VisionFund Guatemala

Lean Data Insights
Follow-Up Study
Welcome To Your 60dB Results

We heard from 162 of the clients we talked to in the baseline study – they had a lot to say!

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Project Overview

We contacted the same 287 clients from the baseline study to understand changes over time. From the 162 interviews ultimately completed, 108 were conducted by 60dB over the phone and 54 by the VisionFund team on the ground.

This is a follow-up to the baseline study concluded in May 2021. The results provide an understanding of changes in clients’ lives and the impact experienced in the past year.

Baseline Study
January – May 2021

Follow-up Study
February – June 2022

Timing
Recently received Recovery Loan

Focus
Client profile, intended loan usage, COVID-19 impact, current financial situation and resilience, experience and satisfaction with VisionFund, openness to digital products, interest in training

Actual loan usage, current financial situation and resilience, impact of loan, experience and satisfaction with VisionFund, suggestions for improvement

Sample Size
287

162
Actionable Insights

1. Clients mainly use the loan for business, but also for personal expenses. Support in financial planning would be helpful. 94% of clients have used the loan to grow their business, more than the expectation set in the baseline study (63%). Around a third of clients have also used the loan for personal expenses. Support in how to plan expenses and loan usage can help businesses continue recovering from COVID-19 and help decrease the 43% of respondents who consider the repayment a burden. See pages 9, 10, 14 and 21.

2. VisionFund has positively impacted the clients' business and financial goals, especially in the context of COVID-19. Clients report a 6% increase in business profits and 18% in business value, compared to the baseline study. Additionally, 82% say VisionFund helped them achieve their financial goals, and 64% say the Recovery Loan reduced the impact of COVID-19. Share these great results with potential clients, investors or partners. See pages 13, 14, and 20.

3. Find strategies to maintain, communicate and strengthen the reasons driving clients to recommend VisionFund to others. 75% of clients would recommend VisionFund to friends and family members. The main satisfaction drivers are good customer service, low interest rates, and the fast loan approval process. Include these core aspects of VisionFund's value proposition in marketing materials to potential clients. See pages 24 and 25.

4. Focus on solving the issues highlighted by those reporting challenges with VisionFund to increase client loyalty. The challenge rate of 7% is very low and places VisionFund among the top 20% companies in the 60dB Financial Inclusion Benchmark. Focus on the issues reported: group issues, loan officers, and repayment issues. Solving them can turn Detractors into Promoters, increasing client satisfaction. See pages 26, 27 and 28.

5. VisionFund positively impacts its client's quality of life, in particular women and younger clients. Younger women are more likely to report a 'very much improved' quality of life (60%) than men (44%). Similarly, those aged 18-29 report more significant improvements than older clients. Clients highlight increases in income and business investment as the top wellbeing outcomes. See pages 15, 16, and 17.
Performance Snapshot

Here’s a range of crucial areas that show how VisionFund Guatemala’s Recovery Loan has impacted clients.

Who Are The Clients?

85% are female
65% have a 48% interest rate loan
41% have a loan of 3,001 – 6,000 Quetzales

What Impact Are Clients Reporting?

18% increase in business value from baseline study
64% say the loan reduced the negative impact of COVID-19
95% say their quality of life improved
55% report an increased quality of meals their family eat
60% say they achieved the goal set in the baseline study
83% attribute the achievement of the goal to the loan

Client Experience

75% are Promoters and will recommend VisionFund
7% report challenges with the VisionFund loan

Client Voices

Loan Usage

“(With the loan from VisionFund) we managed to buy a motor and that helps us a lot, we bought seeds, fertilizer and poison for pests.”

“The business generates profits for me, I will not say that I see 100% profits, but I always invest and that helps me to have the store stocked and have more clients.”

Impact On Quality Of Life

“My life has improved in every way. I can stock my store more with the profits, and it is also enough to pay for all my expenses and the rest is for me.

“My economic situation has changed (thanks to VisionFund), now it is better. That has changed for my profits, every time I invest more in my business, my profit increases.”

VisionFund Promoters

“The attention (VisionFund) give is very good. When I started I had nothing, but thanks to them I now spend my days in peace. I went to other banks and they didn’t want to help me. Instead VisionFund has helped me from day one.”

“Not much interest is paid, I have been working with them for a long time and they have treated me well. If I have doubts, I call the advisor and they explain them to me.”
Client Voices

We love hearing clients' voices. Here are some that stood out.

