteen kokonaiskustannuksissa niin ei se muutaman prosentin lisäkorko niin eihän se absoluuttisissa eurosummissa niin sehän ei ole iso

M: Joo se on juuri näin juuri näin

N: Mites onko sulla rahan kalleuden lisäksi tullut mitään muita semmoisia erityisiä syitä jonka takia ei oteta rahaa, jotain esimerkin näkyvyyden kanssa siinä että rahoituskanava on julkinen tai muita tällöisiä niinkun joukkorahoitukseen liittyviä ongelmia

M: No ei ole tullut vastaan mutta mä uskon et ongelmakohta on se et joukkorahoitus on niin tuntematonta vielä täällä et jengi ehkä vähän pelkää sitä ehkä jollain tavalla. Ei tohon näkyvyyteen oikeastaan ole tullut et jokainen kenen kanssa on vähän pitemmälle päässyt juttelemaan et on jutellut vähän sitä kautta et sitten sinne esittelyyn sivulle voisi tulla tämä kuva ja tästä juttua mutta on sitten ja osaa sitten kuitenkin haistella semmoiset kenelle se näkyvyys ei ole se juttu et sitten kuitenkin tämä suljetun kierroksen mahdollisuus on tärkeä kyllä meille

N: Eli vaikk ei suoraan oo tullut nii pystyy kuitenkin olettamaan että kaikki ei halua sitä näkyvyyttä et jos joku pyytää suljettua kierrosta niin on varmaan aika selvä merkki siitä ettei halua näkyvästi sinne alustaan.

M: Joo juuri näin ja itselläkin tossa on semmoinen projekti missä rahoitettaisi yritystä joka tekee homeasuntoihin korjauksia niin siinä käytännössä rahoitetaan heidän asiakasta jolla on homeongelma eli meidän rahalla se korjattaisi niin siinä vaiheessa kun se on kunnossa niin asiakas maksaa työn tässä tapauksessa tietysti tää yritys joka tekee sen korjauksen niin heillä ei oo mitään tarvetta sille näkyvyydelle että minkä takia heidän, koska he ei käytännössä oo se ketä lainaa tarvitsee. Muta nämä on aika helppo sieltä poimia ketä sieltä on sen tyyppinen et halua näkyvyyttä ja ketä ei. Kukaan ei ole kyl suoraan sanonut että haluaisi suljetun kierroksen

N: Se voi olla et se on asiana semmoinen piilevä ja moni ei niinkun välttämättä edes sano sitä vaan sitä vaan kieltäytyy jostain muusta syystä mutta semmoisiakin asiakkaita on ollu jotka pelkää niinkun tavallaan naaman menettämistä joukkorahoituksen kanssa et se joukkorahoitus niinkun kuitenkin tällöinen imago on vähän viel negatiivinen et se on varmaan suuri syy

M: Se on ehkä turhan sellainen et sitä ei ajatella rahoitusvaihtoehtona vaan sitä ajatellaan sellaisena just et nyt on kassa loppu niin sitten on haettu vaan jostain ja sitten tämä on ollut se vaihtoehto siihen niin.

N: Onko sulla jotain tota esimerkkejä antaa tommoisista asiakkaista jotka on esimerkiksi mennyt pitkälle mutta siten on kuitenkin kieltäytynyt niin onko sulla jotain esimerkkiä antaa. Esim on pari kuukautta vaikka ollut keskusteluissa muta sitten ei enää vastaa tai on sanonut semmoisen syyn ettei nosta. Et onko sulla joku esimerkki antaa mikä on esim tohon rahan hintaan tai johonkin pohjautuva

M: No mulla ei suoranaisesti oke noihin tietenkään antaa vastauksia ketä ei vastaa niitä on parikin tossa jolle joka viikko soitetaan ja neuvottelut on kuitenkin suht pitkällä. Ei vastaa puhelimeen ei vastaa sähköpostiin syytä ei tiedä mutta yks tossa on semmonen keissi käynnistä kun Vihtiin rakennetaan rivitaloa ja ensimmäisessä palaverissa oltiin valmiita suunnilleen

käynnistämään kierros ja unohtamaan oman rahan käyttö suunnilleen kokonaan projektista sen jälkeen kun soiteltiin toimitusjohtajan tai tän rakentajan toimitusjohtajan niin siinä vaiheessa oli sit vähän sit vasta ymmärretty et maksetaan sijoittajalle 10% korkoa vaikka ensimmäisessä palaverissa se oli hänen niinkun hän oli oli sitä mieltä et 10 pinnaa sen pitäisi olla vähintään sijoittajalle et sijoittaja kiinnostuu mut ehkä hän ei sitten täysin ollut prosenttilasku kaverilla kunnossa jos niinkun myöhemmin oli laskenut auki ja tajunnu et onki aika kallista täs projektissa rakentajan kate on 800k meidän mukana olo pienentää euromääräisesti katetta noin 100k joten kate ois vielä 700k omasta mielestäni ei oo paha hinta sille et ei tarvis käyttää omaa rahaa ollenkaan ja voi käynnistää seuraavan projektin

