

Higher Yields, Stronger Protections:

*Why European Investors
Turn to P2P Lending*



Introduction



Small and medium-sized enterprises (SMEs) remain the backbone of the European economy. However, many of them face challenges in securing external financing. Traditional banks often impose strict requirements, lengthy procedures, or offer unfavorable conditions. As a result, the European SME funding gap, estimated at roughly €400 billion, leaves many entrepreneurs underfinanced. This undermines not only business growth but also the EU economy, affecting labor statistics, tax allocations, and consumer spending.

At the same time, investors experience a mindset shift and rethink their strategies. After years of low returns on traditional financial instruments and growing frustration with volatile, speculative markets such as decentralized finance (DeFi), they seek decent profitability and capital safety. The recent geopolitical and economic situation reinforces the idea of high-yield, reliable investment. Trade war and tariffs, inflationary pressures, and constant risk of economic recession make investors seek diversification, transparency, and more direct impact from their investments.

Crowdlending, or peer-to-peer (P2P) lending, is emerging as a practical response to these needs. By connecting investors directly with SMEs, it provides opportunities for attractive returns while addressing the funding shortage. The market is steadily gaining momentum: according to TBRC Business Research, the debt-oriented P2P crowdfunding market has grown strongly in recent years, reaching \$4.63 billion in 2024 and projected to increase to \$5.43 billion in 2025. Moreover, it's expected to grow at a CAGR of 16.9% over the next four years and surpass \$10.14 billion by 2029.

Executive Summary

1. European investors show interest in SME funding through P2P lending platforms if they ensure capital protection and increased yields. 64% of respondents are ready to experience higher portfolio risk if profitability grows.
2. Higher yields are a top factor for decision-making. Investors are ready to encounter increased risks if the interest rate exceeds 12%. Only 15% prefer stable investment options, even at lower profitability, while the remaining 85% are willing to take some or high risk for better yields.
3. EUR is the top currency for investment in Europe. Yet, 45% of investors are ready to abandon it for USD in case potential profits are to be increased. Interestingly, GBP is the least used currency for investment in the EU.
4. While investors are predominantly opportunity-driven, fund protection is still crucial. Here's why they prefer a rather short lending period (from 6 to 12 months), pay attention to collateral and risk rate, when choosing an SME to invest in, as well as allocate their funds through several platforms.
5. Trust and transparency remain imperative for P2P lending development and investor engagement in the sector. The majority of investors have significant financial backgrounds. Only 25% of respondents admit to less than a year or no investment experience.
6. Investors seek community support through access to other peers' investment activity. 73% wish to observe other investors' financial decisions. They are primarily interested in funding sums, risk diversification strategies, and chosen projects. This helps refine the strategies, as well as investigate other investment tools and opportunities across P2P lending.
7. Blockchain becomes an enabler of trust and efficiency. It enhances transparency, facilitates faster and more cost-effective transfers, and provides greater data reliability compared to traditional banking.
8. Production-related projects are the most attractive segment for investment. It's followed by consumer loans, retail, agriculture, and real estate, showing a clear economic orientation of P2P funding flows.

Note: This research, conducted by Maclear, summarizes insights from a survey of European investors in the P2P lending sector. The findings highlight investor priorities, risk perceptions, and market opportunities shaping the industry's development.

Investor Profile 2025 – Who Is Funding SMEs and Why

The European P2P lending market in 2025 continues to be shaped primarily by experienced investors. The majority of participants have been investing for more than a year, with **over 41% reporting more than three years of experience** and another **33% between one and three years**. Only 6% entered the market without prior experience, underlining that the investor base has historically been dominated by individuals already familiar with financial products.

This is consistent with the sector's early development, when only experienced investors were prepared to accept the associated risks due to limited regulation and transparency.

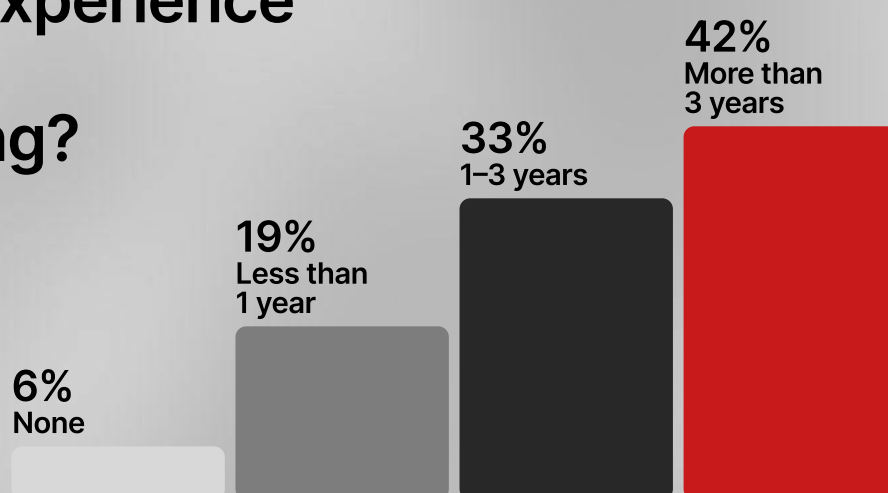
'Crowdlending has long been shaped by investors with solid financial backgrounds. In its early stages, the lack of protection and regulation meant that only experienced participants felt confident navigating risks and assessing opportunities. With stronger security models, transparent processes, and P2P lending platforms designed with accessibility in mind, the landscape is gradually changing. Crowdlending is moving from a niche market for experienced investors toward an alternative open for everyone,' notes Alexander Lang, CFO & Co-Founder at Maclear AG. 'At Maclear and 8lends, we believe that our mission is to turn what was once a market for the few into an opportunity for the many. By combining institutional-grade guarantees with user-friendly tools, we ensure that anyone interested in P2P lending, including very beginners, feels as confident as possible.'