Impact Stories
95% shared how VisionFund had improved their quality of life

“VisionFund authorized another higher loan and that was good, because now I do not have to apply for other loans in other places and I can invest more in my business.”

“(VisionFund) has given me an opportunity to get ahead and they supported me during the time I was sick, because I had a stroke, and they understood my situation.”

“We sow, so it has helped me a little with that. We invest with the credit to maintain our crops. In addition, I work seasonally in Canada, and part of the credit is to pay for my papers to go to work there.”

Opinions On VisionFund Value Proposition
72% were Promoters and highly likely to recommend

“I already recommended two people. The service is good, the installments are comfortable, the interests are not high and the experience is nice. This is my second credit. The group credit affects, because people do not pay, it is better to work individually.”

“First of all I want to mention the good attention they always give us. When the pandemic started, they were very patient with us with payments. It is a good company, I have worked with other banks and they were very abusive to collect.”

Loan Usage
94% have used the loan to grow an existing business

“I use the credit to buy spices and stock for my business. From that business I get money for my food, clothes and my expenses. I am a widow and I have a daughter with grandchildren who live with me.”

“They (VisionFund) have helped me a lot. I have been able to invest what they have lent me and thanks to that I now have more sales and now I see more profits.”

“Well, the truth is that I have used it to invest in my business. I always have to keep buying stock to maintain my business and people continue to come to buy from me.”

Improved Ability To Support Children
49% mentioned their ability to support children improved since the baseline study

“This year I had to spend a lot of money, in books and school uniforms. Thanks to the credit and the profits it helped us a lot to afford those expenses.”

“After the pandemic, my business increased and with the profits, along with the credit from VisionFund, I was able to continue supporting my children.”

“Thanks to the loan I have two children who are studying. I have been able to succeed with them, since I am a father and a mother.”
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- Digital Adoption

Impact Performance
- Business Impact
- Quality of Life
- Household Outcomes
- Financial Planning
- Financial Resilience

Client Experience
- Net Promoter Score
- Challenge Experience
- Suggestions for Improvement

“Now I have enough for the things I need. I contribute to buy things for the kitchen, I buy fertilizer for my plantations, and I can invest and reinvest.”
Demographic breakdown was similar to the baseline study. The average client is a 41-year-old woman with a 48% interest rate loan of 3,001 – 6,000 Quetzales.

In the follow-up study, we reached 162 of the 287 respondents we talked to during the baseline study in 2021.

Differences between baseline and follow-up studies in gender, age, and loan interest rate are minor.

There is a difference in loan size: follow-up respondents have larger loan sizes (37% between 6,001 – 12,000 Quetzales) than baseline ones (29%).

Follow-up respondents are distributed regionally as follows:

> San Marcos: 43%
> Guatemala: 33%
> Chimaltenango: 13%
> Other: 10%
Loan Usage: Business Use

94% of clients have used the loan to grow their business, significantly more than the 63% expected in the baseline study. Around half of clients have a clothing retail business.

Actual loan-use differed from expectations gathered in the baseline study.

While 10% of clients expected to use their Recovery Loan to start a new business, only 4% actually did.

Client with 48% interest rate loans are more likely to use it to grow an existing business (97%), compared to those with 60% interest rate loans (89%).

There were differences in the source of income between baseline and follow-up studies. This suggests that the COVID-19 pandemic precipitated some clients to shift business sectors.

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**Business Use**

Baseline: How do you plan to use your Recovery Loan from VisionFund? (n = 287) / Follow-up: Have you used this loan to contribute to any of the following? (n = 162)

- Not business purpose
- Start new business
- Repay current loan
- Grow existing business

Baseline (n=287): 63%
Follow-up (n=162): 94%

**Business Description**

Baseline: In the six months before the coronavirus, what was the largest source of income for your family? (n = 287) / Follow-up: Can you describe this business? (n = 110)

- Clothing retail: 30% Baseline (n=287) / 45% Follow-up (n=110)
- Retail shop: 18% Baseline (n=287) / 22% Follow-up (n=110)
- Food / grocery: 35% Baseline (n=287) / 28% Follow-up (n=110)
- Farming: 11% Baseline (n=287) / 21% Follow-up (n=110)

Note: ‘repay current loan’ was not an answer option in the follow-up study.
Loan Usage: Personal Use

Fewer than 1 in 3 clients have used the loan for personal expenses, such as household, medical, and school fees.

