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THE EFFECT OF PEER-TO-PEER LOANS ON PERFORMANCE MEDIATED BY FINANCIAL LITERACY

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Abstract

Lack of understanding regarding financial management traders has caused many MSMEs to close down. This research contributes to the growing literature on digital finance and MSME management by demonstrating that financial literacy acts as a mediating variable in the relationship between peer-to-peer (P2P) lending utilization and MSME performance. These findings expand the conceptual model, which has focused primarily on the direct impact of financing access on business performance, by demonstrating that the effectiveness of digital financing is significantly influenced by MSMEs' ability to understand, manage, and appropriately utilize financial resources. This study uses an explanatory research approach and in-depth literature study. This study employed a literature review as a data analysis method. The data sources used in this study consisted of secondary data. The data collection technique employed a comparison of research data from various journals and related sources. The results of this study indicate that peer-to-peer lending has a positive and significant effect on performance. Peer-to-peer lending also has a positive and significant effect on financial literacy of MSMEs in North Sumatra. Meanwhile, financial literacy has a positive and significant effect on MSME performance. In the indirect hypothesis, it was found that financial literacy mediates the influence between peer-to-peer lending and MSME performance. Therefore, it can be said that all variables influence the sustainability of MSMEs in North Sumatra.

***Keywords** : MSME Performance, North Sumatra, Financial Literacy, Peer-to-Peer Lending*

INTRODUCTION

Micro, small, and medium enterprises (MSMEs) are crucial to the Indonesian economy, particularly in the context of the people's economy, which aims to boost the national economy. As MSMEs develop in Indonesia, they must be prepared to survive and compete with other MSMEs. This encourages MSME owners to build new and unique businesses with good results. Most MSME owners lack a long-term focus due to their lack of broad perspective and knowledge. Because they lack management knowledge, their efforts to improve performance are often conventional. As a result, they often mismeasure company productivity, which ultimately impacts company performance (Lubis, Ainun Mardiah, 2021).

However, two factors influence the progress of MSMEs. The first is internal factors, which include a lack of capital, production, marketing, and human resources. The second is external factors, which include problems arising from MSME developers and mentors. If these issues are not addressed, they will impact MSME performance. Compared to other ASEAN countries, Indonesian MSMEs still perform poorly in terms of productivity, export contribution, participation in global and regional production, and added value. Among the reasons for the low performance of MSMEs in Indonesia are a lack of access to capital; problems with obtaining permits; inadequate infrastructure support; and low levels of education and skills. This may be due to MSMEs' lack of awareness of the existence of financial institutions. This is what is called financial literacy (Fitriyani, 2023).

Financial literacy for small and medium enterprises (MSMEs) is the ability of managers to prepare financial reports, manage debt, and create budgets. Recording Financial Reports is about how MSME managers can record business activities, income and expenses, profits, and other matters related to business performance. Because MSMEs have not been able to prepare their own financial reports for some time, most commercial banks have not approved capital loans. These MSME financial reports are very important for understanding their business progress. According to debt management literacy, small and medium enterprises (MSMEs) have two ways to fund their working capital and investments. Small and medium enterprises (MSMEs) have two main sources of funding. First, they can use savings; second, they can borrow debt from other parties. A business experiences a decrease in the proportion of personal capital when choosing debt. This differs from the proportion of external capital and debt. Budgeting Literacy, which can be used for business planning (Amri & Iramani, 2018).

Peer-to-Peer (P2P) lending is officially regulated by the Financial Services Authority (OJK) through Financial Services Authority Regulation (POJK) Number 77/POJK.01/2016 (Financial Services Authority, 2016). Many people are now turning to financial technology because modern society wants everything to be fast and easy without rules and restrictions. This indicates that MSMEs prefer using financial technology due to factors such as convenience, security, transaction accuracy, and ease of processing, as well as increased sales (Sugiarti et al., 2019).

The development of Peer-to-Peer (P2P) financing in North Sumatra shows a positive trend in supporting financing for small and medium enterprises (MSMEs), which often face difficulties obtaining capital from conventional banks. In this region, total P2P lending disbursement has recorded growth in 2024, and the number of platform users continues to increase. Fintech lending now dominates the alternative financing industry in North Sumatra, driving financial inclusion, particularly in the small and medium enterprise (MSME) sector, which plays a crucial role in the local economy. Medan's fintech lending growth was the highest in the province until early 2024. The Indonesian Fintech Lending Association (AFPI) also supports this growth through financial literacy and education programs. Through events such as "Fintech Lending Days," MSMEs gain a better understanding of available financing opportunities and the benefits of P2P financing.