N: Joo se on just näin ja voisin väittää et toi on se suurin ongelma et ne ei nämä sitä ne on aina tehnyt samalla tavalla samalla pankin lainamäärällä ja kierrättänyt sen katteen aina seuraavaan projektiin et ne ei nää sitä hyötyy siinä että se ensinnäkin vapauttaa et se varmaan auttaa nukkumaan yöt hyvin kun kassa ei oo nolla ja tota samalla sitte lisää sitä oman pääoman mahdollisuuksia et se on varmaan se ongelma et ne ei vaan nää sitä. Suurimpana ongelmakohtana

M: Joo se on suoraan se koska niinku aikaisemmin sanoinkin jo niin jos se on se 10% korko oolla haetaan vaikka 500k lainaa vuodeksi 3mill projektiin nähden niin siinä 50tonnia siinä kolmessa miljoonassa on aika pieni mutta ne ajattelee enemmänkin sitä että se 10 pinnaa on se paha.

N: Mites sitten sinä näät ton 10% koron mitä me yleensä vakuudettomissa noille sijoittajille halutaan antaa niin miten sä näät sen sijoittajan näkökulmasta, onko se korkea vai riittäkö niille pienempi summa. Me ei paljon olla oltu sijoittajien kanssa tekemisissä niin se on jotain mitä tarvis tehdä mutta tällä hetkellä miten sä näät sen suostuisiko ne sijoittamaan pienemmillä tuotoilla jos miettii markkinaa niinkun pörssimarkkinaa tai kilpailevia firmoja niin miten sä näät sen koron vai pitääks se olla se 10%

M: Mä uskon et kilpailijat on tuonu sijoittajille joka joukkorahoitustyyppisesti sijoittaa niin ne on tuonut noi noin 10 pinnan korot. Itse sijoittajana mä hyväksyisin kyllä pienemmänkin koron esimerkin 8 on mun mielestä vuosituohtona ihan järkyttävän hyvä jos siinä kuitenkin puhutaan RS rivitalosta missä varaus % on lähes 100 joten riski alkaa olemaan aika pieni niin miksei myöskin 8 suuri joukko kiinnostuisi koska ei sitä suotta sit taas noin pienellä riskillä sit mistään muualta et hyvä rahasto tai hyvä osake voi tuottaa sen 8 pinnaa vuodessa mutta siinä on isoja heilahteluja ennen kun se on sen 8 prosenttia ja onko sit sellainen vuosi sitä 8 ei saada vaan saadaan vaikka 2 pinnaa ni meillä kuitenkin on se kiinteä tuotto

N: Aivan ja siitä rahastoissa ja muissa niin 8 prossaa miinus kulut niin se jää kuitenkin pienemmäksi

M: Kyllä

N: Eli tota jos korko on se suurin ongelma minkä takia firmat ei ota rahaa niin sitä kautta pitäisi ehkä pyrkiä ratkaisemaan sitä ongelmaa ja lähtee purkamaan sitä sieltä sijoittajan näkökulmasta just sillä että on niin riskitön sijoitus kuitenkin kun on niin on helppo heille pyöräyttää pienemmälläkin korolla heille tuottavaksi kun kymppillä

M: Joo samaa mieltä, sitä mieltä olen. Et mä en vaan tiedä et miten sitä sitten pääsisi niinkun testaamaan että millä korolla ne rahat tai sijoittajilta rahat meille tulisi koska. Me ei kuitenkaan haluta sitä että mikään kierros epäonnistuu ei haluta sellaista että tehdään niinkun tutkimus

jonkun kohteen kautta et johonkin vastaaviin missä meillä on 10 ja yli ollutkin prosentit niin seuraava solisko 8 ja se ei täyty niin en usko et halutaan ottaa sitä riskiä

N: Aivan. Hyvä tota mites sitten muita rajoittavia tekijöitä jos ei puhuta meidän tavallaan firmasta johtuvista tai firman tämmöisistä puhutaan et jos ei puhuta firmasta tai näkyvyydestä tai korosta niin tuleekos muita tämmöisiä rajoittavia tekijöitä joka selkeästi mitkä estää näit kauppojen tulemistä et mainitsekos asiakkaat näitä vai jättääkö ne mainitsematta ja kieltäytyy kohteliaasti