Despite primarily using their loans for business purposes, some clients also use part of them for personal use.

Clients with loans of +6,000 Quetzales are more likely to use them for the household, and less likely to use them for medical and school expenses, compared to those with smaller loans.

Older clients, aged 50+, are more likely to use their loans for household and medical expenses, and less likely to use them for school fees, compared to younger clients.
Digital Adoption

Mobile money usage increased from 5% in the baseline to 17% in the follow-up, but remains low among clients. Around 1 in 3 have used their account to make a payment recently.

**Mobile Money Account**

Q: Do you have a mobile money account? (n = 449)

- No: 95%
- Yes: 83%

**Baseline** (n=287)  
- No: 95%  
- Yes: 17%

**Follow-up** (n=162)  
- No: 62%  
- Yes: 38%

**Mobile Money Usage**

Q: Have you used your mobile money account to make a payment in the last 12 months? (n = 40). Small sample size.

- No: 67%
- Yes: 33%

**Baseline** (n=13)  
- No: 62%  
- Yes: 38%

**Follow-up** (n=27)  
- No: 67%  
- Yes: 33%
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“We used the credit to pay for my husband’s operation, without the credit my husband would not have had the operation he needed.”
Business Impact: Profit & Value

Clients report an average 6% increase in business profits and an average 18% in business value.

On average, men accumulate more wealth than women. Business profits reported by men are 1.8x as much as those by women. Similarly, male-owned businesses are valued at 2.5x as much as female-owned businesses.

Interest rate is positively correlated with business profits and value: those with a 60% interest rate loan report larger profits and value than those with a 48% interest rate loan.

Loan size is also positively correlated with business profits and value.

For reference, 1,502 Quetzales is around US $190, while 26,941 Quetzales is around US $3,500.

**Business Profit**

Q: After paying all your business costs, how much money do you have left over at the end of the month? (n = 403)

*In Guatemalan Quetzales.*

- Baseline (n=262): 1,422
- Change: 81
- Follow-up (n=141): 1,502

**Business Value**

Q: If you had to sell your business to a friend tomorrow, how much could you sell it for? (n = 230)

*In Guatemalan Quetzales.*

- Baseline (n=140): 22,751
- Change: 4,191
- Follow-up (n=90): 26,941

6% increase

18% increase
1 in 10 business owners report their number of employees has changed. Around 2 in 3 say the Recovery Loan helped them reduce the negative impact of COVID-19.

77% of clients are entrepreneurs with no employees, so their loans do not go to job creation, rather investing in working capital to sustain or grow the business.

From the 9% of clients who report a change, the number of employees increased from 3.0 to 4.5 on average.

COVID-19 had a negative financial impact on virtually all clients. 32% of them say the Recovery Loan helped them reduce this impact ‘by a lot’, particularly those with small loans.
Quality of Life: Overview

95% of clients report their quality of life has improved because of VisionFund’s Recovery Loan. Women and those with a higher interest rate loan report deeper impact.

<table>
<thead>
<tr>
<th>Quality of Life</th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Q: Has your quality of life changed because of VisionFund’s Recovery Loan? Has it? (n = 162)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very much improved</td>
<td>Slightly improved</td>
<td>No change</td>
<td>Got slightly worse</td>
</tr>
<tr>
<td>Total (n=162)</td>
<td>52%</td>
<td>43%</td>
<td>5%</td>
</tr>
<tr>
<td>Female (n=137)</td>
<td>53%</td>
<td>40%</td>
<td>6%</td>
</tr>
<tr>
<td>Male (n=25)</td>
<td>44%</td>
<td>56%</td>
<td></td>
</tr>
<tr>
<td>Interest Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>48 (n=106)</td>
<td>49%</td>
<td>45%</td>
<td>6%</td>
</tr>
<tr>
<td>60 (n=56)</td>
<td>57%</td>
<td>38%</td>
<td>4%</td>
</tr>
</tbody>
</table>

To gauge depth of impact, clients were asked to reflect on whether their quality of life has changed because of VisionFund’s Recovery Loan.

A larger proportion of Guatemala clients report ‘very much improved’ (56%), compared to those in San Marcos (51%) and other areas (45%).

Younger clients, aged 18-29, are more likely to report ‘very much improved’ (60%) than those aged 30+ (52%).