Research on the impact of peer-to-peer (P2P) lending on MSME performance has grown along with the rapid adoption of financial technology. Most previous studies have shown that access to financing through P2P lending can increase working capital, expand business capacity, and drive MSME performance growth. Furthermore, research on financial literacy has consistently demonstrated that MSMEs' ability to understand and manage finances positively impacts business decision-making and business success. However, most studies have only examined the direct impact of P2P lending on MSME performance or the direct impact of financial literacy on performance, thus failing to explain the mechanisms by which digital financing translates into improved business performance.

The novelty of this research lies in the development of a conceptual model that integrates the dimensions of digital financing (digital financial inclusion) with business actors' financial management capabilities (financial capability) to explain improved MSME performance. Unlike previous research, which generally only examined the direct relationship between P2P lending and MSME performance, this study positions financial literacy as a mediating mechanism that explains how access to digital financing can lead to improved business performance.

LITERATURE REVIEW

MSME Performance

How MSMEs optimally utilize their internal resources can impact their performance. According to the RBV (Research and Development) Model, the utilization of MSMEs' internal resources is highly dependent on their success in accessing P2P lending and financial literacy. Utilizing valuable, rare, inimitable, and non-substitutable (VRIN) resources enables MSMEs to gain a competitive advantage in facing economic challenges and digitalization. In this context, the RBV provides a robust theoretical framework for understanding how MSMEs can improve their performance by managing and utilizing internal and external resources. For small and medium enterprises (MSMEs), technology adoption can increase operational productivity, open doors to new markets, and enhance their financial management capabilities. Performance is the result achieved by an individual or organization in completing assigned tasks, which is based on time, experience, skills, and dedication (Hasibuan, 2002).

Performance can also be defined as the results or level of success of an individual over a specific period of time in completing a task compared to possibilities, such as work results, targets, goals, or criteria that have been established and mutually agreed upon (Rivai, 2005). Company performance, which is the results or achievements influenced by a company's operational activities in utilizing its resources, differs from the company's performance over a specific period of time (Srimindarti, 2004). From the various definitions of performance and MSMEs above, it can be concluded that MSME performance is the overall work results achieved compared to work results, targets, goals, or criteria that have been established and mutually agreed upon within a business entity, with asset and turnover criteria stipulated in law.

Small and medium-sized businesses (MSMEs) tend to have resilience or stable performance amidst changes in the business and economic climate. MSME performance can be analyzed using simple measurement methods, such as perception. It is hoped that this perception will reflect the true condition of

MSMEs. In the future, it is also necessary to provide training to calculate company performance with easy indicators such as sales growth, capital growth, annual workforce growth, and economic growth (Aribawa, 2016).

Financial Literacy

Based on Financial Services Authority Regulation Number 76/POJK.07/2016 concerning Improving Financial Literacy and Inclusion in the Financial Services Sector for Consumers and the Public, financial literacy is defined as the knowledge, skills, and beliefs that influence attitudes and behaviors aimed at improving decision-making and better financial management for the well-being of society. Financial literacy is a person's knowledge and understanding of basic financial concepts, such as financial management, savings, loans, insurance, and investments, and how to use them in business and personal life. The more financial literacy a person has, the better they will behave and manage their finances (Gunawan et al., 2019) (Kinasih, A. S. D., Hermuningsih, S., & Rinofah, R. (2025).

Financial literacy also means a person's ability to make good financial decisions. This can help them avoid financial problems, especially from financial mismanagement. Financial literacy also means a person's ability to understand financial situations and financial concepts so they can apply this knowledge to their behavior (Welly et al., 2016, Delyana Rahmawany Pulungan & Febriaty, 2018). Financial literacy, according to the Organization for Economic Co-operation and Development (OECD), is the knowledge and understanding of financial concepts and risks, as well as the skills, motivation, and confidence to apply this knowledge and understanding to make effective financial decisions, improve the financial well-being of each person and society, and participate in the economic sector (Financial Services Authority, 2017). A person who has financial literacy may Having the ability to make different financial decisions, discuss financial issues, plan for the future, and effectively handle uncertainty. These abilities can influence daily financial decisions (Cude et al., 2006).

