

Empowering Agribusiness: Crowdfunding as a Catalyst for Young Agri-Entrepreneurs in Malaysia

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Abstract: This study investigates the determinants of crowdfunding adoption among young agribusiness entrepreneurs in Malaysia, particularly those aged 18 to 40. As an alternative to conventional financing options, crowdfunding offers an accessible funding mechanism for entrepreneurs who face challenges securing traditional loans due to limited collateral, high risk, and stringent banking requirements. The study identifies and examines five key factors influencing crowdfunding participation: trust issues, limited financial resources, entrepreneurial attitudes, banking constraints, and awareness of crowdfunding. Data were collected through a survey of 117 young agribusiness entrepreneurs and analyzed using descriptive statistics, Exploratory Factor Analysis (EFA), and Pearson correlation analysis. Results indicate that while crowdfunding awareness positively correlates with the desire to participate, significant barriers persist in terms of trust and financial limitations. These findings contribute to the growing body of knowledge on alternative financing in Malaysia's agricultural sector, providing actionable insights for policymakers and practitioners. The study concludes that targeted interventions are necessary to build trust, improve financial literacy, and promote crowdfunding as a viable tool for economic development within the agribusiness sector.

Keywords: *Crowdfunding, Agribusiness, Young Entrepreneurs, Factor Analysis, Alternative Financing.*

1. Introduction

Crowdfunding has emerged as a significant alternative finance channel (Yu & Yu, 2022), providing crucial access to capital (Babich et al., 2021), especially in today's digitally connected society. This study focuses on the potential of crowdfunding as a financial solution for young agribusiness entrepreneurs in Malaysia. Traditional financing options, particularly bank loans, present significant challenges for young entrepreneurs, who often face barriers such as limited financial resources, lack of collateral, and stringent banking requirements (Salikin et al., 2014). Crowdfunding offers a promising alternative (Nordin & Sum, 2020) by enabling individuals or organizations to pool small contributions from a large number of supporters, usually through online platforms (Brown et al., 2019).

Crowdfunding models, such as equity-based, reward-based, donation-based, and peer-to-peer (P2P) lending, have gained traction globally and are increasingly used in Malaysia (Azganin et al., 2021). Regulatory frameworks established by the Securities Commission Malaysia in 2015 and 2016 provided a structured environment for equity crowdfunding and P2P financing (Securities Commission Malaysia, 2023). These frameworks have created a legally regulated space to encourage both investor protection and alternative financing growth.

However, while crowdfunding has been successfully implemented in many countries, challenges remain, especially for young entrepreneurs in the agricultural sector. Limited awareness, trust issues and financial literacy hinder the widespread adoption of crowdfunding among young agri-entrepreneurs. Studies have shown that positive attitudes toward crowdfunding are essential for successful participation and fundraising (Shabbab et al., 2020). Yet, trust concerns, especially regarding platform security and the potential for fraud, persist as significant barriers (Shi Qing et al., 2019).

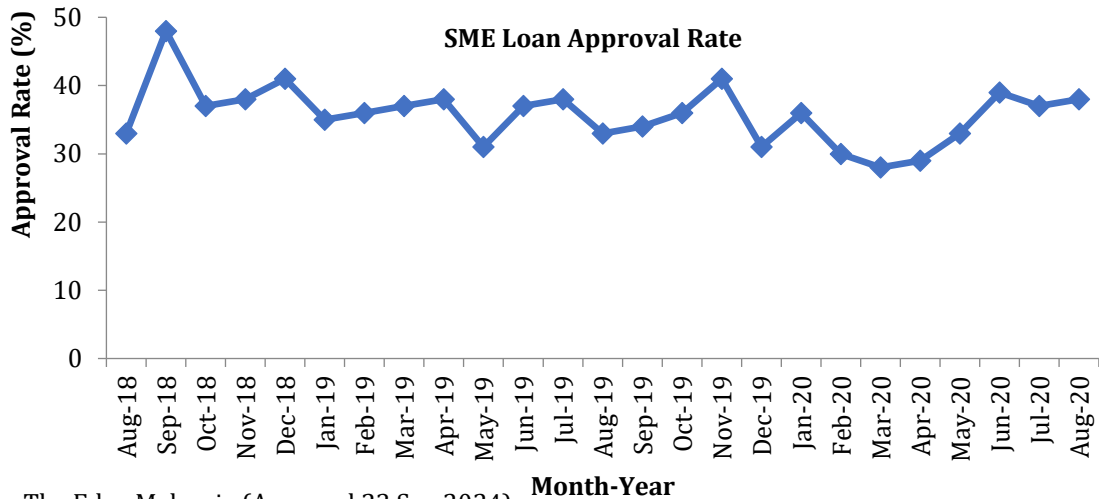
Financing Challenges for SMEs and the Agribusiness Sector