There are no significant differences across loan sizes.
Quality of Life: Top Outcomes

Clients were asked to describe—in their own words—the changes they were experiencing because of the VisionFund Recovery Loan. The top outcomes are shown on the right. Others included:

- Afford household bills and improvements (17%)
- Increased sales (11%)

Clients who say their quality of life improved highlight increases in income and business investment, as well as general business growth.

Top Three Outcomes for 95% of Clients Who Say Quality of Life Improved

Q: Please explain how your quality of life has improved. (n = 150). Open-ended, coded by 60 Decibels.

21% mentioned their income increased thanks to the loan (19% of all respondents)

“(Thanks to the VisionFund loan) I was able to obtain money for my personal expenses and for my business. That way, I was able to start my business thanks to the credit.”

19% talked about an increase in business investment, to buy stocks and supplies (17% of all respondents)

“Before they offered us just one loan and it wasn’t a lot of money, but as time went by they offered us more... so now we can invest even more in the business.”

17% reported business growth thanks to VisionFund (15% of all respondents)

“Now my business has improved because of the money VisionFund gave us. I was even able to buy a pickup car.”
Household Outcomes: Overview

More than half of clients report an increase in the quality of meals their family eat due to the Recovery Loan. Impact is lower for school fees and medical visits.

Guatemala clients are more likely to report an increase in all three outcome areas, compared to other regions:

- Quality meals: 61% vs. 50%
- School fees: 49% vs. 39%
- Medical visits: 34% vs. 19%

A larger proportion of men report increases in medical visits (40%), compared to women (22%).

Older clients, aged 50+, are more likely to report increases in medical visits (38%), compared to younger ones (22%). They are also less likely to report increases in school fees (28%), compared to younger ones (46%).

Household Outcomes

Q: Because of VisionFund’s Recovery Loan, how has this changed? (1) the number and quality of meals your family eats, (2) the amount you spend on your children to go to school, and (3) how often you are able to go to a healthcare provider for check-ups and if you fall ill. (n = 162)

- Very much increased
- Slightly increased
- No change
- Slightly decreased
- Very much decreased
- No children

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Very much increased</th>
<th>Slightly increased</th>
<th>No change</th>
<th>Slightly decreased</th>
<th>Very much decreased</th>
<th>No children</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality Meals</td>
<td>25%</td>
<td>30%</td>
<td></td>
<td></td>
<td>43%</td>
<td></td>
</tr>
<tr>
<td>School Fees</td>
<td>14%</td>
<td>28%</td>
<td></td>
<td></td>
<td>37%</td>
<td>5%</td>
</tr>
<tr>
<td>Medical Visits</td>
<td>6%</td>
<td>19%</td>
<td></td>
<td></td>
<td>73%</td>
<td></td>
</tr>
</tbody>
</table>
Household Outcomes: Stress Levels

Stress levels have decreased 22% due to the Recovery Loan. Segments who reported the highest stress levels in the baseline study show the largest drops in the follow-up.

We asked clients to rank their stress levels from 0 (very low) to 10 (extremely high). We then took the average score across different segments for comparative analysis.

There is a significant difference across gender: women report a 25% decrease in stress levels (6.1 to 4.6), compared to a 5% drop among men (5.4 to 5.1).

### Stress Levels

Q: On a scale of 0-10, where 0 is very low and 10 is extremely high, how are your current stress levels? (n = 449)

<table>
<thead>
<tr>
<th></th>
<th>Baseline (n = 287)</th>
<th>Follow-up (n = 162)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.0</td>
<td>4.7</td>
<td>-22%</td>
</tr>
<tr>
<td>By Loan Size</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Q 0–3,000</td>
<td>6.3</td>
<td>4.5</td>
<td>-28%</td>
</tr>
<tr>
<td>Q 6,001–12,000</td>
<td>6.1</td>
<td>4.8</td>
<td>-21%</td>
</tr>
<tr>
<td>Q 3,001–6,000</td>
<td>5.7</td>
<td>4.7</td>
<td>-17%</td>
</tr>
<tr>
<td>By Region</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>San Marcos</td>
<td>6.3</td>
<td>4.1</td>
<td>-36%</td>
</tr>
<tr>
<td>Chimaltenango</td>
<td>6.1</td>
<td>4.6</td>
<td>-25%</td>
</tr>
<tr>
<td>Guatemala</td>
<td>5.7</td>
<td>5.6</td>
<td>-2%</td>
</tr>
<tr>
<td>Other</td>
<td>5.3</td>
<td>3.6</td>
<td>-33%</td>
</tr>
</tbody>
</table>
Financial Planning: Overview

Clients do not report a significant change in levels of financial management and ability to plan finances. Men report an increase while women report no changes.

