

CLIENT IMPACT SURVEY
REPORT

(April 2023)

Our Vision for Every Child; Life in all its Fullness



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INTRODUCTION

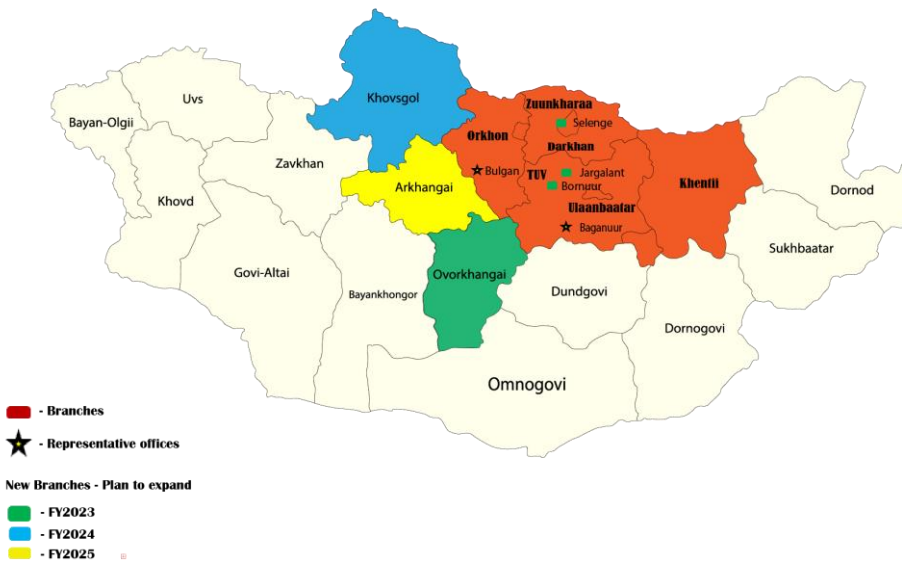
One of the priorities of VisionFund’s strategy, Our Livelihoods Promise, is to Broaden and Deepen Our Impact. Throughout the Vision Fund network, we aspire to use evidence of change in the lives of our clients to drive local and global decisions that maximize our impact on our clients, children and communities.

The Client Impact Survey is increasingly being used throughout the network to understand its impact at all levels. The study comprises the following indicators: poverty levels, income, improvement in clients’ lives, improvement in children’s lives, empowerment, and the Net Promoter Score.

In 2022, VF Mongolia piloted the Client Impact Survey. This is the second year of the survey and it was conducted for 298 clients in April 2023. The survey was conducted via the Impact Team members and the Call Center staff. The average duration of the conversations with each client was 10 minutes.

This Client Impact Survey is replacing surveys named “PPI” and “CWB” which have been conducted since 2016 in VF Mongolia. The data from those surveys was gathered at the branch level monthly and was compiled at the Head Office quarterly.

Vision Fund Mongolia Operating Area map



Country
Population 2023: 3.4 million
GDP per Capita 2022: \$ 4242
Gini Index 2019: 42.9%
National Poverty Line 2020: 27.8%
Poverty rate at \$1.9 a day: 0.7%
Poverty rate at \$3.2 a day: 6.9%

VF Mongolia (31 October 2023)
Clients: 7529
Children: 11797
Women: 72.8%
Rural clients: 46.5%
Branches: 8 branches

OBJECTIVES OF THE SURVEY

The following were the objectives of the survey as an indication of evidence of our impact:

- Child Wellbeing Outcomes and children benefited.
- Poverty Probability Index (PPI) to measure poverty outreach.
- Income changes due to VF Mongolia.
- Perceived change in the quality of life due to VF Mongolia loan.
- Loan goal achievement.
- Net Promoter Score as an indication of client loyalty and service quality.

METHODOLOGY SUMMARY

Interviews were conducted in April 2023 with a statistically significant and representative sample of 298 clients across all Vision Fund Mongolia's 8 branches. The sample was selected from active clients in the system by the end of March 2023. All the clients that participated in the survey are repeat borrowers who are in the 2nd, 3rd and 4th cycles of loans. The data gathering was done from the Head Office. Clients were asked a range of questions, and below were the respective findings from the several indicators.

RESULTS OF THE SURVEY

Profile of respondents

This impact survey was conducted with 298 clients. Female respondents increased by 11% from previous survey. The loan cycle is intentionally selected. The repayment status is lower than the MFI's average. Approximately two-thirds of the respondents run micro and small businesses which is the main focus of VFMN outreach while about one-third are wage earners.

