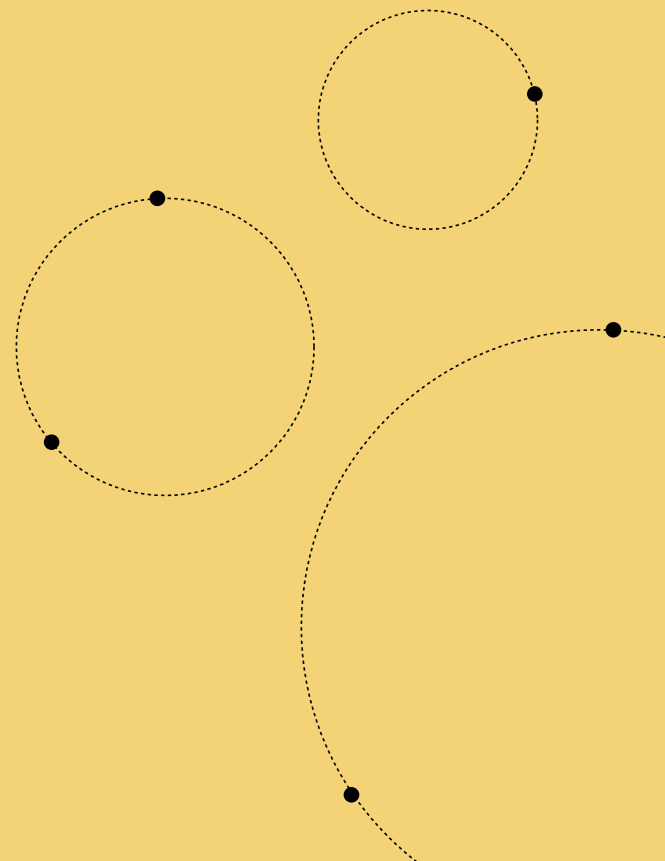


# Financial Inclusion Impact Performance



Photo Credit: Satya MicroCapital



## Contents

---

About This Report	03
-------------------	----

---

 01: Access	04
 02: Business Impact	07
 03: Household Impact	09
 04: Financial Management	12
 05: Resilience	15

Additional Insights	17
---------------------	----

---

Appendix	21
----------	----

About 60 Decibels	26
-------------------	----

## About This Report

This report is designed to make it easy to learn about your clients in India, their profile and the outcomes they experience.

The report includes detailed results on your performance across the five dimensions of financial inclusion: access, business impact, household impact, financial management, and resilience. We have also included additional insights on client satisfaction, loan usage and challenges that we hope you find actionable.

This initial report shows Satya MicroCapital's performance. 60 Decibels is in the process of collecting comparable Impact Performance data across 100+ Microfinance Institutions (MFIs). This data will be summarized in the 60dB MFI Index.

As we collect more data, we will provide an updated report comparing your performance to the 60 Decibels MFI Financial Inclusion Index. These benchmarks will allow you to contextualize your results and see how your performance compares to other MFIs.

In addition, as the Index expands, we will be able to provide you more nuanced benchmarks, including by region and country (in some cases).

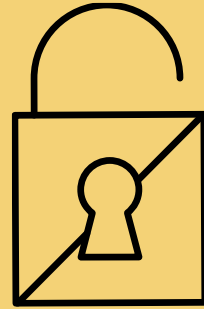
Please do not be discouraged if your performance seems low – you are already ahead of the game by making the effort to measure your impact. We hope you will use the results to set targets and identify ways you can improve your impact performance over time.



“

The behavior of the staff is very good, loans are also easily available, they are very good people.

-Female, 42



# 01: Access

---

Globally, nearly 1.7 billion individuals are unbanked or underbanked.

Access to timely, low-cost, low-risk loans can be the difference between financial resiliency and financial crisis for households.

The 60dB Access Benchmark measures the degree to which Satya MicroCapital is serving a previously underserved population, the competitive landscape Satya MicroCapital operates in, and the degree to which you are serving less well-off clients.