Financial planning scores vary by region: San Marcos clients report higher planning and control capability, compared to other regions.

While the sample of men in the follow-up study was low (n = 25), there are differences across gender: men report an increase in financial management (10%) and ability to plan finances (17%), while women report virtually no changes (2% and -2%, respectively).

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### Financial Management

Q: On a scale of 0-10, where 0 is very low and 10 is extremely high, how are your current feelings of control over your finances? (n = 449)

<table>
<thead>
<tr>
<th>Region</th>
<th>Baseline (n = 287)</th>
<th>Follow-up (n = 162)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>7.5</td>
<td>7.8</td>
<td>+4%</td>
</tr>
</tbody>
</table>

#### By Region

- **San Marcos**: 7.7 (Baseline) to 7.9 (Follow-up), +3%
- **Guatemala**: 7.7 (Baseline) to 7.6 (Follow-up), -2%
- **Chimaltenango**: 7.2 (Baseline) to 7.6 (Follow-up), +5%
- **Other**: 6.6 (Baseline) to 8.3 (Follow-up), +26%

### Ability to Plan Finances

Q: On a scale of 0-10, where 0 is very low and 10 is extremely high, how is your ability to plan your household finances? (n = 449)

<table>
<thead>
<tr>
<th>Region</th>
<th>Baseline (n = 287)</th>
<th>Follow-up (n = 162)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall</td>
<td>7.7</td>
<td>7.7</td>
<td>+1%</td>
</tr>
</tbody>
</table>

#### By Region

- **San Marcos**: 7.9 (Baseline) to 8.0 (Follow-up), +2%
- **Guatemala**: 7.6 (Baseline) to 7.6 (Follow-up), +1%
- **Chimaltenango**: 7.6 (Baseline) to 7.2 (Follow-up), -6%
- **Other**: 7.1 (Baseline) to 7.3 (Follow-up), +2%

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**Insight**

Training clients on how to better plan financially is likely to result in them feeling in better control of their finances.
Financial Planning: Goal Achievement

60% clients were able to fully achieve the financial goals they specified in the baseline study. 83% report that the Recovery Loan increased the likelihood of achieving it.

9% of clients did not achieve this goal since the baseline study, particularly those with 60% interest rate loans. Another 9% changed their goal.

Overall, clients with a 60% interest rate loan are more likely to report achieving their financial goals, compared to those with 48% interest rate loans. They are also more likely to attribute this achievement to VisionFund’s Recovery Loan.

Financial Goal Achievement
Q: During our last interview, you told us that you had a financial goal. Were you able to achieve this goal? (n = 139)

<table>
<thead>
<tr>
<th>Interest Rate</th>
<th>Total (n=139)</th>
<th>48 (n=92)</th>
<th>60 (n=47)</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>60%</td>
<td>59%</td>
<td>64%</td>
</tr>
<tr>
<td>21%</td>
<td>9%</td>
<td>10%</td>
<td>9%</td>
</tr>
</tbody>
</table>

Financial Goal Impact
Q: Did VisionFund’s Recovery Loan change the likelihood of achieving this goal? (n = 136)

<table>
<thead>
<tr>
<th>Interest Rate</th>
<th>Total (n=136)</th>
<th>48 (n=90)</th>
<th>60 (n=46)</th>
</tr>
</thead>
<tbody>
<tr>
<td>67%</td>
<td>57%</td>
<td>52%</td>
<td>67%</td>
</tr>
<tr>
<td>26%</td>
<td>15%</td>
<td>16%</td>
<td>13%</td>
</tr>
</tbody>
</table>

- Changed objective
  - No
  - Partially
  - Yes

- Very much decreased
  - Slightly decreased
  - No change
  - Slightly increased
  - Very much increased
Clients mention their repayment burden has decreased over time. They are also relying more on savings and less on finding additional work or borrowing money nowadays.

Financial Resilience: Repayment Burden

The Recovery Loan has positively impacted how much of a burden borrowing repayments are for clients. Currently, only 7% consider repayments ‘a heavy burden’, down from 12% in the baseline study.