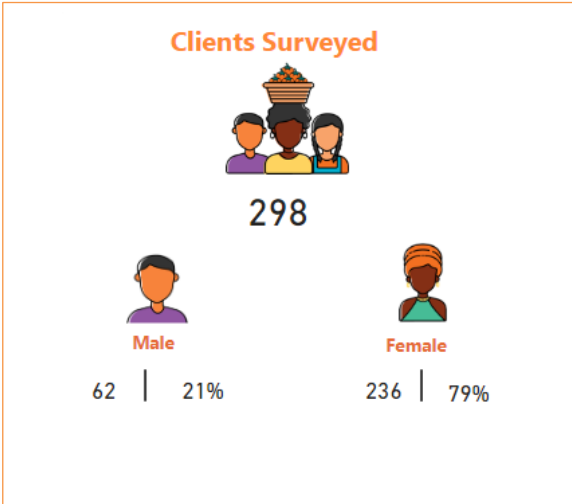


Fig 1. Clients surveyed by gender

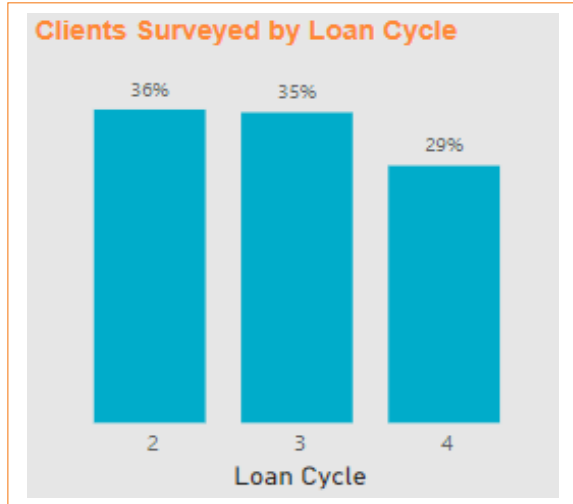


Fig 2. Clients surveyed by loan cycle

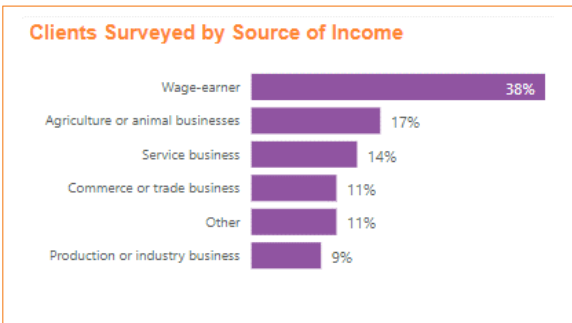


Fig 3. Clients surveyed by income source

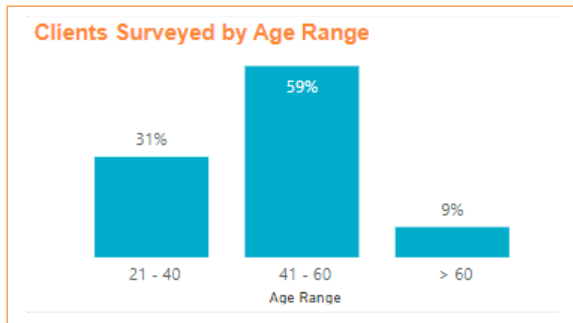


Fig 4. Clients surveyed age range

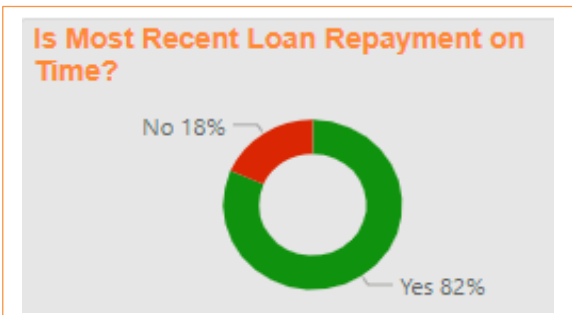


Fig 5. Clients repayment status

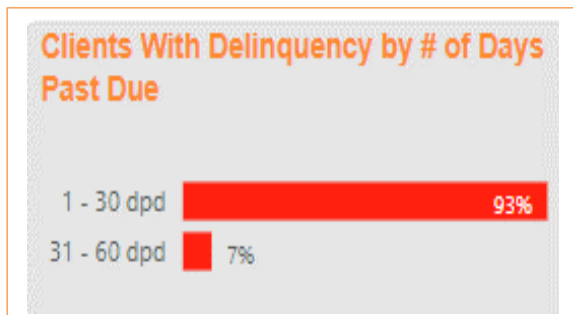
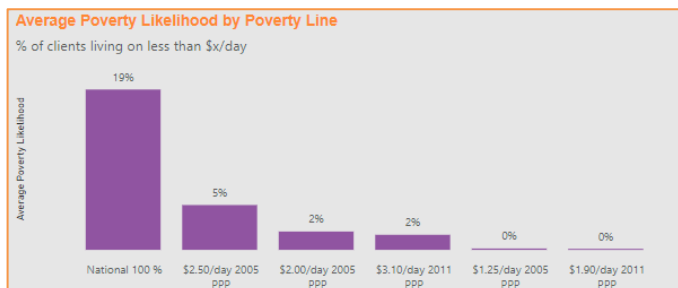


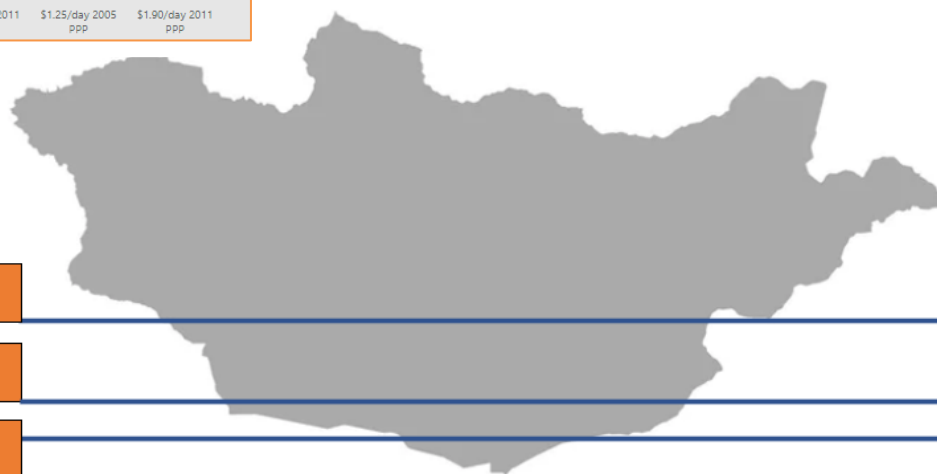
Fig 6. Number of days past due date

Poverty Levels (PPI)

Visionfund Mongolia uses PPI to ensure proper poverty targeting (2005 & 2011). Mongolia is lower middle-income country, and those living below \$2.5/day are considered to be living in poverty. According to World Bank, 27.8% of Mongolians are living below that poverty line. The poverty line increased 3 times from 2011 and 11 times from 2005.