Small and medium-sized enterprises (SMEs) in Malaysia, particularly in the agribusiness sector, face numerous financial challenges (Radzi & Yaacob, 2022). Banks impose stringent requirements for obtaining loans, often demanding collateral, financial track records, and high interest rates, which are out of reach for many young entrepreneurs (Salikin et al., 2014). Research shows that 40% of SMEs encounter financial difficulties due to insufficient capital (Lam & Liu, 2020) and inadequate accounting records, limiting their ability to secure bank

loans (Adonia et al., 2018). Figure 1 illustrates the loan approval rate in Malaysia over three years, with the approval rate remaining below 50%.

Moreover, many young entrepreneurs are reluctant to pursue external financing options (Eniola, 2021), such as long-term loans, due to the perceived risk of bankruptcy and high interest repayments (Aderemi et al., 2021). As a result, crowdfunding, which provides a lower-risk, more accessible alternative to traditional financing methods (Torres et al, 2024), presents an opportunity for these entrepreneurs to overcome financial barriers and grow their businesses.

Figure 1: SME Loan Approval Rate by RHB Bank Bhd. in Malaysia from 2018 until 2020.



Source: The Edge Malaysia (Accessed 23 Sep 2024)

Awareness and Trust Issues in Crowdfunding

Despite the potential of crowdfunding, a lack of awareness and trust continues to limit its adoption among young agri-entrepreneurs. In Malaysia, studies reveal that public knowledge about crowdfunding remains low, with only 1% of the population exhibiting a high level of understanding (Tambi, 2022). Furthermore, fraud and trust issues compound this lack of awareness. Research shows that over 70% of participants in crowdfunding campaigns have experienced fraud or deception, resulting in a general mistrust of the platform (Arumugam et al., 2020).

Regulatory frameworks, although established, are still developing, and many entrepreneurs remain uncertain about the security of their investments on crowdfunding platforms (Azganin et al., 2021). This lack of confidence often deters participation, particularly among young agri-entrepreneurs, who may already be risk-averse due to the uncertain nature of the agricultural sector (Salim & Kassim, 2019).

Opportunities in Crowdfunding for Agri-Entrepreneurs

Despite these challenges, crowdfunding presents unique opportunities for young agri-entrepreneurs. Platforms such as Ata Plus and Ethis Kapital follow Islamic principles that avoid *riba'* (interest), offering ethical financial products aligned with the values of many Malaysian entrepreneurs (Razak et al., 2021). This model of crowdfunding, combined with *waqf* (endowment), has been shown to provide substantial benefits to underprivileged farmers, helping them access essential capital to meet their basic needs and contribute to economic development (Azganin et al., 2021).

Additionally, crowdfunding models such as donation-based and reward-based crowdfunding allow young agri-entrepreneurs to raise capital without the financial burden of repaying loans or offering equity stakes in their businesses. These models have been particularly successful among Malaysian start-ups, where bank financing is often inaccessible (Mokhtarrudin et al., 2017).

Given the growing importance of alternative financing mechanisms for young entrepreneurs, this study aims to explore the factors influencing the participation of young agri-entrepreneurs in crowdfunding platforms.

Specifically, it seeks to identify the challenges and opportunities associated with crowdfunding in the agribusiness sector, measure the level of awareness and attitudes toward crowdfunding, and assess the relationship between these attitudes and the desire to participate. By providing insights into these factors, this research aims to contribute to a better understanding of how crowdfunding can support young agricultural businesses in Malaysia.