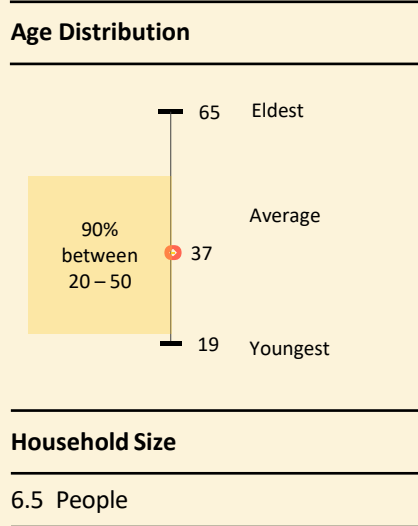
## A typical Satya MicroCapital client in India is a 37-year-old female, living in a rural area, in a household of seven.

### Demographics

Gender Breakdown	
Male	00%
Female	100%

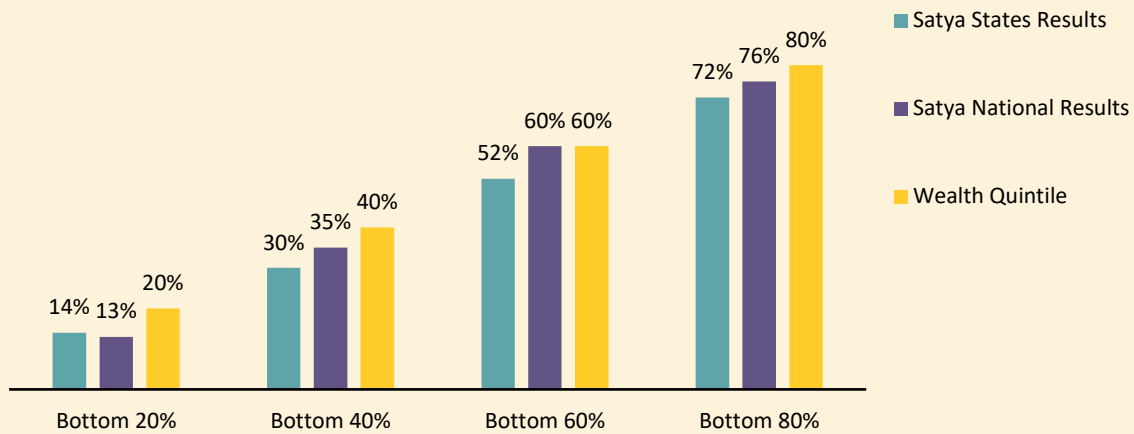
Location	
Urban	8%
Peri-Urban	8%
Rural	83%



## 44% of clients are in the two bottom categories of wealth quintiles in India.

### Customers’ Income Distribution Relative to India Average

Using the Wealth Index developed by [Innovations for Poverty Action](#), we measured how the wealth profile of your beneficiaries’ households compares to the India state and national quintiles. Satya is underpenetrating the low-income segment (bottom 60th) at the state-level by 8% and at it is at par at the national-level.