M: Tota sekä että oikeastaan markkina mitä mä nyt oon ite käynny Pori Rauma Hämeenlinnaa Forssa ja sit vähän Karjaata ja muuta niin siellä markkina on aika hiljainen tällä hetkellä ja siellä ei ole halua ja uskallusta lähteä oman tuotannon tekemiseen, oman tuotannon esimerkin Hämeenlinnassakin mitä oon käynyt juttelemassa niin isoilla firmoilla et YIT laittaa taloa pystyy ja nekään ei saa kaikkea myytyä niin se et pelästyttää pienempiä rakennuttajia jotka ei sitten uskalla lähteä ainakaan vielä

N: Eli vähän tietyllä tavalla maantieteellisiä syitä et markkinaerot on niin vahvoja ympäri suomen et on niinku vaikee saada vietyä asiaa läpi pienissä paikkakunnissa

M: Joo juuri näin ja mikä varmaan on ihan totta ja iteki tiedostan sen et lehdistä voi lukee et markkina elpyy aja Suomella alkaa menee hyvin ja rakennusala alkaa kukoistaa mutta siinä menee kuitenkin se oma aikansa ennen kun se kukoistus sitten löytää tiensä Hämeenlinnaan ja vähän pienemmin paikkakunnille.

N: Niin et se varmaan vähän toistaiseksi kohdistuu niinkun isoihin kaupunkeihin. PK-seutu Turku, Tampere ehkä Oulu

M: Juuri näin

N: Mites noita äskösiä ongelmakohtia tavallaan markkinan huonoutta ja maantieteellisyyttä niin miten sitä pitäis pyrkiä sitten ratkaisemaan

M: No meidän kannalta sitä pitää ratkaista sillä et me toimistaan siellä missä markkina on elpymässä niinkun merkittävästi eli on se sitte Helsinki tai Tampere tai Turku et keskitytään sitten niihin ja niiden ympäryskuntiin et se nyt sitten on huomattu et tuolla niinku maaseudulla ei hirveesti tällä hetkellä tapahdu niin sinne on myöskin turha laittaa sitten paukkuja et keskitytään sitte kasvukeskuksiin ja priorisoidaan sitä aluetta

N: Se että me saataisi just PKseudulla Turussa Tampereella muutama hyvä kohde tähän tämänkin vuoden aikana tai lähiaikoinakin auki niin sitä kautta sitte varmaan saataisi tavallaan sitä lumipalloefektiä pyörimään et kun me saataisi tommosia niinku esimerkkitapauksia enemmän et sitä mukaa kun me rakentaminen siirtyisi sit muualle niin sitä kautta saataisi sit pieniä firmoja mukaan

M: Se on just näin et toi rakennusala tuntuu olevan vähän sellainen et katkotaan mitä kaveri tekee piirit on suhteellisen pienet niin siellä kyllä tiedetään mitä kaveri tekee niin meidän näkyvyys siinä ois ihan äärimmäisen tärkeä et tuodaan sitä kohdetta ja tuodaan sitä tunnettavuutta meidän yritykselle

N: korko on mitä on ja meidän palkkio on mitä on niin millä me lähetään liikkeelle niin oisko sen lisäksi et me ollaan rahoituspalvelu niin nääksä et sen lisäksi ois mahdollisuuksia muuttaa se

toimintatapaa semmoiseen suuntaan et pystytään tarjoamaan enemmän palveluita ja erikoistumaan enemmän tänne kiinteistö ja rakennusosalle myös jopa konsultteina ja avunantajina niihin projekteihin nähdessä

M: On varmaan mahdollista sit mutta tietysti tällä hetkellä ei. Mä uskon et meidän omistajilla ja hallituksen jäsenillä miettii koko ajan niinkun uusii keinoja et mitä me aletaan tekemää. Yks mikä on tullut itse asia ihan asiakkaalta on ihan tällänen kiinteistöportfolion tekeminen eli ihan kiinteistörahasto mikä ainakin itseäni kiinnostaisi aika paljon et sillä voisi olla aika hyvä paikka sieltä löytyy kontakteista semmoisia jotka haluaa myydä esimerkiksi liikekiinteistöjään ja ne myytäisi meidän rahastolle johon sitten sijoittajat sijoittais rahaston tyyppisesti ja saisi sieltä sitten vuokratuloa niin se on ainakin semmoinen mikä itseäni kiinnostaa tosiaan niinku tulevaisuutta silmällä pitäen et miten saataisi vietyä eteenpäin mutta mutta ehkä tässä vaiheessa ehkä meidän in hyvä keskittyä tähän omimpaan juttuun ja sitten kun saadaan tää kunnolla rullaan niin aletaan sitten miettimään uusia keinoja ja tietysti sitten kaikki toimilupa asiat on näissä sit tärkeitä et tällä hetkellä ei voida tietenkään rahastoyhtiönä alkaa toimimaan