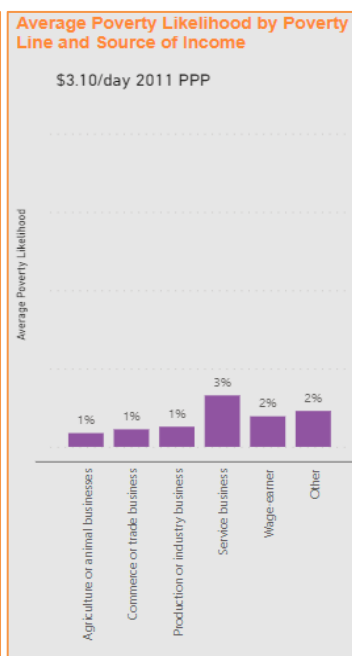
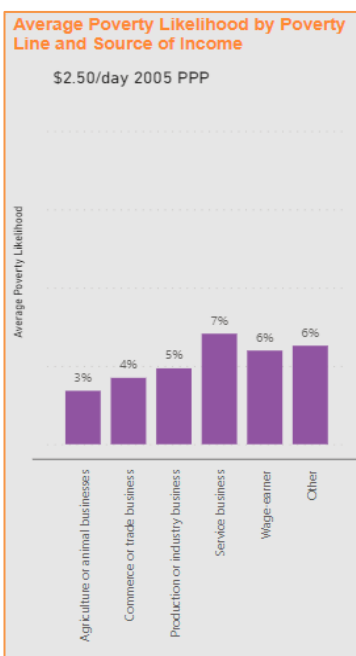
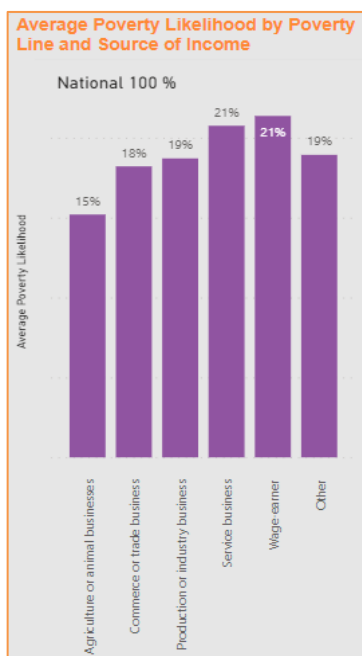
National Poverty Line: \$91 (\$2.98 per day)
Extreme Poverty Line: \$36 (\$1.18 per day)



19% National Poverty Line

5% \$2.50/day 2005 PPP

2% \$3.1/day 2011 PPP



Poverty level is higher among the respondents who run service business or wage-earners compared with other business types.

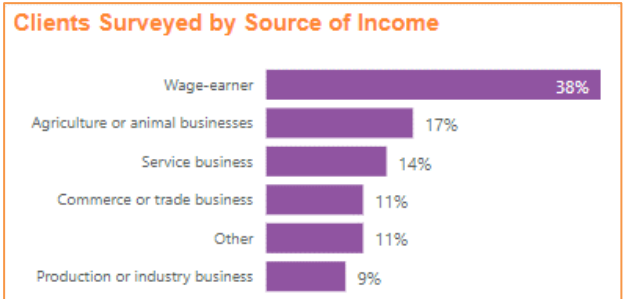
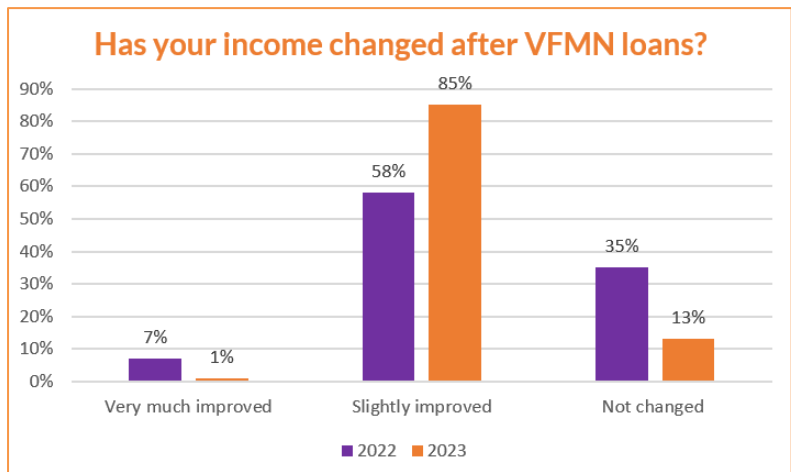
Respondents living below \$3.1 was 4% in April 2022 and it is decreased by 2% in this survey.

Correlation between poverty and gender is not strong.