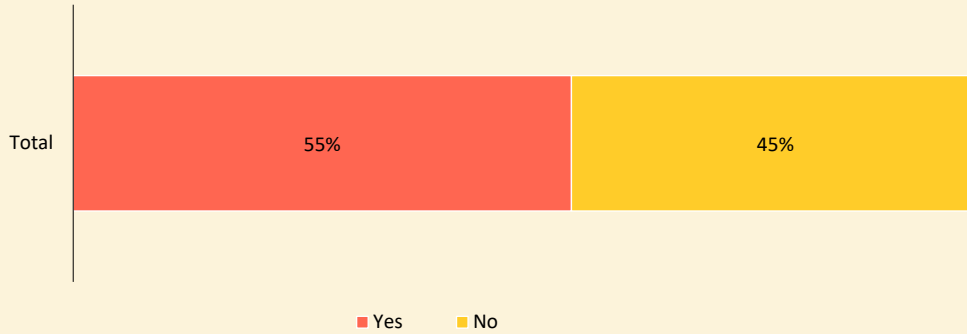




## 45% of clients said they're accessing a loan for the first time.

### First Access

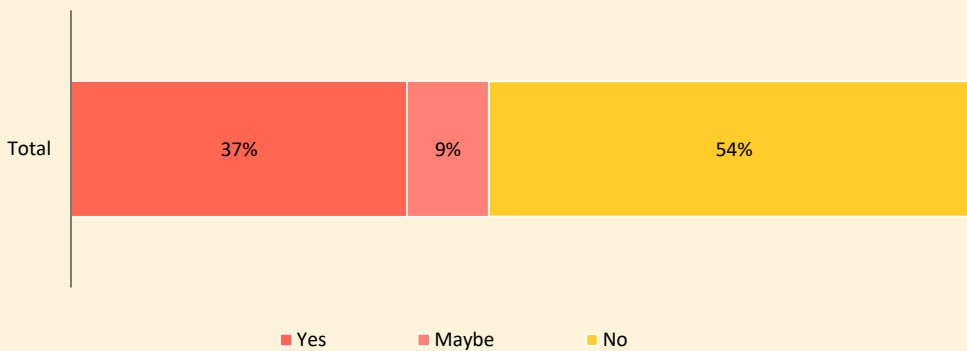
Q: Before Satya MicroCapital, did you have access to a loan like Satya MicroCapital provides? (n = 249)

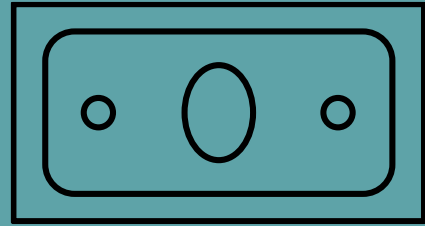


## 54% of clients could not easily find a good alternative to Satya MicroCapital.

### Access to Alternatives

Q: Could you easily find a good alternative to Satya MicroCapital? (n = 248)





# 02: Business Impact

Financial inclusion, in the form of small loans can help customers invest in existing enterprises and start new businesses. These investments can improve income sustainability and expand economic opportunity beyond the client themselves.

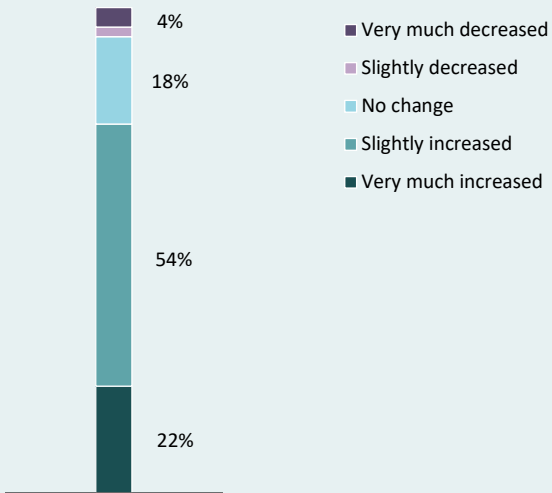
The 60dB Business Impact benchmark measures the degree to which the Satya MicroCapital loan is increasing its clients' ability to earn income from their business and their ability to employ others.



# 76% say their business income increased, with 22% of clients saying it has 'very much increased'.

## Change in Business Income

Q: Has the money you earn from your business changed because of the Satya MicroCapital loan? (n = 200)

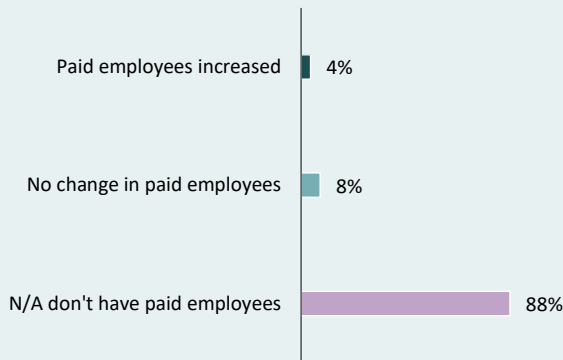


**76%**  
report an increase in their business income

# 4% of all clients report an increase in the number of paid employees since receiving their loan.

## Change in Paid Employees

Q: Has your number of paid employees working for your business changed because of Satya MicroCapital loan? (n = 200)