Those with 60% interest rate loans consider repayments ‘not a problem’ in higher proportion (60%) than those with 48% interest rate loans (50%).

The fact that clients are now relying more on savings (38% vs. 24% in the baseline) suggests they have more savings to use or do not struggle to meet payments as much as before.

Repayment Burden
Q: Thinking about your household’s borrowing repayments, are they? (n = 162)

- A heavy burden: 12%
- Somewhat of a burden: 7%
- Not a problem: 36%

Repayment Sources
Q: Have you used any of the following to make a loan repayment in the past 12 months, other than using your business income / wages? (n = 354)

- Savings: 24%
- Baseline: 38%
- Follow-up: 194 (n=160)
- Additional work: 9%
- 41%
- Borrowed from friend or family: 6%
- Borrowed from formal lender: 22%
- Sold or pawned an asset: 4%
Financial Resilience: Savings & Shocks

Clients do not report changes in their ability to save and weather financial shocks. Overall, men are better off than women in both aspects.

There are differences across gender: men report an increase in ability to save (14%), while women report virtually no change (-2%).

Women are less capable of weathering shocks: 24% report they could cover expenses for more than three months, compared to 36% of men.

Clients in Chimaltenango are less capable of weathering shocks: 20% report more than three months, compared to 27% in other regions.
“VisionFund helps us a lot, they are patient and they give us time to collect the payments. Also, the workers are kind and open-hearted, they have patience and wisdom.”
Net Promoter Score: Overview

VisionFund’s Net Promoter Score increased from 63 in the baseline to 68 in the follow-up study. This is excellent and higher than the 60dB Financial Inclusion Benchmark of 43.

Net Promoter Score® (NPS)

Q: On a scale of 0-10, how likely are you to recommend VisionFund to a friend or family member, where 0 is not at all likely and 10 is extremely likely? (n = 449)

<table>
<thead>
<tr>
<th>NPS</th>
<th>Gender</th>
<th>Interest Rate</th>
<th>Loan Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>63</td>
<td>64</td>
<td>67</td>
<td>59</td>
</tr>
<tr>
<td>68</td>
<td>68</td>
<td>61</td>
<td>63</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Detractor</th>
<th>Passive</th>
<th>Promoter</th>
</tr>
</thead>
<tbody>
<tr>
<td>13%</td>
<td>16%</td>
<td>13%</td>
</tr>
<tr>
<td>6%</td>
<td>24%</td>
<td>6%</td>
</tr>
<tr>
<td>7%</td>
<td>15%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Insight
You’re in the top 40% of our benchmark for this indicator. Increase this score by just 4 points to move into the top 20%!
Net Promoter Score: Top Drivers

The majority of promoters report good customer service as the top driver to recommend VisionFund to friends or family.

Top Three Drivers From Promoters
Q: What specifically about VisionFund would cause you to recommend it to a friend or family member? Open-ended, coded by 60 Decibels.

<table>
<thead>
<tr>
<th>Top Three Drivers</th>
<th>Promoters (75% of Respondents)</th>
<th>All Respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great customer service</td>
<td>47%</td>
<td>34%</td>
</tr>
<tr>
<td>Low interest rates</td>
<td>31%</td>
<td>23%</td>
</tr>
<tr>
<td>Fast loan approval process</td>
<td>17%</td>
<td>12%</td>
</tr>
</tbody>
</table>

On the other hand, Passives (17%) report the following as the top drivers:
- 33% report good customer service (5% of all respondents)
- 30% like the improved access to finance (5% of all respondents)
- 19% mention the good loan approval process (3% of all respondents)

Finally, a third of Detractors (7%) would like better customer service, and a quarter would prefer better group liability and a lower interest rate.

““They work well, the way they support us, they are very friendly. All the workers are good people, they motivate us a lot and that makes the credit work.”

“They are better than the other companies, the interests are favorable to the consumer. And thankfully I have not had any problems with them.”
Challenge Experience: Overview

Only 7% of clients report challenges with the Recovery Loan, which places VisionFund among the top 20% companies in the 60dB Financial Inclusion Benchmark.

Compared to the baseline study, the challenge rate has remained virtually unchanged. It is remarkably low.

Challenge rate varies by gender, interest rate, and loan size: women, those with 48% interest rate loans, and those with smaller loans report challenges in higher proportions than their counterparts.