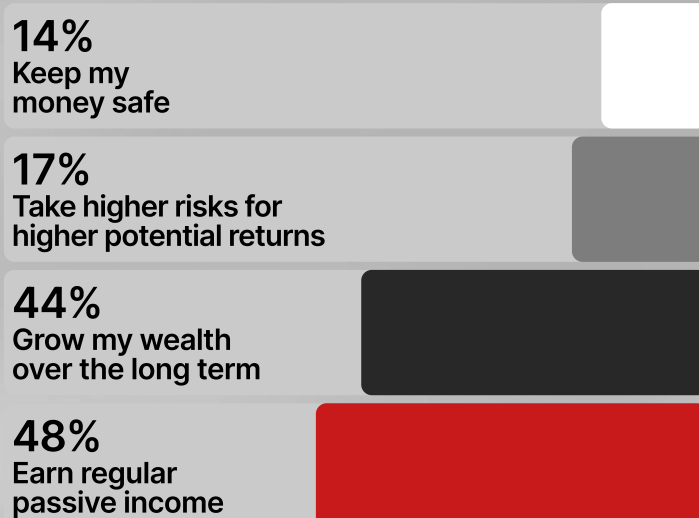
As regulation, transparency, and funds protection mechanisms mature across the sector, a gradual shift is emerging. The share of less experienced investors, while still relatively small, is steadily increasing, indicating that crowdlending is gaining traction beyond the traditional investor profile. The market becomes more accessible and recognized as a legitimate investment option.

Investor motivations further highlight this evolution. **Nearly half of respondents (48%) seek regular passive income, making it the leading driver.** A close second, **45% of European investors seek long-term capital growth.** This reflects the growing demand for alternative investments that typically deliver greater yields than traditional products, which are often constrained by strict regulations and complex procedures. Almost one in five investors choose P2P lending because of potentially increased returns: they are willing to accept higher risks for higher potential returns.

How much experience do you have with investing?



What are your main goals when investing?



The Currency Factor – Managing Risk in a Multi-Currency World

74% of European investors choose EUR when investing, reflecting both the region's integration and the relative stability of the currency. The U.S. dollar takes a distant second place, used by 17% of investors, while the British pound remains largely out of favor, with only 3% citing GBP as their usual currency choice.

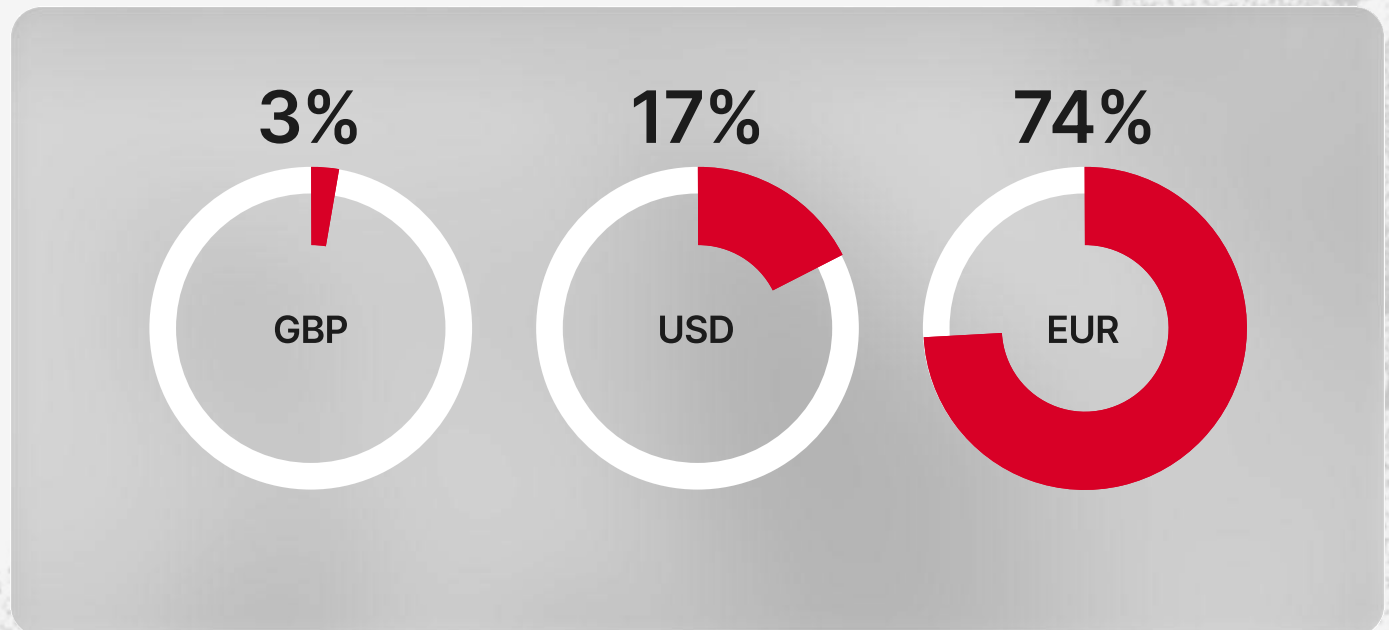
When asked whether they would be willing to shift toward dollar-denominated projects in exchange for higher returns, investors showed a pragmatic stance. **19% strongly agree they would move from EUR to USD if profitability is higher, with an additional 51% indicating some level of readiness to accept this trade-off.** Only about 8% firmly reject the idea.

