

Abstract

Taking the representative P2P lending platform Renrendai as an example, this paper focuses on the impact of borrower's region on the behavior of lenders and borrowers in the market. According to the Chinese six geographical regions the borrowers are from, this paper empirically analyzes the difference of success rate of borrowing and default rate in the six regions using the binary logistic regression model and further studies the reasons behind the regional difference. The result shows that the impact of regional difference is significant and the borrower from northern China are more likely to fund successfully, but the impact of regional difference on the default rate is insignificant, and the economic, financial and education development level in regions have a significant impact on the success rate of borrowing. This paper studies the regulatory differences of P2P platforms in various regions of China, the result shows that eastern China, central and southern China, and Beijing (in northern China) have paid more attention and importance to the regulation of P2P platforms.

Keywords : China; P2P lending; the success rate of borrowing; regional difference; regulation policy