Fewer than 1 in 10 clients report challenges with VisionFund’s Recovery Loan.

Proportion of Clients Reporting Challenges

Q: Have you experienced any challenges with using VisionFund’s Recovery Loan?

<table>
<thead>
<tr>
<th>Top 20%</th>
<th>Gender</th>
<th>Interest Rate</th>
<th>Loan Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>92%</td>
<td>91%</td>
<td>90%</td>
</tr>
<tr>
<td>Yes</td>
<td>8%</td>
<td>95%</td>
<td>96%</td>
</tr>
</tbody>
</table>

Baseline (n=287) Follow-up (n=162) Female (n=376) Male (n=73) 48 (n=284) 60 (n=165) 0-3,000 (n=128) 3,001-6,000 (n=177) 6,001-12,000 (n=144)

8% 7% 8% 5% 9% 5% 10% 4% 9%
Challenge Experience: Top Issues

Clients' top issues with VisionFund’s Recovery Loan were related to group loans, loan officer services, and payment burden.

Most Common Issues for Clients With Challenges

<table>
<thead>
<tr>
<th>Issue</th>
<th>Baseline (n=22)</th>
<th>Follow-up (n=11)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group loan issues (payment delays)</td>
<td>32%</td>
<td>36%</td>
</tr>
<tr>
<td>Challenging service from loan officers</td>
<td>32%</td>
<td>27%</td>
</tr>
<tr>
<td>Payment burden (driven by pandemic)</td>
<td>18%</td>
<td>36%</td>
</tr>
</tbody>
</table>

Q: Please briefly explain the challenge you have faced. Open-ended, coded by 60 Decibels. Small sample size.

“Previously I had problems, there are women who do not pay and that is why now my credit is individual.”

“The loan officers are very imposing, they tell me ‘I will not move from here until you pay me’. My whole family had COVID-19 and that caused me to fall behind on my payments, but they did not understand.”

The top three most common issues reported remained the same compared to the baseline study. However, they were reported in different proportions. Results suggest group loan issues have increased slightly, while loan officers service has improved. The negative effect from the pandemic is slowly fading as well.
Suggestions For Improvement

Most VisionFund Recovery Loan clients did not have a specific suggestion for improvement.

96% of the VisionFund Recovery Loan clients did not answer the question or said that they did not have any suggestion to improve the loan they are receiving.

Less than 3% of clients had a specific suggestion for improvement, mainly regarding customer service and treatment from the VisionFund representatives (3%).

Suggestions for Improvement

Q: What about VisionFund’s Recovery Loan offering can be improved? (n = 162)
Open-ended, coded by 60 Decibels.

- Improve Customer Service: 3%
- Improve Loan Approval Process: 1%
- Increase Loan Size: 1%
- No suggestions: 96%

“I would like them to send or hire someone who is kind and does not threaten me or my family.”

“I am going to finish paying my loan thank God, and I am not going to ask for any more loans, since it’s stressful to see the collectors tell me that it is my fault they do not get paid their salary.”
Closing Thoughts

43% of clients wanted to share their appreciation for the service they received from VisionFund representatives and its Recovery Loan.

At the end of the interview, we asked whether there was anything else the client would like to share.

43% of those we interviewed had a comment of appreciation about VisionFund representatives (i.e. kindness and helpfulness), the ability of loans to help their businesses, and their overall service received.

4% of clients asked VisionFund to keep lending them money, while 3% requested a higher instalment for their next credit.

### Closing Thoughts

Q: Is there anything else you’d like to share? (n = 162) Open-ended, coded by 60 Decibels.

- **Appreciation**: 43%
- **Keep Providing Service**: 4%
- **Increase Loan Size**: 3%
- **Better Customer Service**: 2%
- **Nothing else**: 45%

“VisionFund has helped me a lot. They recently gave me another loan and it helped me keep running my business. I thank you with all my heart.”

“I want to apply for another loan, I asked the loan officer who helped me to prepare my paperwork again, but he didn't call me anymore. I'd like you to follow up on that please.”

“I would like them to give me a little more money when I apply for another loan.”
Appendix
How to Make the Most of These Insights

Here are ideas for ways to engage your team and use these results to fuel discussion and inform decisions.