Pragmatism when choosing a currency for investment derives from the pursuit of increased profitability. **For 46% of respondents, higher returns outweigh some currency volatility.** Another 27% adopt a more neutral stance, acknowledging that rates may rise or fall without attaching strong preferences. By contrast, a quarter of investors prioritize stability and prefer predictable returns, choosing EUR-denominated projects or platforms that support this currency. Almost 12% avoid non-EUR investments altogether.

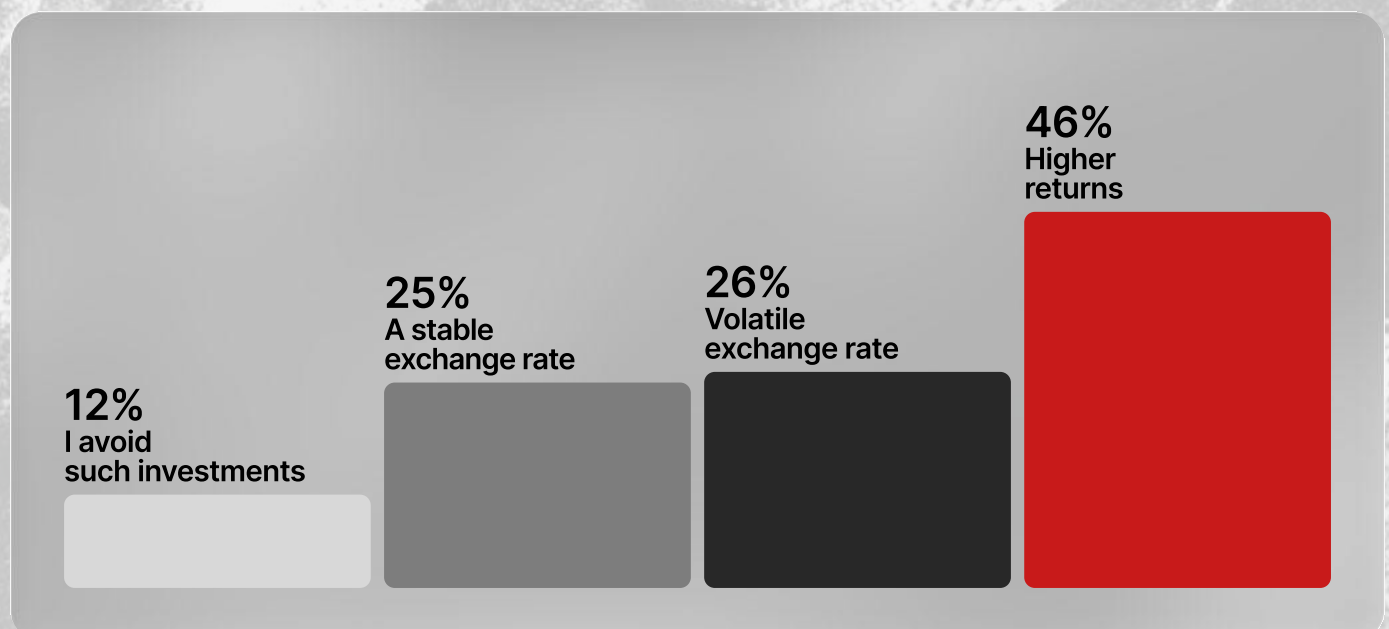
These findings illustrate a nuanced currency landscape. While the euro remains the clear anchor for European crowdlending, there is a meaningful appetite for diversification into the dollar, particularly when yield differentials are compelling.

The Currency Factor – Managing Risk in a Multi-Currency World

Which currency do you usually invest in?



If you choose to invest in an opportunity
denominated in a different currency,
what is most important to you?



Risk Appetite – From ‘High Risk’ to ‘Predictable Returns’

European crowdlending investors show a balanced but opportunity-driven approach to risk. The majority is ready to experience a moderate risk increase if the potential returns also accelerate. **Nearly two-thirds (65%) are ready to accept some risk if profitability is higher.** They can choose SME projects with a risk rating from the lowest AAA to the moderate BBB and potentially greater yields. Considerable risks still deter European investors, with **only 24% pursuing high-risk investments for the sake of increased returns.** In other words, they aren't ready to fund projects with the BB, CCC, CC, and C risk ratings that are considered as high-risk credit — even if the profitability surpasses available market offers. By contrast, only **16% prefer safer, lower-yielding investments** and avoid any project except for those with AAA or AA ratings, neglecting the opportunity to access enhanced profitability.

Investors evaluate risk primarily through SMEs' creditworthiness and legal safeguards, rather than macroeconomic or operational factors. They are primarily **afraid to lose their money because the borrower would be unable to repay the debt: it is by far the top issue (58%).** Legal uncertainty is also considered a **significant risk factor**; however, **only half as many investors (29%) are concerned about facing little to no legal protection** if something goes wrong. Other potential risks — such as exchange-rate volatility (14%), the location of the platform (13%), or poor transparency of the funds usage (12%) — are less important. It means that investors mostly care about the reliability of P2P crowdlending, in general, and funded SMEs, in particular.