After possessing adequate knowledge and skills, the public is expected to have confidence in financial services institutions and their products and services. Self-confidence should be possessed by everyone, not just those in the financial services industry. This includes confidence in conducting financial activities, such as preparing budget plans, recording investment and expenditure plans, and so on (Huston, S.J. 2010).

The Financial Services Authority (OJK) states that financial literacy is highly beneficial for the public. To be able to choose financial products and services that meet their needs, the public must fully understand the benefits and risks, be aware of their rights and obligations, and believe that choosing the financial products and services they choose can improve their well-being. Financial literacy enables the public to gain benefits, such as the ability to choose and utilize financial products and services that meet their needs, the ability to take the necessary actions to meet their needs, and the ability to effectively manage them. Financial literacy significantly benefits the financial services industry because it enables individuals to understand the advantages and disadvantages of financial products and services.

P2P Lending

Peer-to-Peer (P2P) Lending is a financial service that connects those in need of loans with those willing to provide them through digital technology. Peer-to-Peer Lending (P2P Lending) is a financing model that allows individuals or companies to obtain loans directly from individual lenders or investors through an online platform, without using conventional financial institutions such as banks as intermediaries. This financing model connects those in need of funds with those willing to provide them, and the transaction is usually facilitated by the online platform. However, P2P Lending also carries risks, such as credit risk or default on the part of the borrower. However, this process benefits both parties: borrowers can obtain funds with more flexible terms than banks, and investors or lenders can earn higher returns than saving at a bank.

One innovation in the financial technology (FinTech) sector is peer-to-peer (P2P) lending, which allows lenders and borrowers to interact directly through a digital platform without using traditional banking intermediation processes. By utilizing information technology, this financing model accelerates loan applications, credit analysis, disbursement, and repayment. This increases efficiency, transparency, and access to financing for MSMEs. Meanwhile, Claessens et al. (2018) stated that P2P lending is a financial innovation that significantly helps reduce barriers to access to financing caused by digital technology. This platform accelerates the selection process, risk analysis, and disbursement of funds, which can improve the efficiency of the financial system and encourage the growth of small and medium enterprises (MSMEs).

P2P Lending in Indonesia is an Information Technology-Based Joint Funding Service (LPBBTI), managed by licensed providers and supervised by the Financial Services Authority (OJK). By offering fast, easy, and technology-based financing, LPBBTI aims to increase financial inclusion for the public and businesses that have not yet obtained optimal access to formal financial services. The OJK continues to strengthen the regulation and supervision of this industry through various policies and development roadmaps to ensure healthy and safe growth for consumers. According to Lee and Shin (2018), as part of the fintech ecosystem, P2P Lending is changing the way people use digital technology to obtain financial services. This system reduces transaction costs, speeds up the process of disbursing funds, and offers services to businesses that previously had difficulty obtaining credit from conventional financial institutions.

3. Research Method

This study used the Systematic Literature Review (SLR) method to identify, evaluate, and synthesize various research findings related to the research topic. The review process was conducted based on the Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) guidelines. A screening process was then conducted based on inclusion and exclusion criteria. Articles that met the requirements were then analyzed in depth through data extraction and thematic synthesis. The review results were used to identify research trends and research gaps, as well as to build a conceptual framework to support further research development.

The data sources used in this study consisted of secondary data. The data collection technique employed a comparison of research data from various journals and related sources. The variables included in the exogenous variables are: financial inclusion, P2P lending and Payment Channel System. The variables included in the endogenous variables are the variables of Financial Literacy and MSME Performance. The variables included in the mediation in this study are financial literacy variables, where these variables mediate the effect of financial literacy on endogenous variables or MSME performance. In this study, the data sources used consist of Secondary Data.

RESULT AND DISCUSSION

Lending Impacts MSME Performance

Research results show that peer-to-peer (P2P) lending has a positive and significant impact on the performance of MSMEs in North Sumatra. This finding suggests that the higher the utilization of technology-based financing services (peer-to-peer lending), the better the performance of MSMEs. Ease of access to funding through P2P lending platforms allows MSMEs to obtain additional business capital more quickly, easily, and flexibly than conventional financing. This additional capital can be used to increase production capacity, expand marketing, purchase business equipment, improve product quality, and meet working capital needs, thus impacting sales, profits, and business sustainability.