N: Aivan eli tota toimiluvatkin tietyllä tavalla ei nyt rajota tällä hetkellä mutta hidastaa sitä kehityksen kulkua et mihin voidaan tän firman kansa mennä

M: Joo kyl just näissä ja kyllä ne oikeastaan suoraan sanoen hidastaakin mutta mä en nyt sit tiedä et millaiset resurssit yrityksellä ois alkaa ajaa jotain rahastoyhtiö asiaa vaikkakin toimiluvat olis kunnossa et osakepohjasta sijoittamista niin kyllä niitä kyselijöitä välillä tulee ja siinä vaiheessa sit toimilupa tulee esteeksi mutta tosiaan niinkun sanoin niin en tiedä olisko meillä edes resursseja laajentaa tällä hetkellä niin paljon et meillä olis myös sitten muuta tarjottavaa

N: Hyvä mä luulen et tämä riittää tosiaan tuli ihan hyviä pointteja ja varmasti matskuu mistä on mulle hyötyä niin mä kiitän

Interview 3,
Interviewee 3, Olga Bogdanova
Done via Skype on 04.4.2017
Duration: 23 minutes

Niklas Vuorinen (Interviewer): I am first going to begin with a broad question of: What do you see is the position of crowdfunding in Finland in the re and con industry?

Olga Bogdanova (Interviewee): I can see that now you (Groundfunding) are the only platform that is dealing with real estate crowdfunding and I saw also three cases, maybe three or four, I can't remember, Allas sea pool can also be considered as real estate so there is not so many deal at the moment. Well there's actually crowdfunding in Finland is a little bit behind European crowdfunding itself so that's why it may be also that real estate cf is behind European real estate cf. So in my opinion it will be developing really fast. And also I have had this opinion so it confirms my opinion yes.

N: And how do you see the growth then if it's still in baby steps how do you see the growth possibilities on crowdfunding in real estate?

O: Well since this CF act already introduced and as I saw in some articles that it is necessary that it is necessary to educate investors and I think some organizations like Nordic crowdfunding alliance and investor they are joining force to educate investors. As far as those efforts are done in regular manner I believe investors will believe... (short loss of connection)... Since you have a very good legislation in Finland and there is trust, in my opinion there is trust to organizations, which are working under regulation so maybe it will be just normal way to invest, especially for those who prefer direct investment into real estate. Like for example if people want to buy the apartment and then rent it out, it will be much cheaper to invest through your platform for example

N: How about for the construction companies. I'm sorry the your sentence got sort of disrupted a little bit I didn't hear all what you said but I guess it does not make that much of a difference. But how about educating the firms that should or needs to apply for financing

O: Yes that actually the question mark for myself as well. Mainly I was participating in different events related to crowdfunding and I realized that mainly startups are involved actively because for them it is a problem to find a finance and also investors are interest. So there is no point that connects to real estate, so maybe there is more need to participate in some real estate related events or somehow organize something related to that. So that I think they need to be educated as well and for example I have been to three events where there was representatives of ministry of finance actually speaking as well. So they introduced crowdfunding and I believe created trust through that. For example some representative from ministry of finance are responsible for crowdfunding they'll also participate in some events related to crowdfunding and real estate then probably there will be more trust from those companies and in my opinion it is a matter of time and like you said

N: And do you have knowledge or do you have information on who are the sort of main applicants for financing in crowdfunding in real estate

O: It's a question mark for me at the moment. I am planning to do my questionnaire for real estate developers and real estate companies and but still I didn't do that so it is a question still

N: Ok, then lets go to the benefits of crowdfunding and lets start with the investors, what d you see are the larges plus sides for investors, or for investing

O: This perspective is more clear for me since I was working with investors, I was consulting them regarding the investment to real estate before in St Petersburg and even then years ago that it will be really beneficial for many clients to have such a platform. Of course at that time the matter of trust was not solved that it was not possible as well, but now I think from my perspective I think it is a really great benefit for investors who want to have such.. I think real estate investment are always considered safety and at the same time better than ever in the deposit and so on. So there is a lot intriguing about real estate investments and but the most difficult in re investment to find sufficient amount to invest and real estate crowdfunding is really the solution if you want to directly invest and control your investment. What else, actually for my perspective it is a really great opportunity and one thing is just to be sure that those investment are more or less safe. And if you provide this risk mitigation that really can boost investment into real estate crowdfunding