However, they are ready to accept such fund safety risks if the profitability of P2P lending is higher than what other financial tools offer. Interest rate is the major factor investors assess when making financial decisions.

Almost 53% of respondents claim yields are the top criterion when investigating investment opportunities. The risk-worthy profitability for a dominating 93% is above 12%, with 59% pursuing 15+% and the remaining 34% — from 12% to 15%. Interest rates lower than 8% are insufficient. A few investors are ready to engage in a high-risk project that offers 8%-12% yields.

Nonetheless, safety concerns don't fade away, even in the face of increased returns. For this reason, European investors prefer legally backed and asset-secured investments with a rather limited investment term.

Around 47% of respondents take into account a short lending period — up to 12 months. Diving into details, not more than 5% are ready to engage in projects with 24+ months of maturity. The majority prefer lending options due in 6-12 months. **Project risk ratings and collateral backup are also crucial factors for decision-making, accounting for 45% and 35% respectively.** This signals that tangible security plays an important role in P2P lending, where investment safety remains crucial.

'Today, the biggest barrier to P2P lending entry, especially for novice investors, is trust. New investors often question the safety of their funds. Without clear answers and transparency on where their money goes, hesitation grows. Another challenge is complexity. In the fragmented European market, with varied loan structures, unclear guarantees, and differing repayment schedules, it can be difficult to navigate and fully understand the mechanics of investing.'



Which best describes your attitude toward risk?

65%

I'm open to some risk if the return is higher



24%

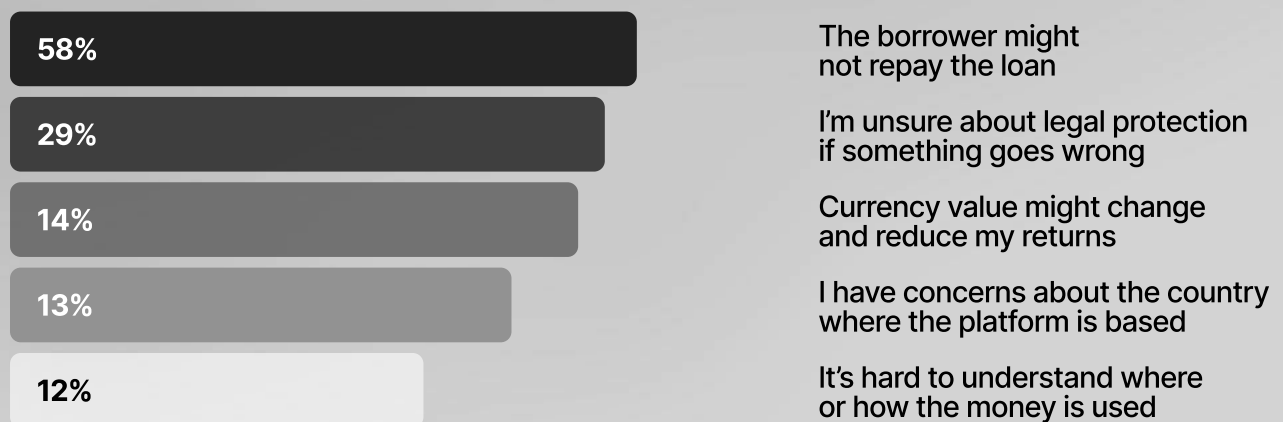
I'm comfortable taking high risks for high potential rewards

16%

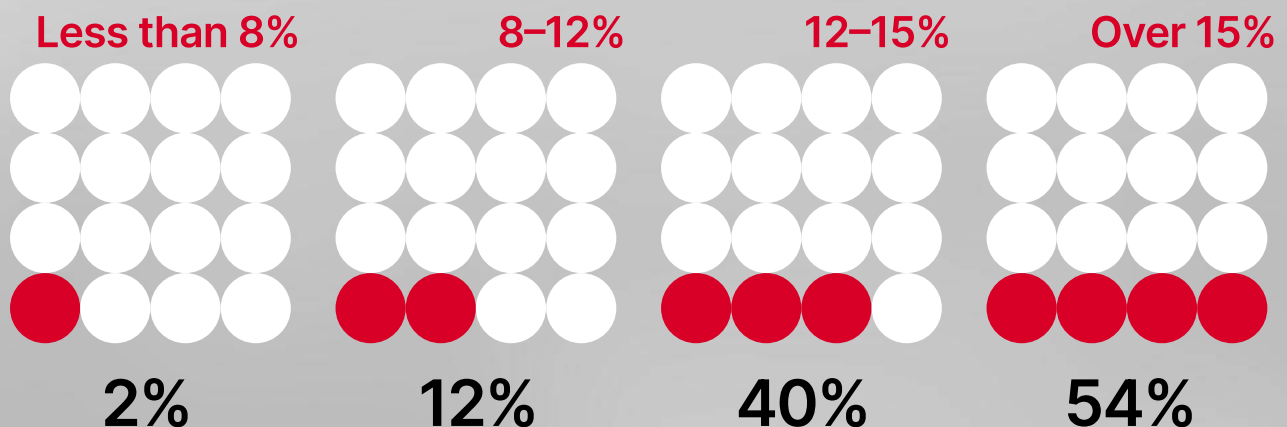
I prefer safer investments, even if returns are lower

Risk Appetite – From ‘High Risk’ to ‘Predictable Returns’

Which best describes your attitude toward risk?