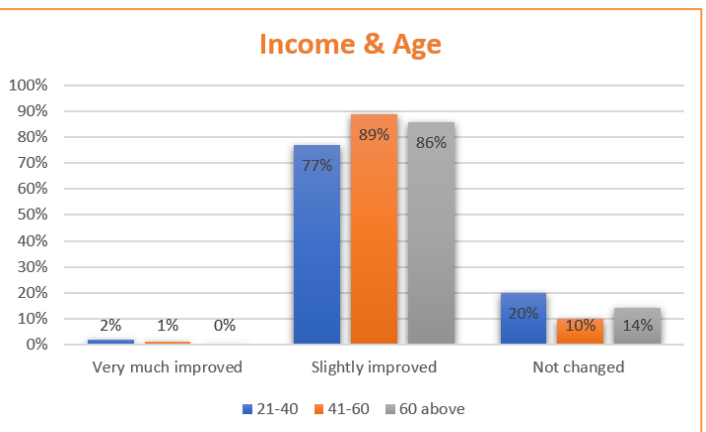
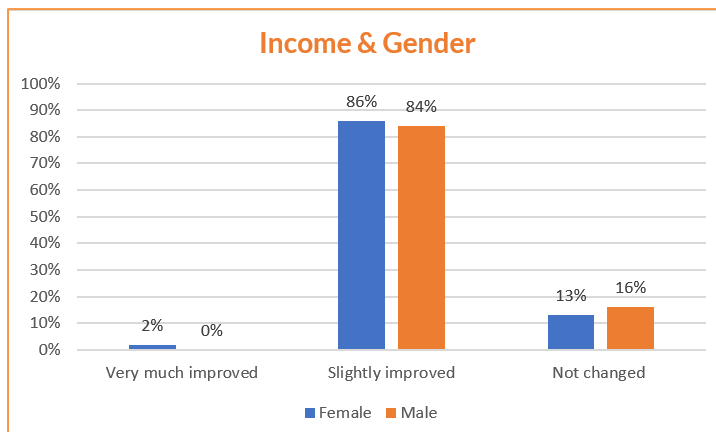


Changes in Income

Respondents were asked “how income from their business changed because of VisionFund Mongolia”. Compared with study in 2022, clients reported the following changes in their income; “very much improved” decreased by 6%, “slightly improved” by 58%; and “no change” decreased by 22%.



The 93% respondents who received “business loan” stated their income “very much improved” (3%) and “slightly improved” (90%).



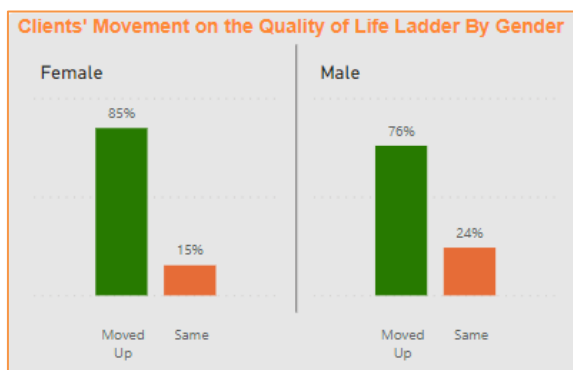
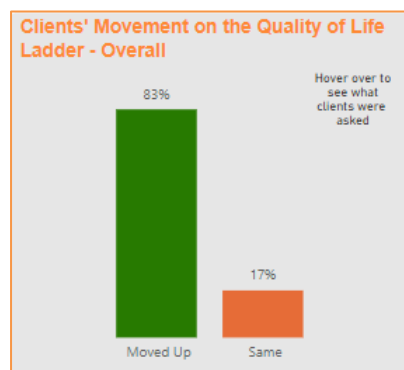
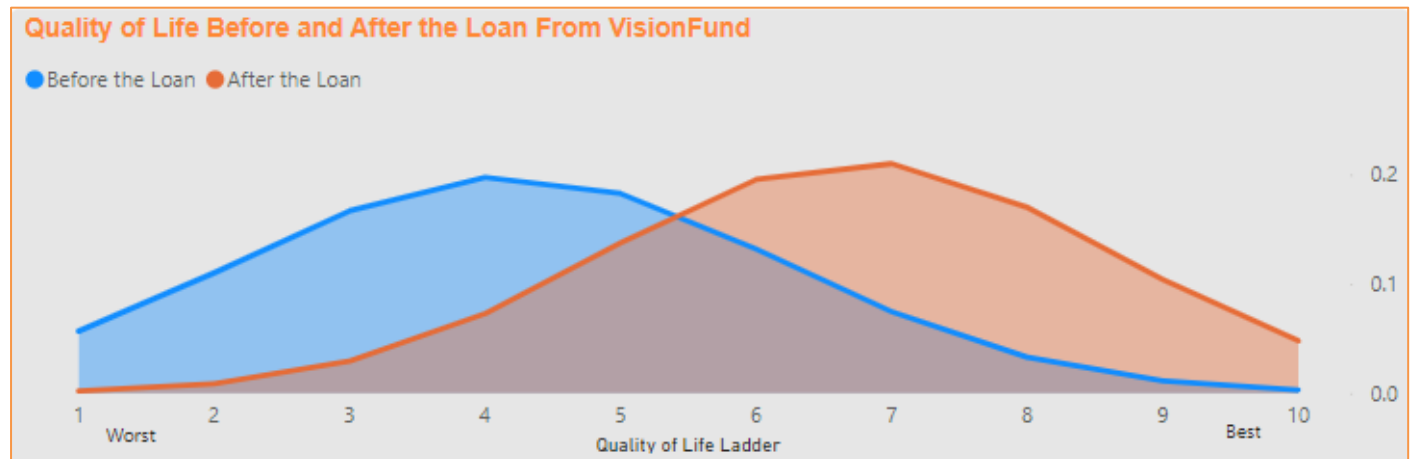
More women than men stated their income has slightly improved. More men stated their income hasn't changed.

The best improvements in income are among clients aged 41-60. More young people aged 21-40 stated their income hasn't changed.

Change in Quality of Life/ Cantril Ladder

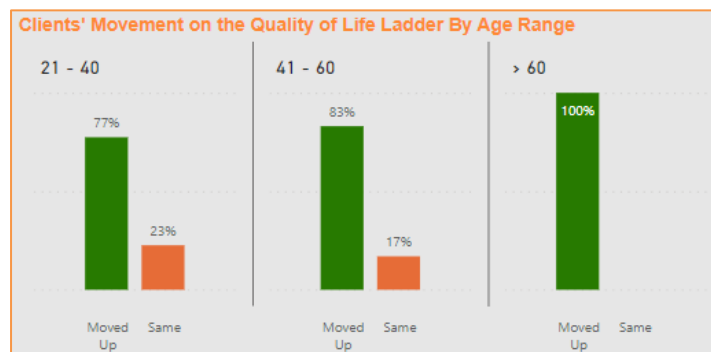
To measure clients' quality of life due to VisionFund Mongolia's loans, we used the Cantrill Ladder which assesses self-reported life satisfaction in which clients are able to identify and grant a number to their current quality of life and their quality of life before the loans.