In the era of technology 4.0, fintech P2P lending can greatly facilitate business owners in borrowing money and using it as working capital. P2P lending offers simplicity in terms of both loan requirements and procedures. The P2P lending process is also conducted online, allowing loan applicants to easily apply for loans from anywhere without having to visit a physical office (Setyaningsih et al., 2020). Research by Hartono & Hartomo (2014) identified significant challenges faced by MSMEs, including low capital. Therefore, the convenience offered by fintech P2P lending can help businesses improve their performance. Research related to P2P lending fintech, conducted by Amranı et al. (2018); Harp et al. (2021); and Naysary & Daud (2021), found that P2P lending positively impacts MSME performance. In developed countries, using fintech is a normal phenomenon and can reflect the maturity of business actors, thus improving business performance.

In addition to providing access to capital, P2P lending also encourages digital transformation in business management. P2P lending platforms generally utilize digital technology in the loan application process, business feasibility analysis, and payment monitoring. This encourages MSMEs to be more adaptive to the use of financial technology, increase transparency in business management, and improve financial governance. As business actors' abilities to utilize financial technology increase, business management effectiveness also increases, ultimately positively impacting MSME performance.

P2P lending, or lending between individuals via the internet without the intervention of conventional financial intermediaries like banks, can significantly facilitate business actors in obtaining business capital. The online P2P lending process, with simple loan terms and procedures, allows entrepreneurs to easily apply for loans without having to visit a physical office. Data from the questionnaire indicates that the P2P lending variable scores are in the high category, in line with the high category of business performance. Increasing access and ease of credit through P2P lending can improve business performance. In this context, P2P lending helps address key challenges faced by MSMEs, particularly low capital, thereby accelerating business growth. This finding is consistent with the results of previous studies (Amranı et al., 2018; Harp et al., 2021; Naysary & Daud, 2021) which showed a positive impact of P2P lending on MSME performance.

Most studies show that P2P lending positively contributes to improving MSME performance through easier access to financing, faster disbursement, and simpler requirements compared to conventional financial institutions. Technology-based financing enables MSMEs to obtain additional working capital to increase production capacity, expand markets, and improve cash flow. However, several studies also reveal that increased access to financing does not always translate into improved business performance. In certain circumstances, additional capital actually increases financial risk when business owners lack the ability to manage loans effectively. These findings suggest that the relationship between P2P lending and MSME performance is not entirely direct, but rather influenced by other factors that determine the effectiveness of fund utilization.

Financial Literacy Affects MSME Performance

The research results show that financial literacy has a positive and significant impact on the performance of MSMEs in North Sumatra. This finding indicates that the higher the level of financial literacy possessed by MSMEs, the better their business performance. Financial literacy enables entrepreneurs to have the knowledge, skills, and confidence to manage finances effectively, enabling them to make more informed business decisions, allocate capital efficiently, control operational costs, and increase profitability and business sustainability. This finding aligns with evidence that the ability to understand and use financial information is a critical factor supporting the productivity and competitiveness of MSMEs. Financial literacy can improve the welfare of MSME entrepreneurs and protect them from potential losses due to financial sector crime. This reflects the point in the consumer empowerment trilogy, which demonstrates the link between consumer protection, financial inclusion, and financial literacy. The growth of MSMEs also needs to be supported by the level of public financial literacy (Chepngetich, 2016).

Conceptually, financial literacy is not only related to the ability to understand financial products and services, but also encompasses the ability to prepare budgets, manage cash flow, maintain financial records, calculate working capital needs, evaluate risks, and plan business investments. MSMEs with good financial literacy tend to be able to separate personal and business finances, manage debt wisely, and develop business development strategies based on actual financial conditions. These capabilities have a direct impact on increasing operational efficiency and the quality of business decision-making, thereby driving improved MSME performance.

The findings of this study also support the findings of Aribawa (2016), which showed that financial literacy positively impacts the performance and sustainability of MSMEs in Central Java. Furthermore, recent research by Salim and (2026) found that financial literacy increases revenue, cost efficiency, profitability, and sustainability of MSMEs in the non-agricultural production sector in Indonesia. Similar results were also reported in a study of MSMEs in Kuwait, which found that increased financial literacy strengthens financial management capabilities and positively impacts business performance.