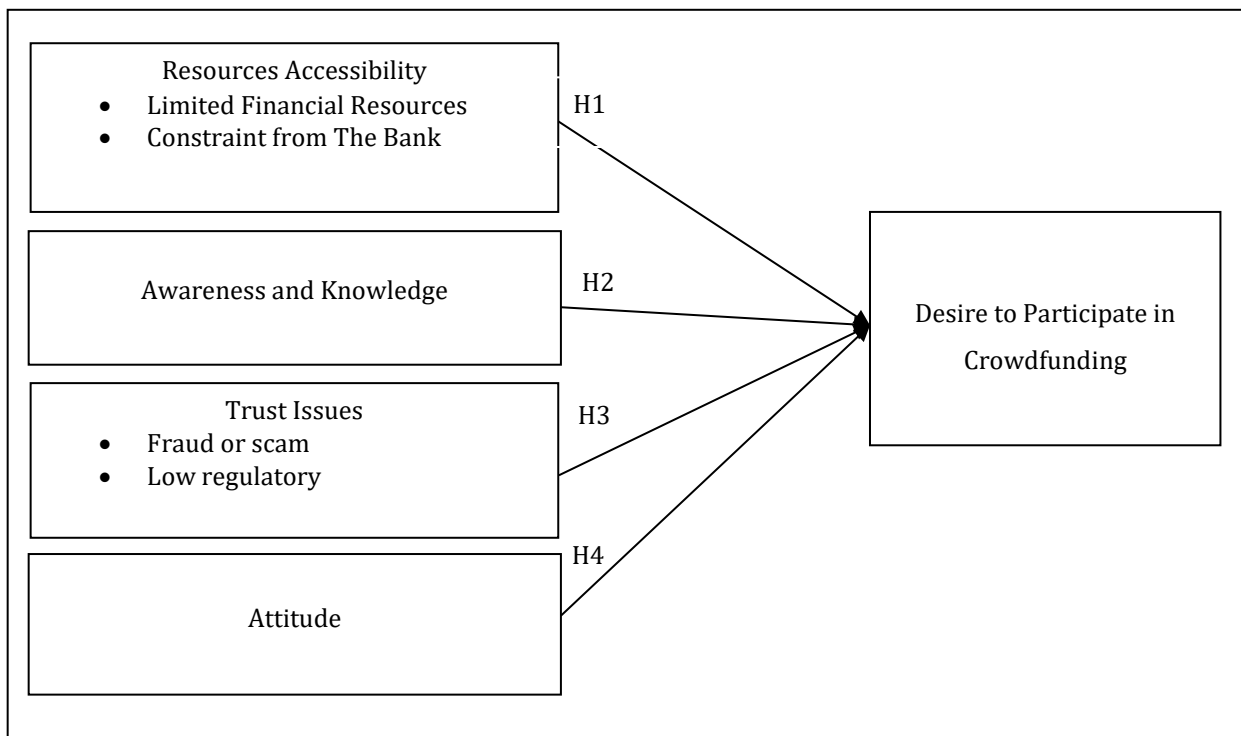
2. Methodology

This study adopts a quantitative research design to explore the factors influencing young agri-entrepreneurs' participation in crowdfunding across Malaysia. Data were gathered from a structured online questionnaire, distributed between October 2023 and June 2024, to a sample of 117 young agri-entrepreneurs aged 18 to 40, selected through convenience sampling.

The survey comprised three sections: demographic information, attitudes towards crowdfunding, and factors such as financial resources and trust issues. Section A collected demographic data, including age, gender, location, education, business experience, and income level. Section B assessed respondents' attitudes, awareness, and perceptions of crowdfunding using a 5-point Likert scale. Finally, Section C focused on factors like financial resources, trust issues, and the desire to engage in crowdfunding, utilizing a 7-point Likert scale to capture the intensity of their responses.