Eighty-three percent (83%) of the clients reported improved quality of life after receiving loans from VisionFund Mongolia. Seventeen (17%) of clients said their lives had remained the same. No answer is reported that their quality of life had worsened.



None of the respondents answered that their quality of life "went down". More women reported that their quality of life improved compared with men.

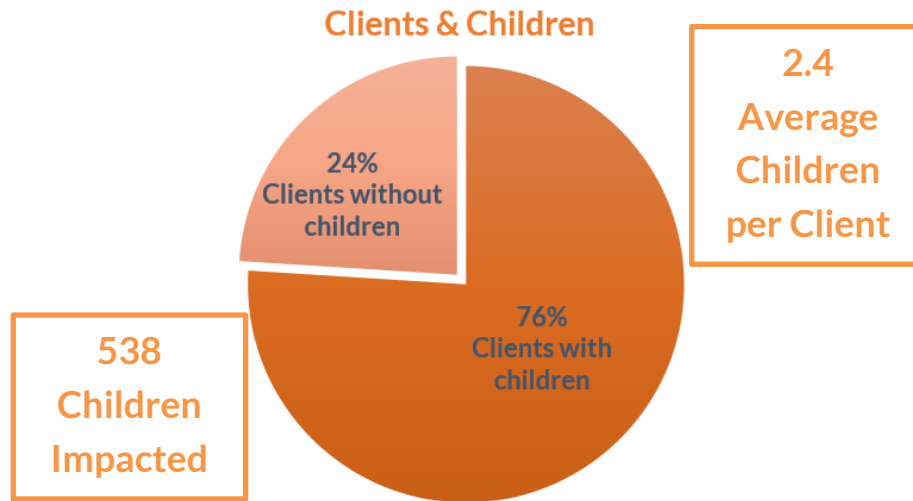
Respondents in production, agriculture, and commerce businesses reported that their quality of live improved more compared to those in other sectors, as service business and wage-earners.



All respondents aged above 60 answered that “moved up”. Most of them run micro businesses. Less clients aged 21-40 reported improved quality of life compared to those aged over 40.

Impact on children

Of the 298 clients interviewed, 225 had children under their care (76%). 100% of clients with children mentioned that their children are benefiting from VF Mongolia loans.



The respondents were asked how their previous loans had benefited their children. The main improvements in children’s lives are that clients are able to buy (i) sufficient clothing and shoes (79%), (ii) sufficient and varied nutritious food (76%) and (iii) improved housing (52%). Education is free in Mongolia except universities and parents spend more for their children’s education in autumn when academic year starts. That’s why there is no reference to education.



225

of Clients that Support Children

76%

% Clients that Support Children

538

Children that Benefited From the Previous Loan

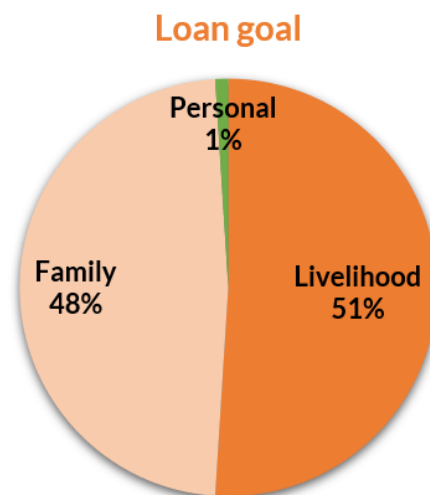


Reported Improvement in the Wellbeing of Clients' Children because of the VisionFund Loan

Child Wellbeing Outcome	# of CWBO Response	% of CWBO Responses Based on Clients that Support Children
Less work around the house and in the business	1	0%
Improved sanitation	2	1%
All health care costs paid	9	4%
Children under 18 years old were able to stay in school or training because the fees were paid	24	11%
Improved housing	118	52%
Sufficient and varied nutritious food	171	76%
Sufficient clothing shoes and school supplies	177	79%
Total	502	

Loan main goal

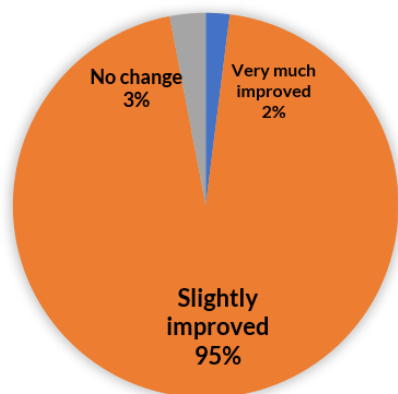
To understand clients' level of empowerment they were asked about their objectives: what they wanted to achieve with the previous loan and if they achieved their goal. Compared with survey results in 2022, more clients wanted to improve their income (from 37% to 51%).