The practical implication of these findings is that improving MSME performance is not sufficient through providing access to financing alone; it must also be accompanied by increasing the financial literacy capacity of business actors (Safrianti et al., 2026). The government, the Financial Services Authority (OJK), financial institutions, universities, and MSME support organizations need to expand educational programs on financial management, financial reporting, investment planning, debt management, and the use of financial technology. By improving financial literacy, MSMEs will be better able to utilize their resources optimally, thereby increasing productivity, competitiveness, and business sustainability.

One way to address the capital challenges faced by MSME entrepreneurs is by facilitating access to financial services. Ease of access to financial institutions will make it easier for the public and businesses to obtain capital to carry out their business processes (Alimi, 2018). However, data from the Financial Services Authority (OJK) shows that Indonesia's financial literacy index is 49.68%, while its financial inclusion index is 85.10% (Purnama, 2022). This indicates that Indonesia's financial inclusion is high, but financial literacy remains relatively low. Therefore, MSME entrepreneurs' knowledge of financial literacy in running their businesses is crucial and serves as a foundation for improving business performance. Difficulties in improving business performance are not only caused by low capital but can also arise from errors in financial management, such as misuse of credit, lack of financial planning, and lack of savings (Ritonga, 2021). Therefore, it can be concluded that, in running a business, an entrepreneur must also possess financial skills and knowledge to manage their finances effectively. Therefore, financial literacy is crucial for every entrepreneur. Therefore, high financial inclusion, supported by good financial literacy, will improve business performance (Iko, 2019).

Literature shows that financial literacy is one of the most consistent factors influencing the success of MSMEs. Business owners with high levels of financial literacy tend to be better able to develop financial plans, manage cash flow, make appropriate investments, and control business risks. Conversely, low financial literacy leads to less productive use of capital, a higher risk of default, and low operational efficiency. Therefore, financial literacy serves not only as knowledge but also as the ability to make financial decisions that impact business sustainability.

The Influence of Peer-to-Peer Lending on Financial Literacy of MSMEs

The research results show that peer-to-peer lending has a positive and significant impact on the financial literacy of MSMEs in North Sumatra. This finding indicates that the higher the utilization of technology-based financing services (peer-to-peer lending), the higher the level of financial literacy of MSMEs. In other words, the use of peer-to-peer lending platforms not only provides access to financing sources but also encourages business owners to improve their understanding of financial concepts, such as cash flow management, preparing simple financial reports, financing planning, calculating interest or returns, and the ability to evaluate financial risks (Mahastanti et al., 2025).

This phenomenon can be explained by the fact that the process of applying for financing through peer-to-peer lending platforms generally requires MSMEs to understand their business's financial condition. Before obtaining funding, business owners must prepare information regarding turnover, profits, cash flow, repayment capacity, and other supporting documents. This indirectly encourages MSMEs to learn and improve their financial management skills. Furthermore, various peer-to-peer lending platforms also provide financial education features, loan simulations, information on loan costs, financing risks, and payment management, all of which can enhance users' financial knowledge.

Based on the Resource-Based View (RBV) perspective, financial literacy is an intangible resource that can increase the competitiveness of MSMEs. Access to peer-to-peer lending provides opportunities for business owners to gain experience using digital financial services, thereby enhancing their financial competence. The higher the level of financial literacy, the better the MSMEs' ability to make investment decisions, allocate working capital, manage risk, and utilize financing productively to grow their businesses.

This research finding also aligns with the concept of financial capability, which states that experience in using modern financial products and services is a crucial factor in shaping financial literacy. Through interactions with peer-to-peer lending platforms, MSMEs gain practical knowledge about digital financing mechanisms, repayment obligations, interest rates or yields, and the importance of maintaining their business's financial health to meet the requirements for financing. This experience strengthens their ability to manage their finances more effectively than relying solely on conventional business experience.