Figure 2: Research Framework

Determinants of Crowdfunding Participation Among the Young Agri-Entrepreneurs



Source: Authors, 2024

The research framework (Figure 1) for this study examines four key factors influencing the participation of young agri-entrepreneurs in crowdfunding: awareness and knowledge, resource accessibility, trust issues, and attitudes toward crowdfunding. Awareness refers to the entrepreneurs' understanding of crowdfunding platforms, where greater familiarity encourages higher participation (Tambi, 2022). Resource accessibility involves the financial constraints young entrepreneurs face, pushing them toward alternative financing methods like crowdfunding (Salikin et al., 2014). Trust issues focus on concerns related to platform security

and fraud (Arumugam et al., 2020), while attitudes capture the entrepreneurs' general perceptions of crowdfunding and their willingness to engage (Shabbab et al., 2020).

Based on these factors, the study proposes the following hypotheses:

- H1:** Resource accessibility significantly influences the desire to participate in crowdfunding.
- H2:** Awareness and knowledge about crowdfunding significantly influence participation desire.
- H3:** Trust issues significantly influence participation desire.
- H4:** Attitudes toward crowdfunding significantly influence participation desire.

The framework and hypotheses align with previous studies on alternative financing in entrepreneurial settings (Shi Qing et al., 2019).

The research instrument was developed based on previous studies on crowdfunding, entrepreneurship, and agribusiness (Shabbab et al., 2020; Salikin et al., 2014). The questionnaire was designed to assess multiple dimensions, including:

- **Awareness and Knowledge of Crowdfunding:** To measure respondents' familiarity with crowdfunding platforms and concepts.
- **Trust Issues:** To assess the perceived risks related to crowdfunding, particularly fraud and the lack of regulatory oversight.
- **Financial Resources:** To understand the financial constraints faced by agri-entrepreneurs and their preferences for alternative financing models.
- **Attitudes toward Crowdfunding:** To gauge the willingness and interest of young agri-entrepreneurs in participating in crowdfunding campaigns.

The validity and reliability of the survey were ensured through a pilot study involving 20 participants, which led to minor adjustments in the phrasing of questions for enhanced clarity. Cronbach's alpha was calculated to measure internal consistency, yielding a value of 0.930, indicating a high level of reliability (Taber, 2018). The data collected from the questionnaire were then analyzed using the Statistical Package for the Social Sciences (SPSS) version 26 to ensure precise and comprehensive statistical evaluation.

The analysis began with descriptive statistics to summarise the respondents' demographic characteristics and provide an overview of their attitudes toward crowdfunding. Following this, exploratory factor analysis (EFA) was employed to identify the key underlying factors influencing crowdfunding participation, allowing for the grouping of related variables and the reduction of data complexity. Lastly, Pearson correlation analysis was conducted not only to examine the relationships between the independent variables (such as resource accessibility, awareness, trust issues, and attitudes) and the dependent variable (desire to participate in crowdfunding) but also to test the proposed hypotheses. This analysis helped determine the strength and direction of these relationships, revealing how each factor contributes to the likelihood of crowdfunding participation.

3. Findings and Discussion

The descriptive analysis offers a clear profile of the respondents, providing insight into the context of young agri-entrepreneurs and their potential inclination toward crowdfunding.

Table 1: Respondent's Demographic Profile.

Items	Details	Frequency (n)	Percent (%)
Age (years)	18-23	42	35.9
	24-29	33	28.2
	30-35	19	16.2
	36-40	23	19.7
Gender	Male	60	51.3
	Female	57	48.7
Location	Johor	48	41

	Melaka	38	32.5
	Selangor	16	13.7
	Perak	2	1.7
	Perlis	1	0.9
	Pahang	2	1.7
	Negeri Sembilan	2	1.7
	Kelantan	5	4.3
	Sabah	1	0.9
	Terengganu	1	0.9
	Kedah	1	0.9
Education	Did not obtain formal education	1	0.9
	Secondary	38	32.5
	Skills Certificate	2	1.8
	Diploma	36	30.8
	Degree	38	32.5
	Master	2	1.7
Race	Malay	114	97.4
	Chinese	1	0.9
	Bumiputera Sabah	1	0.9
	Orang Asli (Indigenous)	1	0.9
Business Operation (Months)	0-1	2	1.7
	2-24	63	53.8
	25-49	24	20.5
	50-74	14	12
	75-99	2	1.7
	100-124	5	4.3
	150-174	5	4.3
175-199	2	1.7	
Monthly Income (RM)	≤ 3000	101	86.3
	< 6000	11	9.4
	≥ 6000	5	4.3
	Total	117	100