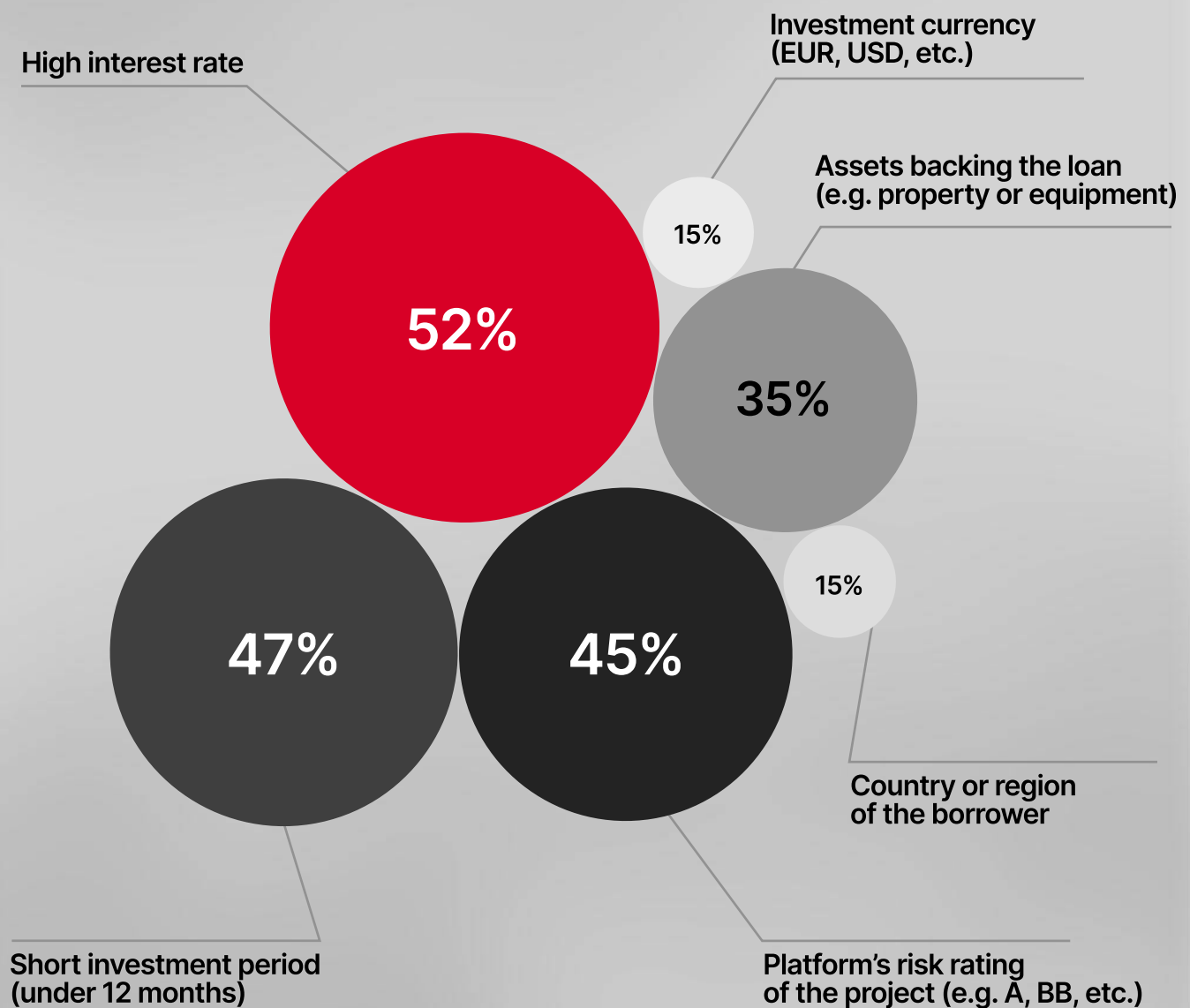


What return would make an investment “worth the risk” for you?



Risk Appetite – From ‘High Risk’ to ‘Predictable Returns’

What do you look for when choosing an investment opportunity?



Case in Point – Fixed-Income SME Crowdfunding Platforms With Strong Capital Protection as Trust Builders

Market Need

Trust is the biggest barrier to entering P2P lending. Investors doubt that small- and medium-sized businesses will be able to repay their debts, as well as legal protection of their finances in case any fund availability issues arise. While some are ready to encounter enhanced risks if potential returns are higher than traditional tools offer, many hesitate to engage in P2P lending. As a result, this undermines the development and adoption of the tool.

Approach

As one of the first P2P lending platforms in Switzerland, Maclear set out to build confidence in the sector by aligning investment opportunities with compliance-backed security and full transparency. The platform positions itself as a bridge between SME funding needs and investor expectations of a reliable financial tool for wealth accumulation. Besides offering high yields, generally 13-16% annually, the platform oversees asset security.

Mechanisms of Enhanced Capital Protection

- Swiss Regulatory Framework. Maclear operates under Swiss self-regulatory standards, including SRO membership and full AML and GDPR compliance.
- Rigorous Due Diligence: All borrowers are vetted through a multi-stage process, ensuring creditworthiness before projects are listed.
- Collateralized Loans: Many loans are backed by tangible assets such as real estate or equipment.
- Predictable Returns: Investors typically earn fixed annual yields, with monthly repayments of both interest and principal.
- Transparency in Operations: A clear dashboard and project-level disclosures allow investors to see repayment schedules, loan structures, and applied fees, eliminating hidden costs.