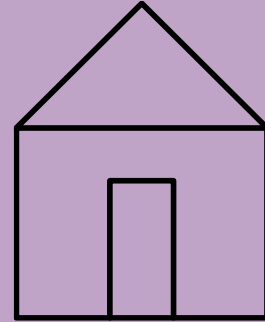
## Average Number of Employees Before & After

Q: Could you please tell me how many paid employees you had before working with Satya MicroCapital and now? (n = 7). **Note small sample size.**

**Before Loan**  
**0.2** employees

**After Loan**  
**0.4** employees





# 03: Household Impact

---

Timely loans help clients cover planned and unplanned expenses such as medical costs, school fees, and household improvements. However, this improved liquidity may result in over-indebtedness leading to risky consumption decreases and negative externalities.

The 60dB Household Impact benchmark measures the impact the Satya MicroCapital loan is having on clients' quality of life, their ability to invest or cover household expenditures and the degree to which clients can achieve their financial goals.



# 65% say their quality of life has improved, with 26% reporting significant improvements.

## Perceived Quality of Life Change

Q: Has your quality of life changed because of the Satya MicroCapital loan? (n = 251)



## Top self-reported outcomes for clients who say quality of life improved:

**40%**  
 mention ability to pay for household needs improved  
 (40% of all respondents)

**24%**  
 report improved income  
 (24% of all respondents)

**23%**  
 talk about improved business  
 (23% of all respondents)

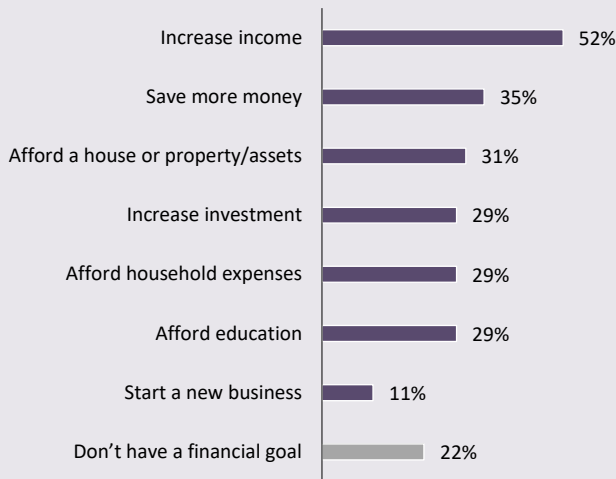
“  
 Now our farming is good, due to which our income has also increased, now we are able to repay the loan installments easily..  
 -Female, 20



## 52% of clients say their top financial goal is to increase income, and 57% of clients say their ability to meet their financial goals has improved because of Satya MicroCapital.

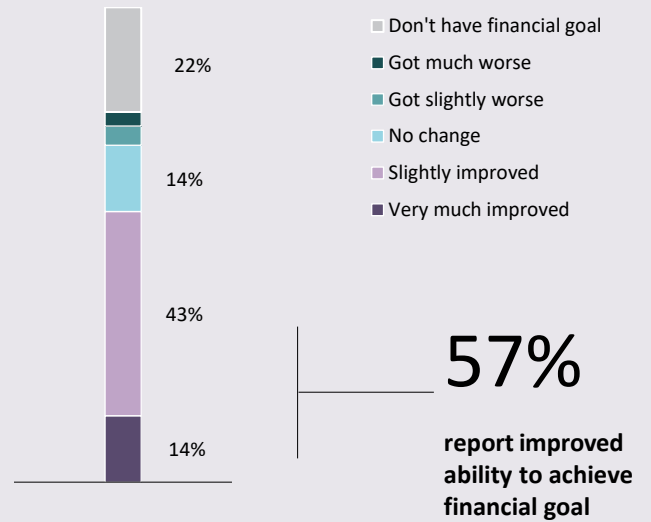
### Top Financial Goals

Q: What is the most important financial goal you're trying to achieve right now? (n = 250)