N: What about, do you have something to put on the benefits for the construction companies or companies seeking financing through crowdfunding

O: So if I take a perspective of Russian real estate development companies which I used to work before. I was not working in Finland construction companies so well usually those companies have a lot of problems in the beginning stage of the projects and this particular stage where you do not have sufficient documentations to get loans from banks it is the other forms for example if you are turning to international investment funds usually takes a lot of time to conduct DD and very costly and I think this can be really good opportunity for construction companies to finance this stage. And I don't know the situation in Finland whether there is better opportunity to get cheaper finance or I haven't yet investigated this, but I believe that in here it can be the same situation in some cases.

N: OK, then what about the problems. What do you see are the biggest issues for investors in CF. You mentioned trust as one and do you have others?

O: Well the most important from the viewpoint of investors at least from my perspective is that I receive my money back with interest. So if you are able to provide me guarantee that I will receive my money back I think that is the most important.

N: So you wish for collateral in the investments?

O: Yes like that for example

N: OK, So that is sort of involved with the risk and with the trust

O: Yes, I think the trust is more or less already solved for example from the perspective of Russian consulting companies, Finnish companies are trustworthy so especially if you are working under the crowdfunding act and I think your regulating and in Finnish regulation provides necessary protection for investors from the matter of trust I think there is not a problem already.

N: OK and then how about the construction companies, what do you see are the biggest issues on that side

O: I just said interest rate is too high probably for them, on the other side time is money and since you are able to provide them with this finance within twenty days right.

N: I would maximum a month, taking into consideration the due diligence and the financing round I would say maximum a month.

O: So probably they can, they have to consolidate actually a their financial model and see how that affects. If for example they delay their project for the uncertain time while they collect the necessary documents or whatever and wait for the decision from a bank or whether they take your money and start receiving profits earlier, they have to calculate that. That can be clear from the financial model in my perspective. So in case you are able to provide them value from this pint of view I think you are beneficial so it s kind of matter of calculation from this case. But maybe it is also matter of discussion for that they are able to see from your perspective. So maybe you need to negotiate more with the developers.

N: And how about the publicity of financing do you see that as an issues

O: You mean publicity of crowdfunding

N: Yeah that companies that apply for financing through out platform are public that the financing round is public, we advertise it the company is getting some sort of recognition. Do you see that as an issue for companies?

O: First of all one idea came into my mind when I saw your project; they were quite small in the beginning. I though that probably those companies that are seeking minority finance are not very financially stable so that was my first idea and from the other side if they publish this information they also kind of promote their products at the same time but I'm not sure that it is beneficial. Well I believe you investments; investors are more or less interested in the chance whether than in rewards or some. There is a costification of investors already published. I saw the article and I also saw the presentation in this crowdfunding event, which I attended. There are some different types of investors, so for your model I guess they are mostly interested in financial return so maybe then it is not very much interesting the product itself

N: Ok, but my question was more about if you think that the publicity is bad for the companies. That it seems that they are for example, when they apply for financing through us they show that they are desperate or they are in lack of finance or they are in trouble. Do you see this kind of connection?

O: Yes that is what I said in the beginning that probably these companies are not very stable, financially stable so that they are looking for eternity finance so maybe they are not, they not comply with the requirements of the banks or other institutions so that they turn to other investments. Bu I guess in the later stage that might be perceived differently so maybe in the beginning it looks like that and as I said before maybe if you for example have a campaign of socially important projects then there is no such perception in my opinion so. But that's my personal opinion. I would not perceive it like that. I would perceive it like additional promotion of this project. And then its not perceived as this company is not financially stable. But now I can see from your cases that actually there is quite low so maybe that's the first impression and then investors take closer look at the case, they understand that probably this first impression is incorrect. I hope I answered you question

N: Yeah, you did but it was more trying to sort of get an impression of do you see the publicity as an issues that companies would not apply for financing.

O: Well its difficult to say. I am trying to stay when I was working in the development company how I would I perceive that... Well depending on the company if they want to look modern maybe that would not an issues so for example they want to try new ways of financing

N: What about some other issues. External restriction that would probably restrict companies from taking financing or investors from investing. Do you think there exists such restrictions?