Approach

Instead of a high-risk investment alternative, Maclear set up an ecosystem that fills the SMEs funding gap, while providing investors with a high-yield, reliable financial tool. As a result, it increases awareness and adoption of P2P lending in Europe. So far, more than 17,500 investors have already funded SMEs from different economic sectors for a total of €41.2M+.

Transparency & Community – Building Trust in the Crowd

P2P lending investors operate in a maturing, constantly evolving market. Even if the majority have a significant investment background, they still lack decent experience in how to efficiently navigate SME lending. At this point, transparency steps in as a collective learning mechanism. Many investors seek community support through access to other players' activity. **Nearly 73% of respondents say they would like to see a dashboard displaying both their own allocations and those of other investors.** By contrast, **19% prefer to focus solely on their own portfolio.**

Transparency is not limited to curiosity about returns — it is a practical tool for understanding risk management methods and portfolio management. **Half of the respondents show interest in applied strategies, for example, among top-performing portfolios. Almost 43% are keen on the chosen projects. The same scope of investors would like to learn how others allocate amounts and distribute risk.** This information allows investors to examine the available strategies and evaluate their performance in P2P crowdlending, as well as investigate worthy projects and potentially profitable SME niches to fund. As a result, such a community-driven approach improves investment experience, allowing for the adoption of more sophisticated investment strategies.

At the same time, transparency is not universally valued. **One in five investors (20%) reports that peer activity is of no importance for their financial decisions.** While the majority show interest in community insights, a notable share of investors practice a solo approach and prefer to rely on their own market investigation.

Transparency & Community – Building Trust in the Crowd

Would it help you to see
how other investors invest?

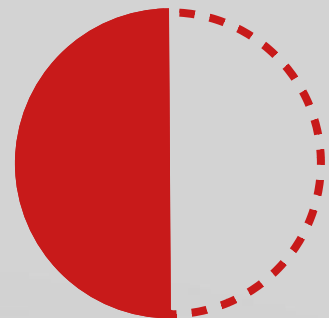
Yes, I'd like to see
which projects
they invest in

43%



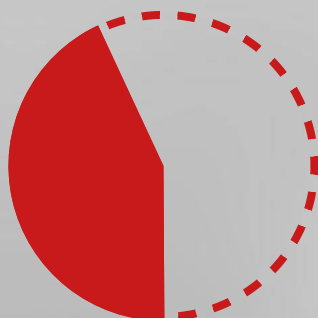
Yes, I'd like to learn
from their strategies
(like top-performing
portfolios)

50%



Yes, I'd like to see
how much they invest
and how they
spread risk

43%



No, that's not
important to me

20%



Technology & Infrastructure – From Bank Transfers to Blockchain

Blockchain becomes the ultimate enabler of enhanced transparency, hence the capital protection tool. Unlike traditional banking, where information on fund flows, repayment schedules, and investor portfolios is usually fragmented and opaque, blockchain minimizes the risk of manipulation and makes every stage of the process visible — from borrower repayments to peer allocations and portfolio structures. The lenders are fully aware of the funded scope, their share in the funding pool, the repayment sums and schedules, without the necessity to visit any physical office. This grants enhanced control over the allocation of finance, compared to traditional banks that share siloed data.

Investors value the blockchain-based nature of P2P lending. 31% see it as a driver of trust and transparency. 40% believe it's worth exploring if the technology improves legal proof or asset protection. Still, the benefits of blockchain aren't vivid enough, with slightly more than a quarter (28%) of investors neglecting the technology factor when making financial decisions.