### Change in Ability to Achieve Goal

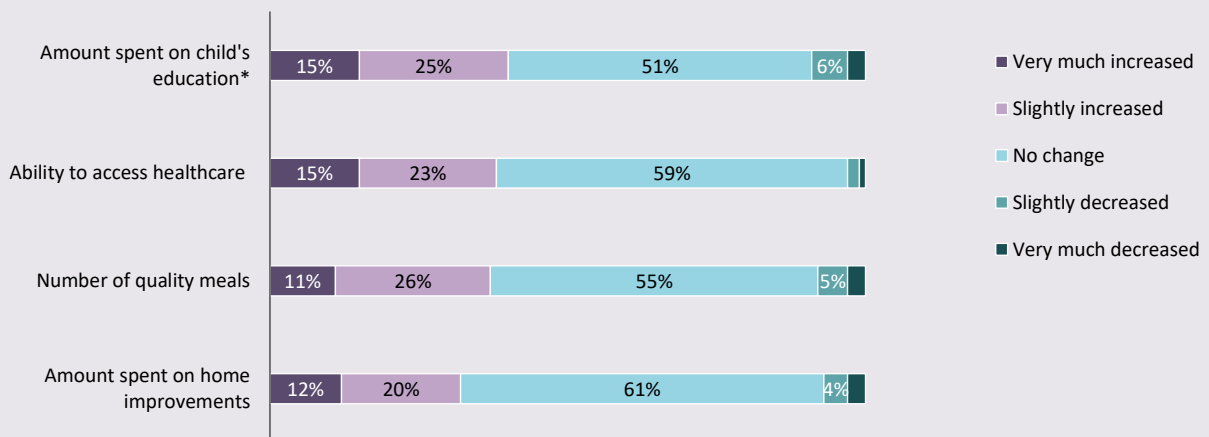
Q: Has your ability to achieve this goal changed because of Satya MicroCapital? (n = 250)



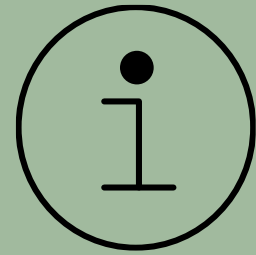
## Loans have the biggest positive effect on children's education and ability to access healthcare.

### Change On...

Q: How have the following things changed? (n = 251\*)



\*The sample size for amount spent on children's education is n = 217, excluding 34 associates who do not have school-aged children.



# 04: Financial Management

---

Providing clients with information and education regarding the terms of their loan helps ensure clients are making informed decisions regarding the costs/benefits of their loan. It also helps clients better manage their loan repayments and competing household expenses.

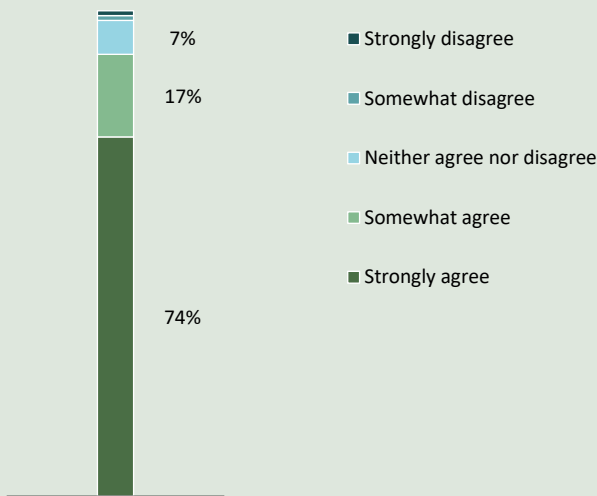
The 60dB Financial Management benchmark measures the degree to which clients are informed of Satya MicroCapital loan conditions prior to borrowing and the impact the loan has on their ability to manage their finances.