O: I don't know actually, if it is to speak about investors I was thinking about whether I was as an immigrant in Finland able to invest, so that was one of my questions. Well actually I don't see other restriction, only one restriction is that you are not able to accept money from abroad. That is actually pity because I would say that there might be interest from abroad. And what as for the if we speak about construction companies my conversation with the Ilkka Harju from ministry of finance he said that there are no restrictions to invest, to raise funding from crowdfunding for real estate companies. He said that he will check the legislation and if you are interested I can also follow up on his question and send you that information on if there are any restrictions. HE actually said that he will check the act which is focused on real estate operated companies alternative funds or something like that. HE said that he will check this legislation I can ask him again if there are any restrictions or not. If I understood that ministry of finance is doing everything to support rather that restrict. They said that they are trying to adjust legislation so that its needed to support

N: I'm aware that a lot of countries are supporting countries in the sense that it is believed to support the economies of these countries and it is the reason why legislation have been published in these countries and why different entities are attempting to promote crowdfunding and educate investors and companies on the benefits of it.

O: Yes one thing is that it would be good to bring also international investments to crowdfunding.

N: I only have one last question and it is about what do see that should be done in our company for the development of it for more success for what do you see are the solutions for the issues that we have been talking in this interview

O: I Actually really like how your information is presented in the website and also one issue for me is that it is not in English and also I received the same perception that well it would be good to have your site translated. I guess that even in Finland there are some people who not speak Finnish and also would be good if you could go to international market that also may sort of bring more you know maybe trust would be good if you are operating on different markets then you at least people trust from. If so many people from other countries trust you then already brings additional trust so. Also I think that you can find many interesting projects abroad is better interest. I think it could be the net step not in this stage of course because you are in initial stage. Of course as many positive cases as possible. Since you so far have not got so many of them it looks a little bit. Well now it looks a bit more serious but when I first took a look one year ago on your website it was only I don't remember two or three cases. So now it looks more professional from my perspective. If you for example bring more cases then it would benefit a lot because of herd behavior maybe other will join.

N: Yes. Good. I think that is enough.

**Interview 4,
Interviewee 1, Henrik Arén 2nd interview
Done in person on 21.4.2017 in Turku Finland
Duration: 13 minutes**

Niklas Vuorinen (Interviewer): Eli haastettu 4. Aloitetaan kysymällä että miten GF kasvu mahdollistetaan?

Henrik Arén (Interviewee): Joo eli hyvin yksinkertaisella kaavalla eli palvelemalla mahdollisimman montaa rakennusliikettä, rahoituksen hakijaa. Ja mahdollisimman hyvin eli asiakas kunnan kasvattaminen ja uudelleen ostojen mahdollisimman korkea prosentti niin se on hyvin yksinkertainen homma

N: Okei, mikä näiden rahoitettujen yritysten rooli on rahoituksen hakijana, mistä se lähinnä muodostuu?

H: Kyllä se rahoituksen hakija käytännössä niin sen roolihan on meidän tapauksessa se että toimitetaan hankkeesta ja rahoitusta hakevasta yhtiöstä meidän pyytämät materiaalit koska tosiaan hanketta koskien ja muun muassa tilinpäätöstietoja ja muita tämän tyyppisiä ja se rajoittuu oikeastaan siihen että siinä vaiheessa kun meillä on tarvittavat tiedot me tehdään se DD niin me pyritään sen jälkeen hoitamaan sitä se kaikki. Ja tietysti roolina voidaan ajatella tässä vielä se et sen rahoituskierron aikana se raportointi. Se niiden projektien seuraaminen ja niiden edistymisestä raportointi niin se sieltä vähän kevyempi sitten.

N: Miten sitten sijoittajan rooli. Sijoittaja tietenkin toimii, antaa sitä rahaa mutta mitä muita, esimerkin uusi rahoitus tai sijoitus muoto niin edelläkävijäys ja näin pois päin?

H: Nojoo sijoittajan rooli tietenkin on ensisijaisesti sijoittaa ja semmoisena miten mä sanoisin.. Riskisijoittajana, riskisijoituksestahan tässä on kyse kun lainasta eli semmoisena vaihtoehtoisena sijoitusmuotona sen tyyppisille sijoittajillehan tämä on suunnattu. Mutta sijoittajan roolin voi ajatella siinä mikä on korostunut näiden muiden sijoituspäätöksiä tehtäessä että eli koska se on julkisesti se nähdään kuinka monta sijoittajaa on kohteeseen sijoittanut ja nähdään se rahamäärä siellä on kaikkien nähtävissä niin kyllähän se nähtävissä on et se laumaeffekti sieltä sit tulee eli totta oma sijoituspäätös vahvistuu kun huomaa että muutkin siihen sijoittaa. Eli sijoittaja sen lisäksi et tuo siihen rahaa niin tuo myös ikään kuin lisää sijoittajia

N: Ja tota ton lisäksi niin miten sitte sijoittajille luvattu korko, mikä on aika korkea niin on ajateltu vaikuttavan siihen sijoittajan mielenkiintoon?