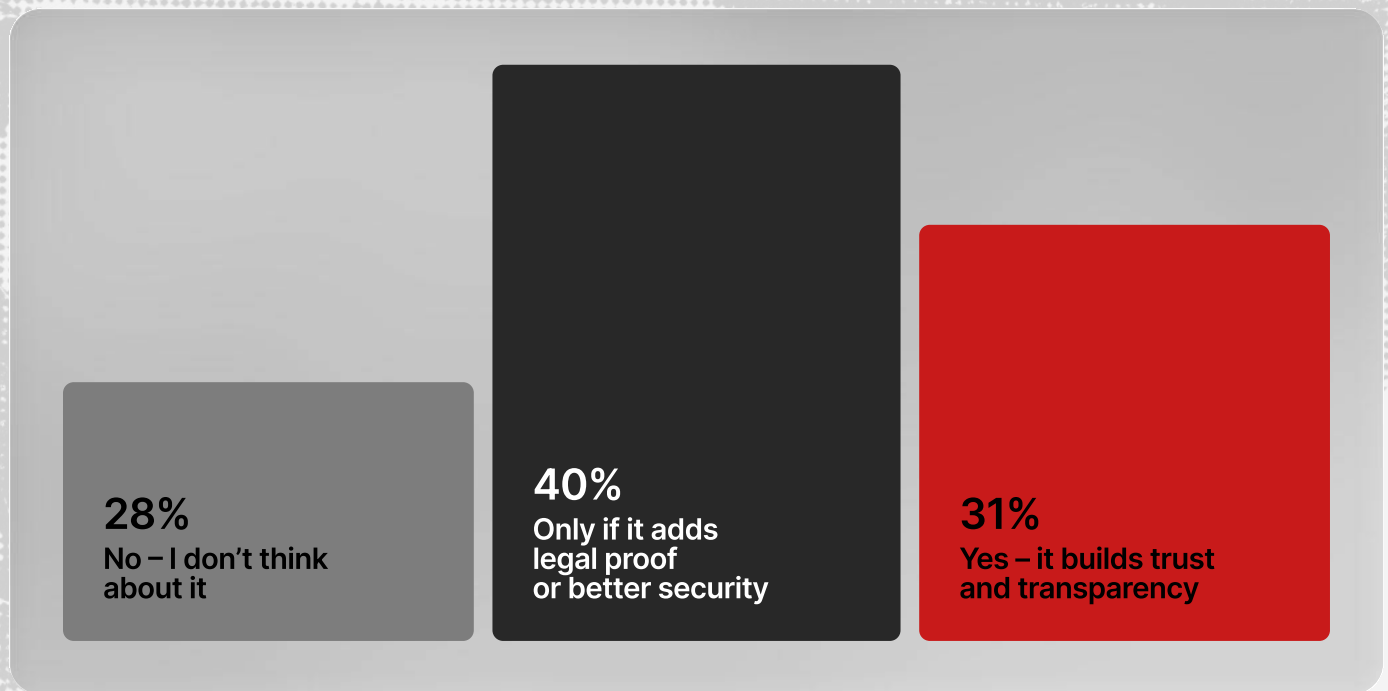
Beyond transparency, blockchain also introduces efficiency. While international bank transfers often involve multiple intermediaries, high fees, and long payment processing times, blockchain provides faster and cheaper transfers. Instead of waiting for a payment to process within several hours or days, users can have the task done in a couple of minutes. Moreover, they avoid ambiguous commissions and hidden fees, paying the fixed network commission, which is specified prior to the transfer submission. 45% of respondents are ready to use stablecoins if they reduce costs and save time compared to bank transfers. Only 17% aren't willing to conduct payments via this financial tool and prefer traditional bank transfers.

The acceptance of stablecoin-denominated transfers extends to the investment landscape. Twice as many investors are eager to use platforms that accept crypto deposits but repay in EUR or USD. The emerging interest in hybrid payment models allows investors to use both the cost-efficiency of digital transfers and the reliability of fiat currencies. As a result, blockchain not only reduces barriers to trust but also addresses inefficiencies of traditional finance. Such a dual role can make the technology one of the major forces in P2P lending evolution and adoption.