Note: Data collected by the authors until June 2024

Most respondents (35.9%) were aged 18 to 23, followed by 28.2% aged 24 to 29, suggesting that the younger demographic is in the early stages of entrepreneurship. They likely face significant barriers in accessing traditional financing, making crowdfunding an attractive alternative. The relatively balanced gender distribution (51.3% male, 48.7% female) highlights the growing participation of women in agribusiness, an industry historically dominated by men. This is important as crowdfunding, with its direct public appeal, may offer women entrepreneurs better access to capital, bypassing potential biases in traditional banking systems. Geographically, Johor (41%) and Melaka (32.5%) were the most represented regions, which may reflect higher agricultural activity in these areas. However, the low representation from other states like Sabah and Sarawak points to a potential gap in awareness or access to crowdfunding platforms, suggesting that these regions may benefit from targeted outreach programs.

In terms of education, a significant portion of respondents had higher education (32.5% with degrees, 32.5% with secondary education), indicating they are likely familiar with digital platforms, crucial for navigating crowdfunding. However, those with lower educational backgrounds may require more support in understanding how to engage with these platforms.

Business experience also plays a role, with 53.8% of respondents have been in operation for 2 to 24 months, signalling that most are early-stage entrepreneurs in need of capital to grow their ventures. The low-income

levels reported by 86.3% of respondents (earning below RM3000 monthly) further highlight their need for alternative financing, as traditional banks may be inaccessible to them.

These demographic insights underline the strong potential for crowdfunding among young agri-entrepreneurs, particularly those facing financial and geographic barriers. With the right awareness campaigns and support systems, crowdfunding could serve as an essential tool for driving innovation and growth in the agribusiness sector.

Factor Analysis

The Kaiser-Meyer-Olkin (KMO) measure (0.850) and Bartlett's test confirmed the dataset's suitability for factor analysis (Shrestha, 2021), as mentioned in Table 2. Principal Component Analysis (PCA) with varimax rotation was applied to identify key factors influencing crowdfunding participation. The relationship between the independent variables (resource accessibility, awareness, trust, and attitudes) and the dependent variable (desire to participate in crowdfunding) was examined, testing the following hypotheses:

Table 2: KMO and Bartlett's Test Result

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.850
	Approx. Chi-Square	2910.722
Bartlett's Test of Sphericity	df	406
	Sig.	0.000

Note. Data collected by the authors until June 2024

The commonality value represents the squared multiple correlations for each variable, using the factor as a predictor. It indicates the percentage of a variable's variance explained by the common components in the analysis. Item commonality serves as a numerical measure of how effectively the factor model captures the variation of an item. Acceptable cut-off values generally range from 0.25 to 0.4, but a threshold of 0.5 was applied in this study (Eaton et al., 2019).

The overall reliability of the selected items was 0.930. Table 3 shows the PCA with varimax rotation performed on the survey data. These techniques are frequently applied in exploratory data analysis to evaluate each component in light of the significance of the variables that significantly contributed to that component (Kakade et al., 2018).

Table 3: Output of Exploratory Factor Analysis

Items	Factor Loading				
	F1	F2	F3	F4	F5
Factor 1: Trust Issues					
Low regulatory oversight in crowdfunding increases the likelihood of fraud or scams	0.884				
The lack of a credible monitoring body to oversee crowdfunding platforms in Malaysia worries me	0.878				
I worry that there is no guarantee of getting my money back if a crowdfunding project fails.	0.868				
I am concerned about the possibility of my personal financial information being shared for other crowdfunding investment opportunities.	0.857				
The presence of fraudulent activities on crowdfunding platforms is a major concern for me	0.848				
The lack of clear guidelines on the responsibilities of crowdfunding platforms in handling disputes or fraudulent activities is a significant concern for me.	0.833				