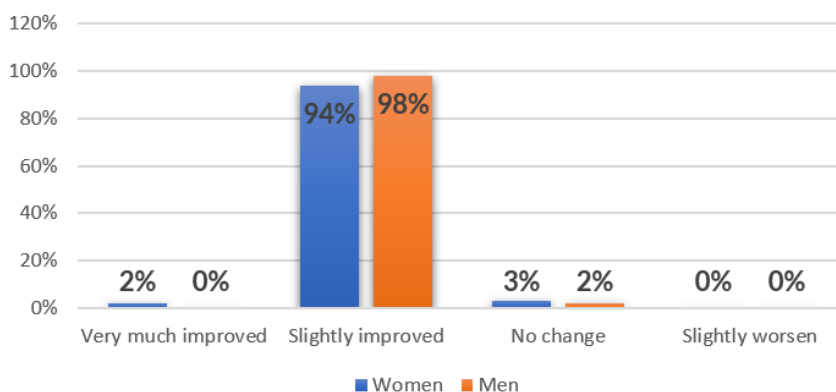
Financial control

Responders were asked if their feelings of financial control had changed because of VisionFund Uganda. Financial control refers to the ability to manage one's own finances and it is a crucial aspect of one's overall wellbeing. Results indicate that 97% of the respondents reported an improvement in the feeling of control over their finances as a result of the loans and education received from VisionFund Mongolia. More men mentioned their control has "slightly improved".

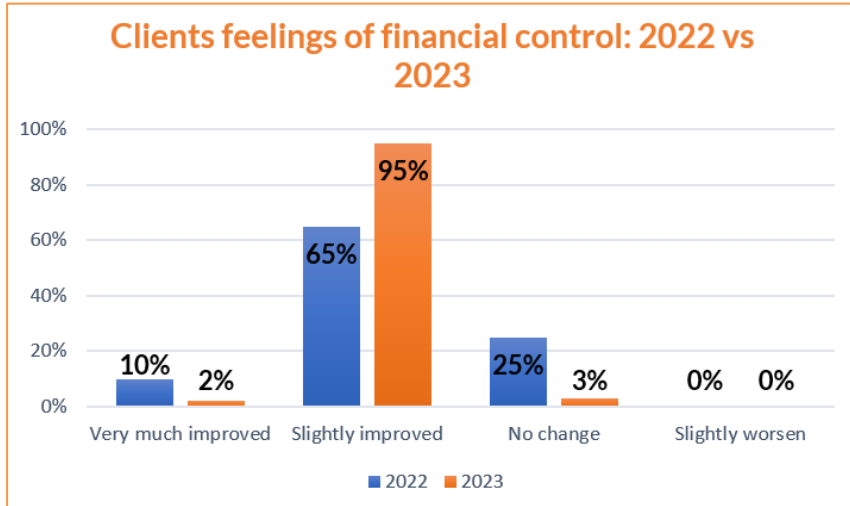
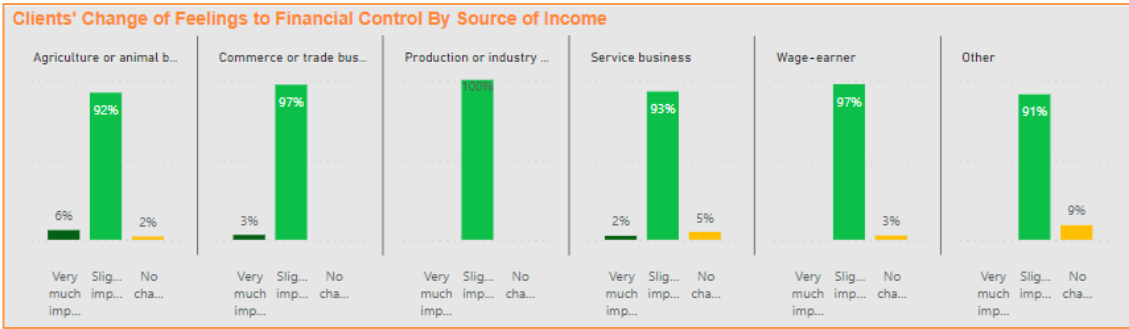
How has your control over your finances changed because of VFM?



How has your control over your finances changed because of VFM



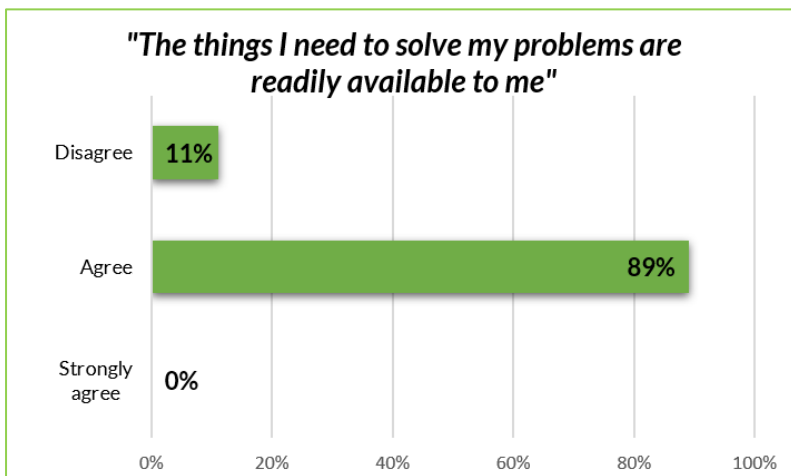
Comparing feeling of financial control by source of income, "commerce or trade business" and "production and industry businesses" runners reported the highest improvement in feelings of financial control while those in "service business" and "other businesses" reported the least. There were no differences in age and feelings of financial control.



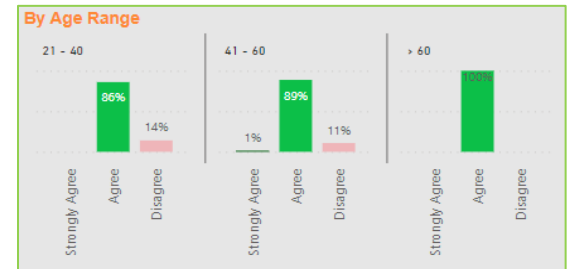
There is a significant improvement in feelings of financial control compared with last year, 2022. There were 25% of respondents report that “no change”. This year only 3% of them answered so. VFMN invested a lot for client education in last 12 months.