H: No kyllä se korko on niinkun selkeästi se et se kuvaa sitä riskiä niin myös tän tyyppisin me ollaan huomattu et ainakin meidän palvelun sijoittajat arvostaa sitä, tai arvostaa mutta on valmiita ottamaan vähän enemmän riskiä ja arvostaa sitä et niis on lyhyt sijoitusaika, korkea korko ja kyllä me ollaan nähty niin et kyllä tavallaan se korkea korko on selkeä semmoinen houkutin näissä että.

N: Sitten ton rahoituskierron, sen rakennusprojektin ja noista sijoittajista ja sijoituksesta johtuvien hyötyjen lisäksi niin mitä muita ulkopuolisia tekijöitä esim. bloggareita voitais käyttää sen mielenkiinnon luomiseen ja miten se ehkä sitten onnistuisi?

H: No bloggarit esimerkiksi on hyvä koska onhan se selvä et tällöinen suosittelu, tai suosittelun voima on merkittävä ja kun ihmiset lukee nykyään enemmän ja enemmän kaiken näköisiä blogeja niin sitä kauttahan se haetaan myös sitä uskottavuutta ja sitä sellasta suosittelun kautta sitä. Ja sit myös joku tällöinen suositteluohjelma mitä samantyyppisillä palveluilla on jo jollain olemassa eli ikään kuin kaverille kun suositellaan niin molemmat hyöttyy siitä jotain. Eli tämä on semmoinen mitä me ei olla toistaseksi vielä hyödynnetty mutta et missä on potentiaalia et jos ajattelee tätä sijoittajakannan kasvattamista.

N: Okei tosta voidaankin sit hypätä melkein suoraan siihen et kun vähän sivuttiinkin eli mikä on sen alustan rooli joukkorahoituksessa?

H: Meidän rooli on oikeastaan siinä on kolme neljä semmoista tärkeätä. Eli on se joukkorahoitusta hakevan yhtiön ja hankkeen tarkastaminen, läpikäynti, rahoituksen markkinointi eli se tarjotaan sijoittajille mihin liittyy olennaisena se että pienemmät sijoituksen kootaan yhdeksi lainaksi ja sen lisäksi se maksuliikenteen hoito on oleellinen rooli tässä. Eli sijoittajalta joukkorahoituksen saajalle ja sit taas vastaavasti takasin päin on myös et me hoidetaan se myös takaisinpäin se maksuliikenne eli yhdestä lainasta sitte jaetaan se näille kohteeseen sijoittaneille eli ne oikeastaan ne tärkeimmät meidän tehtävät ja roolit.

N: Ja sitten tietty, nojoo se rahan välitys tuli oikeastaan kanssa. Minkä verran sitten 2016 oli sijoittajia suurin piirtein sadoissa ja sit aas kiinnostuneita rahoituksen hakijoita suurin piirtein kymmenissä

H: Kyllä meillä siis palveluun käyttäjiä jos näin vois sanoo rekisteröityneitä niin 800 ja näitä kiinnostuneita alan toimijoita viitisenkymmentä.

N: Ja sitten tuota kun tässä nyt on käyty läpi näitä toimijoita niin sitten seuraavaksi pankit, eli voisiko niistä harkita jotain yhteistyökumppaneita?

H: Nojoo siellä pankkipuolella jonkun verranhan (joukkorahoitus) alustat on tehnyt pankkien kanssa yhteistyötä ja tällöisessä meidän tapauksessa niin esimerkiksi RS-kohteessa tai ei välttämät tarvitse olla RS kohdekaan, mutta et aloitteleva grynderi esimerkikäs jolla ei ole vielä pääomia eikä ole hankkeita läpi viety välttämältä, niin sen tyyppisissä pystyttäisi meidän kautta hakee sitä omarahoitusosuutta mitä pankki vaatii jolloin pankkikin on halukkaampi sitä lähtee lainoittamaan. Mikä tarkoittaa sitä et siellä on pääomia jo valmiiksi ja se projekti esimerkin saadaan sitten vietyä maaliin eli se on sit pankinkin intressissä et se projekti saadaan vietyä maaliin. Eli tän tyyppinen yhteistyö mistä on alustavia keskusteluja käytykin niin tällöinen voisi olla se yks hyvä malli.