I am concerned about the lack of regulations and oversight of crowdfunding platforms in Malaysia.	0.789
The laws and regulations governing crowdfunding platforms in Malaysia are unclear.	0.716
My biggest concern about crowdfunding is the risk of being involved in a fraudulent project	0.656
I will actively seek information or reviews about crowdfunding platforms before deciding to participate in any campaigns.	0.526
Factor 2: Limited Financial Resources	
I often find myself unable to pursue promising business opportunities due to financial constraints.	0.846
Limited financial resources delay my ability to invest in and grow my business.	0.838
Limited financial resources have a significant impact on my decision-making process regarding business investments.	0.790
Businesses with limited financial resources struggle to survive during economic downturns.	0.702
Limited financial resources hinder the research and development (R&D) of new products or services.	0.627
Factor 3: Attitude	
Participating in crowdfunding would help me connect with potential customers and investors.	0.862
Crowdfunding could help me overcome financial barriers and access capital for my business projects.	0.843
I am willing to invest time and effort into planning and executing a crowdfunding campaign for my business projects.	0.776
Crowdfunding offers more opportunities and flexibility compared to traditional banking loans for business projects.	0.727
I am confident in my ability to successfully raise funds through a crowdfunding campaign.	0.681
Factor 4: Limitation of the Bank	
Banks do not offer enough financial products that are suitable for the needs of small businesses.	0.845
The interest rates charged by banks are too high.	0.819
The eligibility requirements for obtaining a bank loan are too strict.	0.790
The lack of sufficient collateral makes it difficult to obtain a bank loan.	0.667
Banks are more interested in lending to businesses with a strong repayment history, rather than assessing the business's needs and growth potential.	0.569
Factor 5: Awareness and Knowledge	
I understand the basic concept of crowdfunding.	0.863
I know how to find information about crowdfunding projects in Malaysia.	0.824
I have heard of crowdfunding.	0.812
I am confident about the safety and regulations of crowdfunding platforms in Malaysia.	0.603

Cronbach's Alpha	0.945	0.896	0.872	0.914	0.850
Eigenvalue	10.933	4.205	2.843	1.633	1.348
Percentage of variance (%)	37.699	14.502	9.805	5.631	4.647
Cumulative percentage of the variance (%)	37.699	52.201	62.005	67.636	72.283

Rotated Component Matrix Table

Extraction Method: Principal Component Analysis (PCA) Rotation Method: Varimax with Kaiser

Normalization

Note: Data collected by the authors until June 2024

The factor analysis conducted in this study identified five key factors that influence young agri-entrepreneurs' participation in crowdfunding. The Kaiser-Meyer-Olkin (KMO) value was 0.850, indicating that the sample was adequate for factor analysis, and Bartlett's test of sphericity was significant ($p < 0.05$), confirming the appropriateness of the dataset.

The first factor, *Trust Issues*, emerged as the most influential, with an Eigenvalue of 10.933 and a Cronbach's alpha of 0.945, indicating high internal consistency. This factor encompassed concerns around fraud, regulatory oversight, and platform security, all of which affect confidence in crowdfunding. These trust issues were seen as a major barrier to participation.

The second factor, *Limited Financial Resources*, had an Eigenvalue of 4.205 and a Cronbach's alpha of 0.896. This factor highlighted the financial constraints faced by young agri-entrepreneurs, such as insufficient capital and difficulty in securing traditional loans, which push them to explore alternative financing methods like crowdfunding.

Attitudes toward crowdfunding formed the third factor, with an Eigenvalue of 2.843 and a Cronbach's alpha of 0.872. This factor captured the respondents' perceptions of crowdfunding as a flexible and viable option for business financing. While many had positive attitudes, this alone did not always translate into participation due to other limiting factors.

The fourth factor, *Bank Limitations*, had an Eigenvalue of 1.633 and a Cronbach's alpha of 0.914. This factor covered the strict criteria imposed by banks, such as high interest rates and collateral requirements, which restrict young entrepreneurs' access to traditional financing, driving them toward alternative solutions like crowdfunding.

Finally, *Awareness and Knowledge* about crowdfunding were identified as the fifth factor, with an Eigenvalue of 1.348 and a Cronbach's alpha of 0.850. This factor underscored the importance of awareness, as greater knowledge of crowdfunding platforms was associated with a higher likelihood of participation.