Example tweets or social media posts to share publicly:

- 83% of our clients say VisionFund’s Recovery Loan has helped them achieve their financial goals. #ListenBetter with @60_decibels
- 75% of clients would recommend us to a friend or family member – what are you waiting for? #ListenBetter with @60_decibels
- 95% of our clients say VisionFund’s Recovery Loan has improved their quality of life. “Through the credit I was able to get ahead with my business and my family” #ListenBetter with @60_decibels

**An Idea Checklist From Us to You**

<table>
<thead>
<tr>
<th>Engage Your Stakeholders</th>
<th>☐ Send deck to stakeholders and invite feedback, questions and ideas. Sometimes the best ideas come from unexpected places!</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>☐ Set up a team meeting and discuss what’s most important and identify next steps</td>
</tr>
<tr>
<td>Spread The Word</td>
<td>☐ Reach a wider audience on social media and show you’re invested in your clients – we’ve added some example posts on the left</td>
</tr>
<tr>
<td>Close The Loop</td>
<td>☐ Let us know if you’d like us to send an SMS to interviewed clients with a short message letting them know feedback is valued and as a result, you’ll be working on certain measures.</td>
</tr>
<tr>
<td></td>
<td>☐ If you can, call back the clients most negatively affected and/or who received no help to find out more and show you care.</td>
</tr>
<tr>
<td></td>
<td>☐ After reading this deck, don’t forget to let us know what you thought here!</td>
</tr>
<tr>
<td>Take Action!</td>
<td>☐ Collate ideas from team into action plan including responsibilities</td>
</tr>
<tr>
<td></td>
<td>☐ Keep us updated, we’re looking forward to seeing what decisions you make based on these insights</td>
</tr>
</tbody>
</table>
Methodology

162 phone interviews completed in 2022: 108 in February – May by 60dB and 54 in June by VisionFund.

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Sampling</th>
<th>% Follow-up</th>
<th>% Baseline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Survey Mode</td>
<td>Phone (60dB) + Phone and In-person interview (VisionFund Guatemala Team)</td>
<td>% Male</td>
<td>15</td>
</tr>
<tr>
<td>Country</td>
<td>Guatemala</td>
<td>% Female</td>
<td>85</td>
</tr>
<tr>
<td>Language</td>
<td>Spanish, Kaqchikel</td>
<td>% San Marcos</td>
<td>43</td>
</tr>
<tr>
<td>Dates</td>
<td>February - June 2022</td>
<td>% Guatemala</td>
<td>38</td>
</tr>
<tr>
<td>Sampling</td>
<td>287 Recovery Loan clients who participated in the baseline study in 2021</td>
<td>% Chimaltenango</td>
<td>12</td>
</tr>
<tr>
<td>Total Responses</td>
<td>162: 108 clients contacted by the 60dB team and 54 by the VisionFund Guatemala team</td>
<td>% Other</td>
<td>7</td>
</tr>
</tbody>
</table>

Accuracy

- Confidence Level: ~90%
- Margin of Error: ~6%
Thank You For Working With Us!

Let's do it again sometime.

About 60 Decibels

60 Decibels makes it easy to listen to the people who matter most. 60 Decibels is an impact measurement company that helps organizations around the world better understand their clients, suppliers, and clients. Its proprietary approach, Lean Data, brings client-centricity, speed and responsiveness to impact measurement.

60 Decibels has a network of 960+ trained Lean Data researchers in 80+ countries who speak directly to clients to understand their lived experience. By combining voice, SMS, and other technologies to collect data remotely with proprietary survey tools, 60 Decibels helps clients listen more effectively and benchmark their social performance against their peers.

60 Decibels has offices in London, Nairobi, New York, and Bengaluru. To learn more, visit 60decibels.com.

We are proud to be a Climate Positive company. 🌍

Your Feedback

We'd love to hear your feedback on the 60dB process; take 5 minutes to fill out our feedback survey here!

Acknowledgements

Thank you to Ester, Santiago, Luis, and the whole team of VisionFund Guatemala for their support throughout the project.

This work was generously sponsored by VisionFund International.
I invested more in my product and the profit is more visible.
I covered my house expenses and kept my business going.
I was able to grow my business and I bought land.

The VisionFund loan has helped me
>have
>a
>calmer
>life

with my business and my earnings.

Kasia Stochniol
kasia@60decibels.com

Ramiro Rejas
ramiro@60decibels.com

Frances Ninahuanca
frances@60decibels.com