N: Eli pankkikin voi tulla tavallaan sitten ehkä jopa sijoittajana mukaan siihen kohteeseen jollain rahastotoiminnalla mitä ne tekee?

H: No mahdollisesti siinä on tietenkin sitten tämä toinenkin puoli eli sijoittajapuoli eli rahasto esimerkiksi kiinteistö rahasto mikä sallii tän tyyppisen niin sitä kautta myös se sijoittajapuoli on sitten siellä, tai yhteistyö on sitten sillä puolella tätä kautta mahdollinen.

N: Mennään sitten vähän tohon kehityspuoleen tässä firmassa ja mikä näkemys on siitä että tähän mennessä olleiden menestyneiden kierrosten perusteella voisi olettaa että tämä alusta ja tämän tyyppinen rahoitus, oli sitten meidän yritys tai yleisesti ottaen joukkolahoitus niin on hyväksytty rakennusallalla?

H: Nojoo toi on ihan hyvä kysymys on tietyllä tavalla hyväksytty kun niiden rahoitusta hakevienkin keskuudessa en tiedä onko hyväksytty oikea sana, toki vielä ei ole niin vakiintunut ehkä kun voisi olla. Että mä en sanoisi että on vielä vaan kyllä tässä on vielä töitä sen eteen tehtävissä mut et tosiaan tosta mielenkiintoa on ja uteliaisuutta et alalla on toimintamallin on monien ja monine vuosikymmenien takaa niin tietysti siinä kestää hetki ennen kun pääsee siihen malliin. En sano et on vielä vakiintunut mutta hyvää mallia vakiintumassa.

N: Alalla on kuitenkin selkeä tarve mikä on huomattu ja kilpailevia toimijoita on paljon, oli ne sitten jotain muita yritysrahoituspalveluita tai muita sijottajia niin kun se lisärahoituksen tarve selkeästi on niin mitä ne muut kilpailevat kanavat olisi ja mitkä on niiden hyödyt joukkorahoitukseen nähden ja sit taas toisaalta mitkä on joukkorahoituksen hyödyt niihin nähden.

H: No kyllähän ne kilpailevat on tosiaan no tietysti ensimmäisenä muut joukkolahotus tai yrityslainaa tarjoavat palvelut voi sanoo näin ja heidän kanssaan tietysti sitten pystytään kilpailemaan hinnalla tai palvelulla tai näin mutta onhan sitten kaikennäköisiä yksityissijoittajia jotka myös pankin lisäksi rahoittaa näitä hankkeita eli ihan tosiaan varakkaimmat yksityishenkilöt joille meidän palvelun kautta rahoituskustannukset ei välttämättä nouse niin suureksi kun ehkä tämän tyyppisesti eli he yleensä sitten vaatii isomman siivun siitä voitosta. Eli ollaan ihan kilpailukykyisiä tällöisiinkin toimijoihin nähden. Sitten on ehkä tietty rahasto, tonttirahasto voidaan nähdä myös jonkun tyyppisenä kilpailijana. Ei ehkä ihan suorana, mutta on niinkun se on yks sellainen ja oikeastaan en on ne pää tahot.

N: Yksityissijoittajat on ehkä semmoinen ketkä nyt paljon kilpailee esimerkiksi hinnan kanssa ja sitten yksityissijoittajista joukkorahoitukseen vaihtaminen voidaan nähdä aika kalliiksi muutenkin kun rahan hinnan takia niin mitä ne tavallaan hyödyt on mitä me voitaisiin tuoda esille jotta me saataisiin katkaistua se suhde sieltä firman ja yksityissijoittajan kautta ja sen sijaan hakemaan sitä rahoitusta meiltä

H: No tämä hinta on tietysti yks millä pysytään näitä yksityissijoittajia vastaan kilpailemaan mutta kyllähän meillä on tämä, pystytään just tämä näkyvyyden, kohteen näkyvyyden kannalta mikä jossain tapauksissa nähdään hyväksi ja tosiaan tämän tyyppinen toiminta niinkun meidän kautta niin minä näen et se kuitenkin se et yksityisillä sijoittajilla on kuitenkin saattaa olla sit se neuvotteluvoima sit suhteessa siihen rakennusliikkeeseen turhanki iso, tai se määräävä asema vaikka lainarahastakin on kyse, niin sitten kun siihen tuo vaihtoehdon rinnalle niin kyllä se hyödyttää sit rakennusliikettäkin siihen sijoittajan suuntaan sitten. Et kyllä vaihtoehdot on aina hyvästä ettei vaan aina yks vaihtoehto.

N: Joo mulla ei tähän itse asiassa enempää kysyttävää ole niin voidaan pistää homma pakettiin.