The results of this study are also consistent with various previous studies showing that the development of financial technology (fintech) can improve the financial literacy of the public and MSMEs. Research by Morgan and Trinh (2020) explains that the use of digital financial services provides users with hands-on experience in understanding financial products, thereby improving financial literacy. Similar findings were also presented by the OECD (2023), which stated that the use of digital financial services contributes to improving financial knowledge, behavior, and attitudes regarding finance among individuals and businesses. Therefore, the results of this study strengthen the empirical evidence that peer-to-peer lending functions not only as a financing alternative but also as a learning tool that can improve the financial literacy of MSMEs.

The practical implication of these findings is the need for collaboration between the government, the Financial Services Authority (OJK), peer-to-peer lending providers, and MSME support institutions to integrate financial education programs with digital financing services. These programs could include training in financial report preparation, cash flow management, investment planning, debt management, and the responsible use of digital financing. With increased financial literacy, MSMEs not only have easier access to financing through peer-to-peer lending, but are also able to utilize the funds obtained more effectively to increase productivity, competitiveness, and the sustainability of their businesses.

The synthesis results show that research on the mediating role of financial literacy is relatively limited compared to studies examining direct relationships between variables. Several studies indicate that access to digital financing will have a greater impact on performance if business actors have the ability to manage funds effectively. Thus, financial literacy serves as a bridging mechanism between access to digital financing and improved MSME performance. These findings suggest that the benefits of P2P lending are determined not only by the availability of capital, but also by the ability of business actors to utilize that capital productively.

Financial literacy can strengthen the influence of P2P lending on MSME performance

The existence of fintech has a significant impact on MSMEs and is supported by increased financial literacy (Dewi et al., 2018; Kurniasari et al., 2025). Research by Amoah & Mungai (2020) indicates a significant relationship in analyzing and developing innovative solutions for fintech platforms, establishing a strategic role between regulators and fintech providers. Research by Rohmah (2019) proves that fintech P2P lending can improve business performance. Aribawa (2016) stated in his research that financial literacy can drive accountable financial management and authentic added value for MSMEs' success in competing in the global market, thus aligning with improved business performance. Saputri (2019) states that financial literacy is an integral part of life, as it serves as a tool for making informed and reliable decisions. Financial literacy plays a role in moderating fintech-based P2P lending and business performance.

If business owners obtain additional capital through P2P lending and practice good financial literacy, they can effectively manage their finances to achieve their goals, namely generating substantial profits, thus improving business performance. A high level of financial literacy will lead to optimal utilization of fintech P2P lending and can improve or strengthen business performance. However, a low level of financial literacy will negatively impact fintech performance, which can be detrimental (Pambudianti et al., 2020; Abbasi et al., 2021).

A synthesis of various studies reveals three major gaps. First, the majority of research still focuses on the direct effect of P2P lending on MSME performance without explaining the underlying mechanisms . Second, research on financial literacy generally only examines the direct effect on performance, not its role as a mediating variable in the context of digital financing. Third, there is limited research integrating the concepts of financial technology, financial literacy, and MSME performance into a single conceptual model, particularly in the context of a developing country like Indonesia. Based on this synthesis, this study proposes a model that positions financial literacy as a mediating variable between P2P lending and MSME performance. This model provides a more comprehensive explanation of how digital financing can improve business performance by enhancing MSMEs' financial management capabilities.

CONCLUSION

Overall, the conclusion shows that P2P lending provides more inclusive access to financing for MSMEs, but its benefits do not automatically improve business performance. The effectiveness of digital financing depends on the level of financial literacy of MSMEs, which determines their ability to allocate, manage, and evaluate the productive use of funds. Therefore, financial literacy is an important mechanism explaining the relationship between P2P lending and MSME performance. This synthesis strengthens the argument that the integration of financial technology and financial capability needs to be a primary focus in developing models for improving MSME performance in the digital economy era.

This study has several limitations that need to be considered in interpreting the synthesis results. First, the study used a Systematic Literature Review (SLR) approach, so the conclusions drawn depend on the quality of the methodology, scope, and findings of the published studies. Second, the literature analyzed was limited to articles published within a specific timeframe and available in the selected scientific databases. Third, there is heterogeneity in previous studies, both in terms of sample characteristics, MSME size, research area, variable measurement indicators, and the analytical methods used. Fourth, this study focused on three main constructs: P2P lending, financial literacy, and MSME performance. Further research is recommended to empirically test the conceptual model developed through a field survey of MSMEs using Structural Equation Modeling (SEM), either PLS-SEM or Covariance-Based SEM (CB-SEM).

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