## 74% of clients ‘strongly agree’ that they understand Satya MicroCapital’s terms & conditions.

### Extent of Loan Understanding

Q: To what extent do you agree with the following statement: “I understand all of the terms and conditions of the Satya MicroCapital loan, including payments and penalties”. (n = 244)



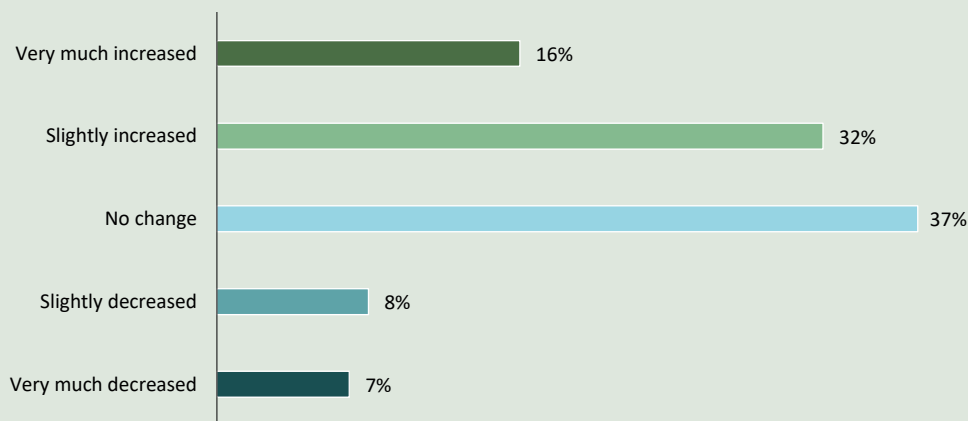
Segments*	‘Strongly Agree’ to understanding Loan terms
Female	74%
Male	-
Promoter	86%
Passive	55%
Detractor	37%

\*See page 18 for a definition of the Promoter, Passive, and Detractor segments.

## 16% say their ability to manage their finances has ‘very much increased’.

### Ability to Manage Finances

Q: Because of Satya MicroCapital has your ability to manage your finances changed? (n = 251)

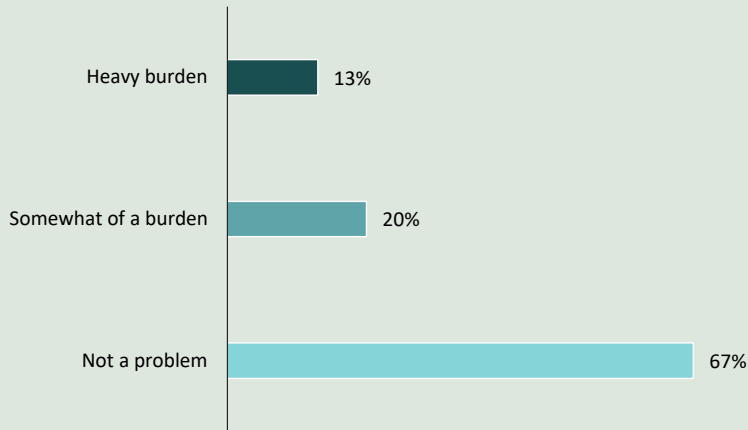




## 13% report their repayments as a heavy burden.

### Burden of Satya MicroCapital Repayments

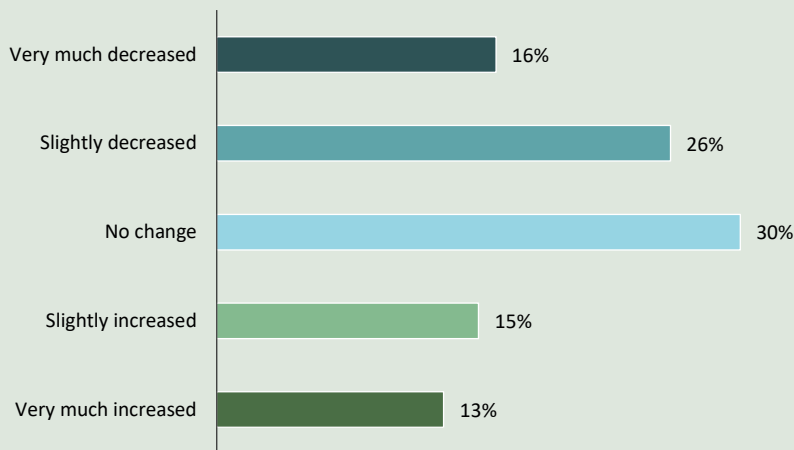
Q: Thinking about your borrowing repayments, are they: (n = 251)



