

Fintechs are planting the seeds for agricultural banking, where there's still plenty of room to grow

Article

The news: Fintech firms supporting farmers are beginning to gain traction. They can offer the technology needed to develop farming-focused financial solutions, but a bit of fine-tuning is still needed, [per](#) American Banker.

Who's in the game? Farmers worldwide [face many hurdles to accessing the financial solutions](#) they need, including their rural locations, their relationship-based ways of working, and their uneven cash flows and expenses. Currently, only a few fintechs are dedicated to ag banking.

- US-based [Tillable](#) works with Evergreen Bank to provide farmland mortgages, refinancing, operating loans and rental financing.
- UK-based [Oxbury](#) offers lending services to British farmers and savings accounts that support farmers to individual or business customers.
- [Figured](#), which serves the US, UK, New Zealand and Australia, provides farmers and their advisors with tools that help them forecast cash flows, set and maintain a budget, and easily measure profitability.

Technology to attract customers: To get their name out in the agriculture industry, fintechs and banks are leaning on technology.

- **Ag-focused fintechs can partner with banks to provide the unique technology farmers need.** Some regional banks, like North Dakota-based **Bremer Bank**, have launched fintech accelerator programs. The programs connect fintechs that offer farming-specific financial solutions—like automated data-gathering capabilities for cash flow forecasts—with local farming clients.
- **Some fintechs and banks are using social media to build trust with ag customers.** Nebraska-based **First National Bank of Omaha**, for example, creates short videos starring farm animals and blog posts about farmers' contributions to the community to demonstrate its employees' knowledge of the sector. Advisors at the bank say the content has helped build relationships with farmers and get business conversations off the ground.

Where ag banking falls short: Though more fintechs are beginning to build out ag-focused financial solutions, they still risk acting on some inaccurate assumptions about the agriculture industry.

- Many fintechs and banks believe farmers aren't as tech-savvy as the broader populations, and therefore are unlikely to adopt digital banking solutions. This belief perpetuates a

misunderstanding that farmers aren't financially literate. But today's farming tools are powered by top-of-the-line technology, and many farmers hold college-level degrees in agriculture. The rural location and outdoor labor involved in farming doesn't mean farmers aren't educated.

- Financial solutions offered to farmers resemble the solutions offered to small businesses: They're either beefed-up versions of consumer-facing tools, or scaled-back versions of tools meant for large corporations. Banks and fintechs looking to capture consumers in the agriculture sector must make a full commitment to understanding their financial needs and developing efficient and relevant tools to meet them.

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