Empowerment

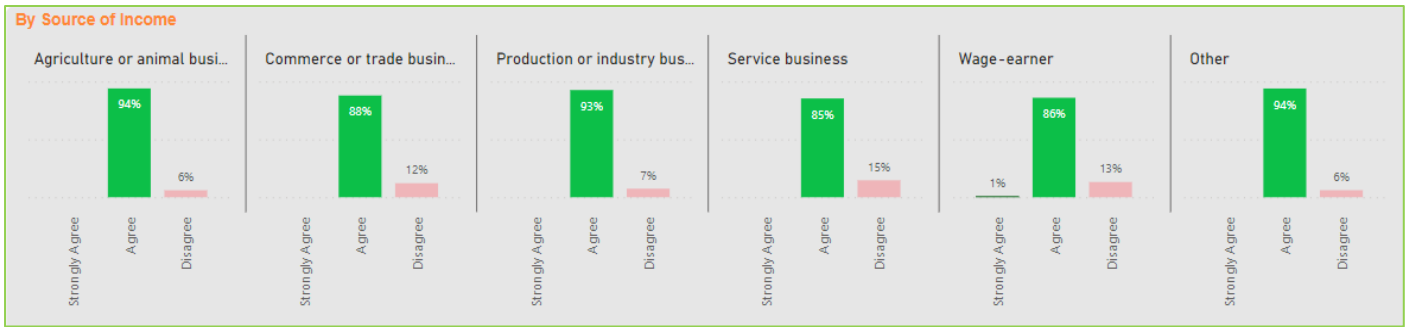
Clients understand that what they need to solve their problems and improve their lives is not something difficult to obtain. Even more, to achieve what they want, they need to use their own capabilities. VisionFund Mongolia trained 15% of total clients (over 1000) on the Empowered World View training in last 12 months.



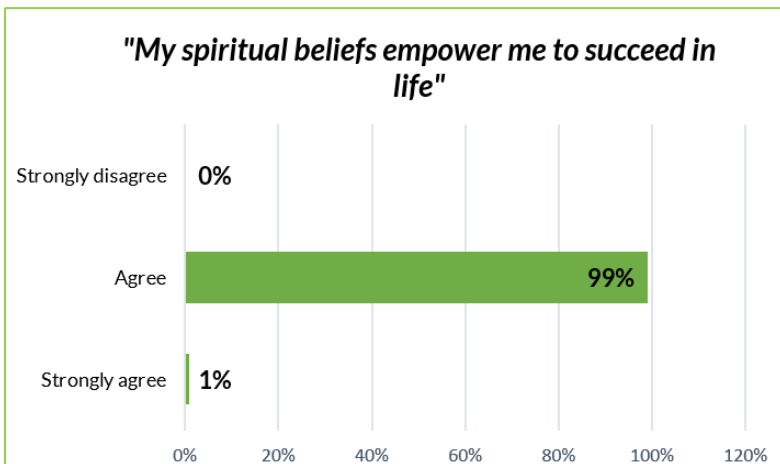
There were no differences in gender and the “resource availability”. age and feelings of financial control. More young people stated that they disagreed with the statement.



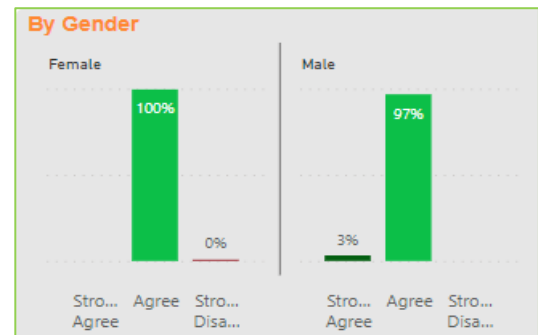
Similar to feelings of financial control, fewer clients in service business agreed with the statement that the things they needed to solve their problems are readily available to them. More responders in agriculture business agreed to the statement compared to other sectors.



About clients' motivations, clients' spiritual beliefs are one important element within their empowerment. Clients were also asked if their spiritual beliefs empowered them to succeed in life.

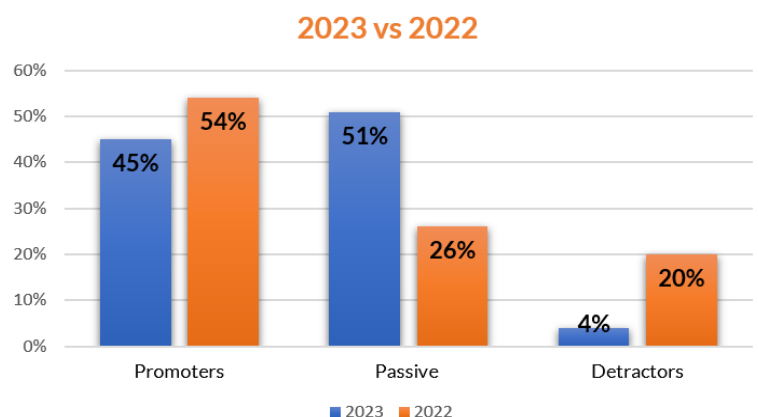
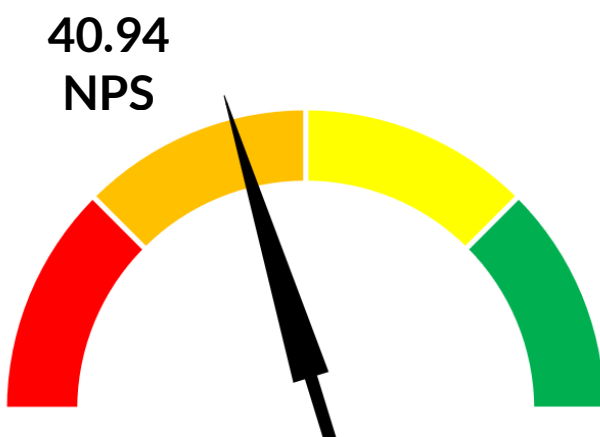


There was no strong correlation between this statement and gender, age, and type of business.