## Financial stress has decreased for 42% of clients.

### Stress Levels

Q: Because of Satya MicroCapital have your stress levels relating to your finances changed? (n = 251)



**42%**  
report decreased  
financial stress



# 05: Resilience

---

Unforeseen financial shocks can occur at any time, and the ability to recover is often contingent on access to financial resources. Improving clients' incomes, enabling increased saving, and providing timely emergency loans all help ensure clients can cope with unforeseen shocks.

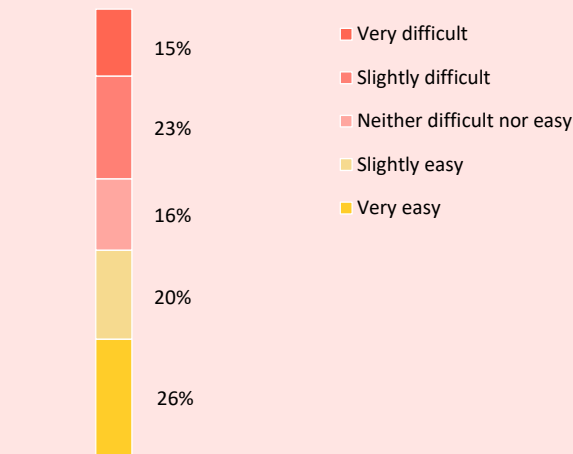
The 60dB Resilience benchmark measures the degree to which clients are financially prepared for an unforeseen economic shock, and the impact Satya MicroCapital's loan has had on this preparedness. As well as the degree to which clients are making sacrifices to cover the cost of their Satya MicroCapital loan.



**38% of clients would find it 'difficult' to come up with 5000 INR at short notice. 45% say their ability to meet this major expense has improved because of Satya MicroCapital.**

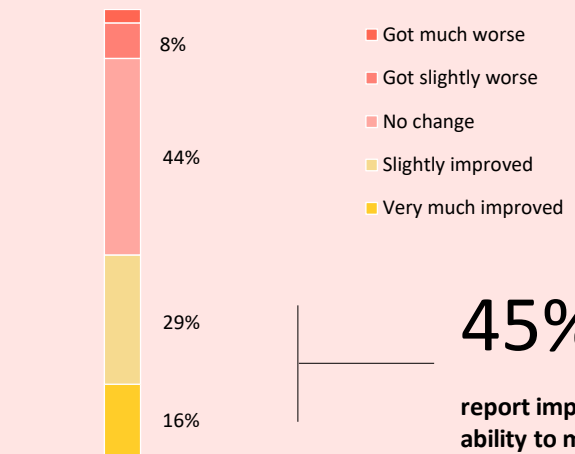
**Difficulty in Facing Major Expense**

Q: Imagine that tomorrow you have an emergency and need to come up with 5000 INR within the next month. How easy or difficult would it be to come up with this money? (n = 251)



**Change in Ability to Face Major Expense**

Q: Has your ability to face this major expense changed because of Satya MicroCapital? (n = 249)



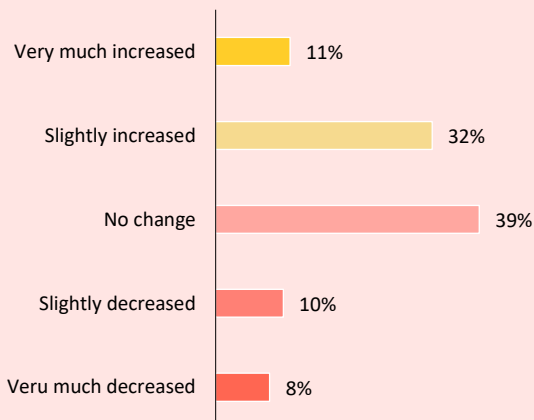
**45%**  
report improved ability to meet major expense