Overall, the factor analysis revealed that trust issues, financial constraints, attitudes, banking limitations, and awareness levels are all critical in determining whether young agri-entrepreneurs engage with crowdfunding platforms. These factors provide a foundation for understanding how to better promote crowdfunding as a solution to financing challenges in the agribusiness sector.

Attitude Level

The inclusion of attitude levels in this study serves to examine how young agri-entrepreneurs perceive crowdfunding as a viable financing option and the extent to which these perceptions influence their desire to participate. Understanding the role of attitudes provides valuable insights into the factors driving or hindering participation, which can inform targeted strategies to increase engagement. The analysis of the respondents' attitudes toward crowdfunding revealed three distinct levels: high, medium, and low as presented in Table 4.

Table 4: Attitudes Toward Crowdfunding

Attitude Level	Frequency (n)	Percent (%)
High	30	25.6
Medium	56	47.9
Low	31	26.5
Total	117	100.0

Note: Data collected by the authors until June 2024

Out of 117 respondents, 25.6% (30 respondents) demonstrated a high attitude level toward crowdfunding, indicating a strongly favorable view of it as a financing option. These respondents showed confidence in crowdfunding as a tool that could help them overcome financial barriers and grow their businesses. The high attitude level suggests that these entrepreneurs are likely early adopters, open to exploring alternative methods of financing, including crowdfunding.

A medium attitude level was recorded in 47.9% (56 respondents), making it the largest group. These respondents exhibited a more neutral stance, neither strongly supporting nor opposing crowdfunding. This group likely sees potential in crowdfunding but may have reservations about its effectiveness or security. They may also be uncertain about how well crowdfunding aligns with their business needs or the agricultural sector's specific challenges. This group represents a significant opportunity for education and outreach, as targeted efforts could help move them from a neutral to a more favorable attitude toward using crowdfunding.

The remaining 26.5% (31 respondents) displayed a low attitude level, suggesting skepticism or hesitancy toward crowdfunding. These entrepreneurs may prefer traditional financing methods, such as bank loans, or may be unfamiliar with crowdfunding platforms. Their reluctance could also stem from concerns about fraud, the complexity of using crowdfunding platforms, or a lack of confidence in the outcomes of crowdfunding campaigns. Overcoming these barriers will be crucial in driving wider adoption of crowdfunding in the agri-entrepreneurial community.

Overall, the attitude level distribution highlights the need for focused interventions to educate entrepreneurs about the benefits of crowdfunding. While a quarter of the respondents are enthusiastic about using crowdfunding, the majority remain neutral or hesitant. This suggests that more awareness, case studies, and success stories could help increase positive attitudes toward crowdfunding, especially among those currently in the medium and low attitude groups.

Pearson Correlation Analysis

The Pearson correlation analysis provided valuable insights into the relationships between the independent variables (resource accessibility, awareness and knowledge about crowdfunding, trust issues, and attitude of young agri-entrepreneurs) and the dependent variable (desire to participate in crowdfunding). The analysis revealed a weak but positive relationship between resource accessibility and the desire to participate ($r = 0.175$, $p = 0.059$), suggesting that while financial constraints push young agri-entrepreneurs to explore crowdfunding, the relationship is not statistically significant (Table 5).

Table 5: Pearson Correlation Analysis's Output

		Resources Accessibility	Awareness and Knowledge about Crowdfunding	Trust Issues	The Attitude of The Young Agri Entrepreneur Towards Crowdfunding
Desire to participate in crowdfunding	Pearson Correlation (r)	0.175*	0.198**	0.023	0.029
	Sig. (2-tailed)	0.059	0.033	0.807	0.755

Note: ** Significant at 5%, * Significant at 10%
 Data collected by the authors until June 2024

Pearson correlation analysis

A more significant finding was the positive relationship between awareness and knowledge of crowdfunding and the desire to participate ($r = 0.198, p = 0.033$), indicating that increased familiarity with crowdfunding platforms positively influences participation. This highlights the importance of educating young entrepreneurs about the benefits and mechanisms of crowdfunding as a viable financing option.