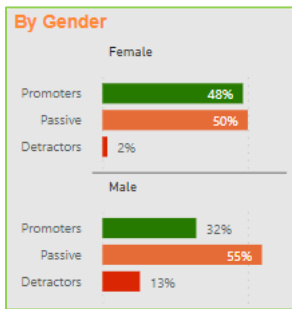
Net Promoter Score

The Net Promoter Score is an indicator used in client experience, it allows to understand the level of loyalty, satisfaction and enthusiasm towards the institution. To measure it, we asked them how likely they are to recommend VisionFund Mongolia to a friend or a family member.

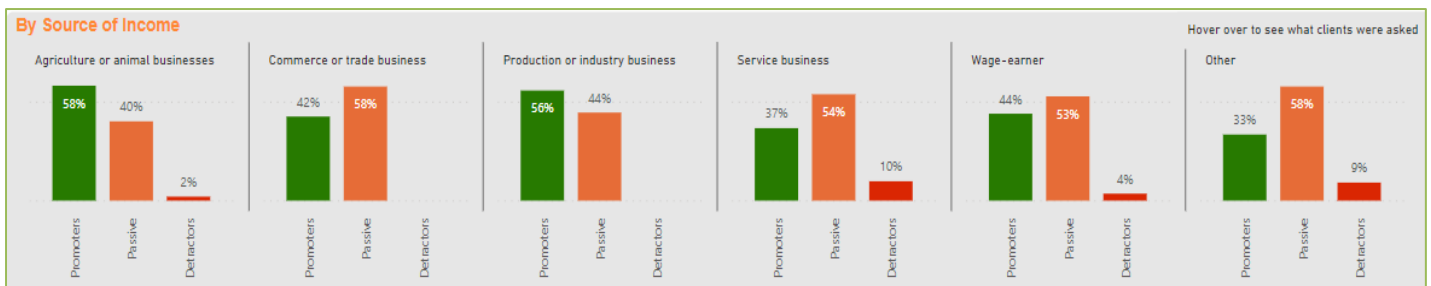
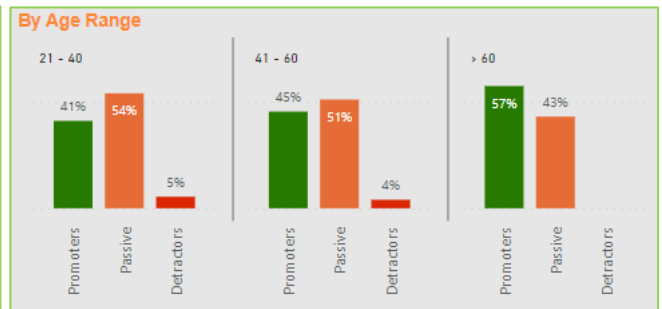


Net promoter score = percentage of promoters - percentage of detractors

We scored 40.94% as our NPS in the current survey of 2023, far higher than previous survey conducted in 2022 (34%), and this could be further enhanced month by month. The detractors decreased by 16% and the promoters increased by 10%.



We further noted that most promoters were women at 48% compared to only 32% men. And more detractors were men at 13% compared to only 2% women. Results further indicated that most promoters (57%) were in the above 60 yrs.



Regarding economic activities, at least two sectors recorded the highest number of promoters (over 50%), including agriculture or animal businesses, and production or industry business. The highest number of detractors are in service business and “other sectors”.

FINDINGS

What is going well

The survey results will play a significant role in enabling VisionFund Mongolia to assess and monitor its impact with respect to the specific areas of operation to help children have life in all its fullness. It is positive to note the following results:

- Profile of the survey respondents is almost same with profile of all active clients of Visionfund Mongolia.
- Significant improvement in the Net Promoter Score compared with survey result in 2022.
- 100% of the respondents were able to use the profits from their loans to improve the wellbeing of children they support. This is the biggest contribution of VFMN to the well-being of Mongolian children.
- The 93% of respondents who received “business loan” stated their income “very much improved” (3%) and “slightly improved” (90%). It has increased by 20% from the previous survey results.
- Eighty-three percent (83%) of the clients reported improved quality of life after receiving loans from Visionfund Mongolia.
- Compared with survey results in 2022, more clients wanted to improve their income (from 37% to 51%).
- There is a significant improvement in feelings of financial control compared with last year, 2022. There were 25% of respondents reported that “no change”. This year only 3% of them answered so. VFMN invested a lot in client education in the last 12 months.

Areas for improvements

- More men were unsatisfied services and products of VisionFund Mongolia. The net promoter score of 41 gives us room for improvement.
- There is still need to improve the targeting for the poor clients. The PPI results indicate that VFMN can improve its targeting of clients living in poverty. Respondents living below \$3.1 was 4% in April 2022 and it is decreased by 2% in this survey.

RECOMMENDATIONS

- More qualitative information needs to be collected to identify the root causes, needs of clients, and solutions with clients' participation.
- Seek opportunity to update PPI in Mongolia through the authorized institution. The poverty line increased 3 times from 2011 and 11 times from 2005.
- Improve targeting to the poor.
- Continue to run non-financial services including clients' trainings. Main reasons of the most significant progress of this year's survey compared with the previous year's results are the results of EWV and EBRD's Women In Business program's activities.
- More analysis is required as to why men are less satisfied with VisionFund Mongolia's service and products.
- Integration between the impact and operations needs to be strengthened such as increasing participation of Loan Officers in non-financial services.
- Seek partnering opportunities for adding more value to the quality of life of clients, better child wellbeing, etc.
- More analysis and comparisons need to be done regarding the results of this survey with other data in the MFI.