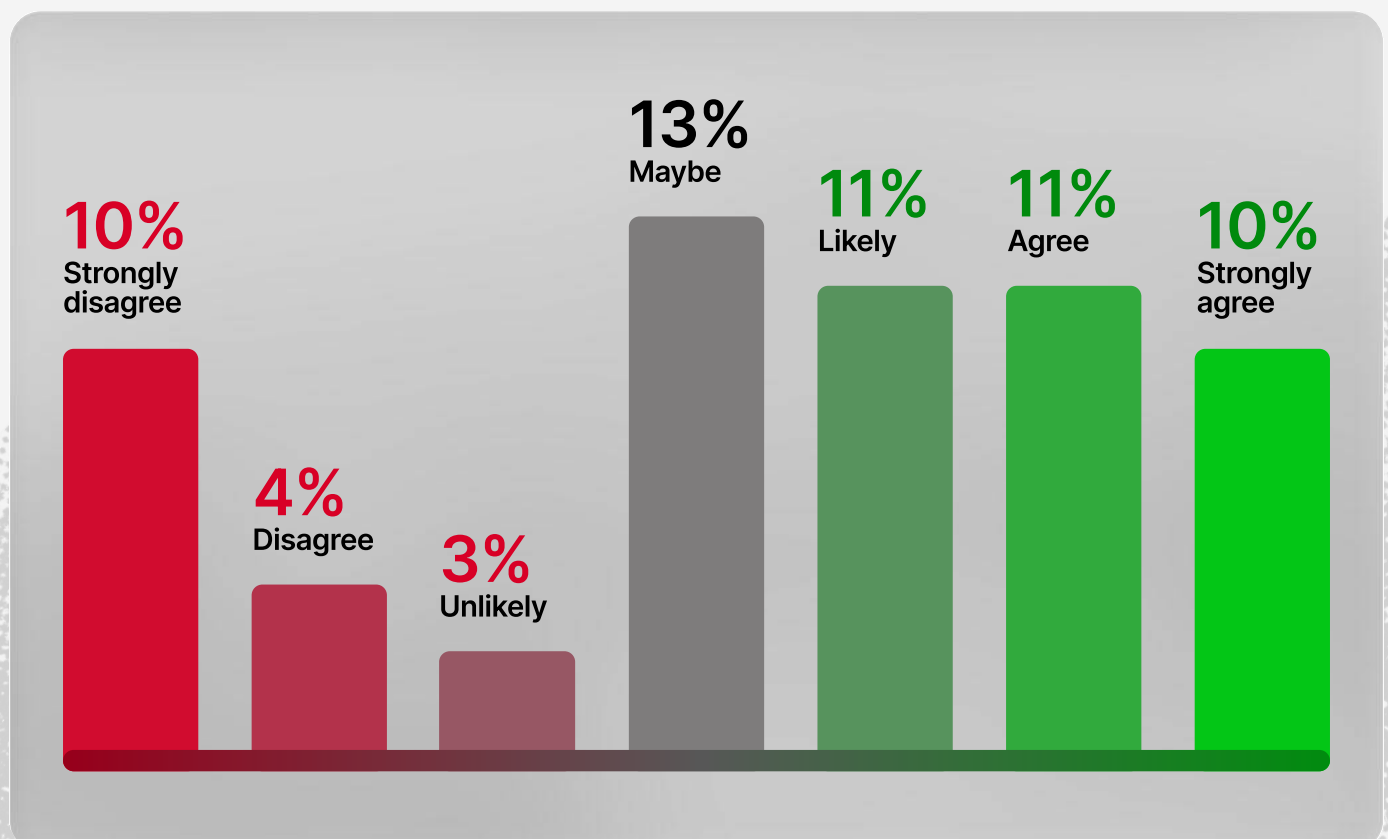


'Technology is reshaping the global economic landscape and the investment space in particular, across all regions without exception. P2P lending, as part of this broader transformation, continues to evolve. I would place technology at the forefront of this change: DeFi is propelling the sector forward, extending naturally into crypto assets, automating credit scoring, and improving transparency. Within the next three years, P2P lending is set to capture a larger market share, attract institutional investors, and expand into emerging economies — a trend that is already vivid. With experts projecting the P2P market to surpass \$1 trillion by 2030, it is evident that alternative investing is becoming a core component of portfolios alongside stocks and deposits,' comments Alexander Lang. 'On the regulatory side, frameworks will become stricter and more sophisticated, limiting the market to platforms that maintain the highest standards. I view this as a natural selection process, aimed at protecting investors and aligning the sector more closely with traditional banking practices.'

Do you care if your investments are recorded on blockchain?



Would you use stablecoins to send funds if it was faster or cheaper than a bank transfer?



Technology & Infrastructure – From Bank Transfers to Blockchain

Market Need

Capital protection, together with high profitability, remain two critical factors investors pay attention to when analysing a project to fund. While traditional P2P lending platforms have addressed concerns through regulation and due diligence, demand is rising for tools that reduce transaction costs, improve transparency, and provide increased interest rates

Approach

Launched as the next step after Maclear, 8lends integrates blockchain infrastructure to combine compliance-backed lending with the transparency and speed of decentralized technology. The platform's model allows investors to participate in SME financing using stablecoins, while remaining in the Swiss-regulated jurisdiction.

Mechanisms of Enhanced Capital Protection

- **Blockchain-Based Transparency.** Smart contracts ensure that repayment flows and loan structures are fully visible on-chain, reducing the possibility of manipulation.
- **Independent Audits.** Security audits by leading firms (Certik, Cyberscope) verify technical robustness and strengthen investor confidence.
- **Collateralized Lending.** Loans remain backed by real-world assets, such as property or equipment, protecting investor capital.
- **Stablecoin Integration.** Investors can fund loans using stablecoins for faster, cheaper transfers than traditional banking channels.
- **Higher Yields.** By lowering operational costs and leveraging blockchain efficiency, the profitability increases, with projects delivering annual yields of up to 25%.
- **Swiss Regulation and Compliance.** Building on Maclear's model, 8lends adheres to Swiss regulatory standards (AML, GDPR, SRO membership), ensuring investor protection and legal clarity.
- **Rigorous Due Diligence.** Borrowers undergo Maclear's established multi-stage vetting and risk scoring before being listed, ensuring that only qualified SMEs gain access to financing.

Impact

Blockchain-based nature brings P2P lending to a new level, where efficiency and transparency are at the core. Reduced costs combined with operational optimization allow for increased interest rates, which offer investors increased profitability.

Beyond investor benefits, 8lends contributes directly to SME growth. Funded projects include companies in renewable energy, real estate, industrial, and other economic sectors that often struggle to secure loans through traditional banks. By channeling capital into these businesses, the platform not only generates higher yields for investors but also supports job creation, infrastructure development, and broader economic activity across Europe.

'At Maclear, we are keeping pace with industry shifts — technological advancements and evolving regulatory frameworks — and set higher standards for ourselves. Our platform is fully aligned with European regulatory requirements, and we are extending our expertise into the P2P crypto space. We're currently building the 8lends platform that applies the best practices of fiat crowdlending, including full compliance, collateral-backed loans, and multiple layers of investor protection, while also introducing smart contracts to enhance transparency and accelerate transaction processes.'



Conclusion – The Future of P2P Lending



The European P2P lending market is entering a new phase of maturity. What began as a niche alternative to traditional finance is now evolving into a predictable and regulated segment, set to play a vital role in SME recovery and growth. By closing the €400 billion funding gap, P2P lending offers small and medium-sized businesses access to much-needed capital, while investors benefit from yields that exceed traditional instruments.

Technology is the driving force behind this transformation. Across all regions, digital tools are reshaping the way capital is allocated and managed, and P2P lending is no exception. Blockchain integration, risk-scoring systems, and real-time dashboards are already enhancing transparency and efficiency. At the same time, investor demand for stronger legal safeguards and clearer frameworks will inevitably lead to stricter, more sophisticated regulation. Only platforms that maintain the highest operational and compliance standards will remain competitive.

Looking ahead, P2P lending is set to become a mainstream investment opportunity. Accessibility, diversification opportunities, and predictable returns are aligned with the new investor mindset.

Note: The report was prepared by Maclear and is based on proprietary survey data collected among active and prospective European P2P investors.