Interestingly, trust issues did not show a significant relationship with the desire to participate in crowdfunding ($r = 0.023, p = 0.807$). Despite concerns about fraud and platform security, these factors did not appear to heavily influence the decision to engage in crowdfunding. This may be due to the overall lack of experience or exposure to crowdfunding platforms, which could mitigate the impact of trust concerns.

Finally, the correlation between attitudes toward crowdfunding and the desire to participate was also not significant ($r = 0.029, p = 0.755$). This suggests that while attitudes toward crowdfunding are generally positive, they may not be strong enough on their own to drive participation, likely due to lingering uncertainties or preferences for more traditional financing methods.

These results underscore the importance of raising awareness and providing clear information to young agri-entrepreneurs, as familiarity with crowdfunding appears to be the most significant factor driving participation. The hypothesis testing aimed to examine the relationships between the identified factors—resource accessibility, awareness and knowledge about crowdfunding, trust issues, and attitudes of young agri-entrepreneurs—and their desire to participate in crowdfunding. The results provide critical insights into the motivations and barriers that influence crowdfunding participation among young agri-entrepreneurs in Malaysia.

Table 6: Hypothesis Testing

	Variable	r Value	p-Value	Strength and Relationship	Result
H1	Resource accessibility	0.175	0.059*	Weak positive	Supported
H2	Awareness and Knowledge about Crowdfunding	0.198	0.033**	Weak positive	Supported
H3	Trust Issues	0.023	0.807	Weak positive	Not supported
H4	The Attitude of The Young Agri Entrepreneur	0.029	0.755	Weak positive	Not supported

Note. ** Significant at 5%, * Significant at 10%; Data collected by the authors until June 2024

The results of the hypothesis testing highlight awareness and knowledge as the most significant factor influencing young agri-entrepreneurs' desire to participate in crowdfunding. Entrepreneurs who are more familiar with crowdfunding's potential benefits and processes are more likely to consider it a viable financing option (Bernadino & Santos, 2020). However, resource accessibility, while important, did not significantly influence participation, perhaps due to a lack of experience or confidence in the platform's ability to meet financing needs.

Interestingly, trust issues, despite being a common concern, did not have a strong influence on participation, suggesting that entrepreneurs may be more focused on financing opportunities than risks at this stage. Finally, attitudes toward crowdfunding, while generally positive, were not significant enough to drive participation, indicating that more needs to be done to demonstrate the effectiveness and reliability of crowdfunding in the local context.

These findings suggest that raising awareness and providing education on crowdfunding, while also addressing concerns about platform security and trust, are critical steps for increasing participation among young agri-entrepreneurs. As crowdfunding continues to grow as an alternative financing model, improving knowledge and confidence in its use will be essential for broadening its adoption in the Malaysian agribusiness sector.

4. Conclusion and Recommendations

This study underscores the crucial role of awareness and knowledge in encouraging young agri-entrepreneurs to participate in crowdfunding. While financial constraints drive entrepreneurs toward alternative financing options, limited knowledge and regional disparities pose significant barriers to wider adoption. Although trust and attitudes towards crowdfunding were found to be less influential, they remain important factors that can be enhanced through regulatory improvements. Crowdfunding has substantial potential to support Malaysia's agricultural sector, particularly among young, tech-savvy entrepreneurs. To fully realize this potential, comprehensive educational initiatives, trust-building efforts, and tailored support systems are necessary to overcome the barriers posed by traditional financing models.

To promote crowdfunding effectively among young agri-entrepreneurs in Malaysia, a multifaceted strategy is required. This should involve targeted educational programs, especially in regions with lower levels of engagement, and the strengthening of regulatory frameworks to build trust in the system. Highlighting local success stories, providing financial incentives such as tax breaks, and offering simplified tools and mentorship to support early-stage entrepreneurs are also essential steps. Tailored outreach initiatives will ensure equitable access to crowdfunding opportunities across the country. Furthermore, future research should explore long-term trends in crowdfunding adoption, the role of technology and success stories in fostering participation, and the influence of cultural and regional differences. By implementing these strategies and advancing research, crowdfunding can serve as a powerful instrument for driving innovation and financial growth in Malaysia's agricultural sector.

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