\*This is approximately 1/20th of GNI/capita in India and is considered a proxy for a 'sizeable' emergency expense

**While 43% report an increased savings balance, 32% report that they have at least once reduced food consumption to make repayments.**

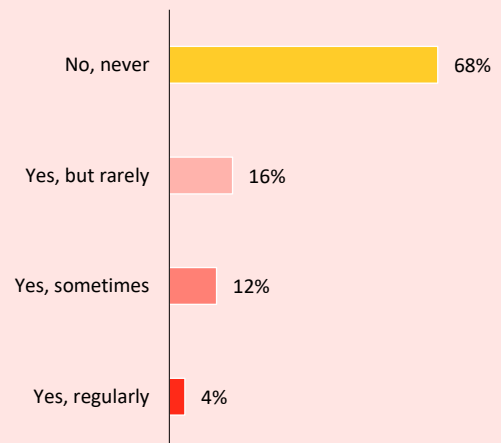
**Change in Savings Balance**

Q: Because of Satya MicroCapital has your savings balance changed? (n = 251)



**Consumption Cutback Frequency**

Q: Do you have to reduce your households' food consumption to make repayments where you didn't have to before? (n = 250)





# Additional Insights

---

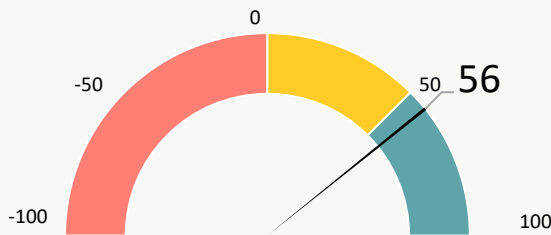
Understanding how clients experience Satya MicroCapital's loan products can provide important insight into how Satya MicroCapital can best tailor its service delivery and loan offering.

These additional data points provide windows into drivers of client satisfaction, loan usage, and the challenges clients are facing.

## Your Net Promoter Score® is 56. This is excellent.

### Net Promoter Score® (NPS)

Q: On a scale of 0-10, how likely is it that you would recommend Satya MicroCapital to a friend, where 0 is not at all likely and 10 is extremely likely? (n = 251)



NPS = %Promoters (9-10 likely to recommend) - %Detractors (0-6 likely to recommend)

The Net Promoter Score® (NPS) is a gauge of client satisfaction and loyalty. The NPS is the percent of clients rating 9 or 10 ('Promoters') minus the percent of employees rating 0 to 6 ('Detractors'). Those rating 7 or 8 are 'Passives'.

The score can range from -100 to 100. Satya MicroCapital in India has a NPS of 56, which is excellent.

“

I bought a cow with the loan money. My husband is a driver. Our income is increased by selling milk. Everything is better than before.

-Female, 25

## Promoters and Passives value good credit terms, good company representatives and good customer experience.

**72%**  
are Promoters 😊

They love:

1. Better credit terms (48% / 49% of respondents)
2. Satya's representatives (33% / 33% of respondents)
3. Improved financial inclusion (25% / 25% of respondents)

**12%**  
are Passives 😐

They like:

1. Better credit terms (2% / 2% of respondents)
2. Improved financial inclusion (2% / 2% of respondents)
3. Better Satya representatives (1 respondent)

**16%**  
are Detractors 😞

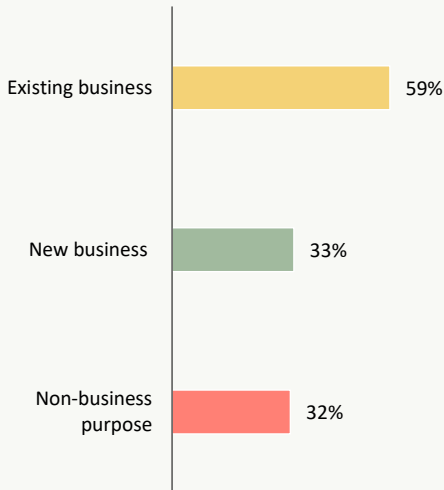
They want to see:

1. Better credit terms (7% / 7% of respondents)
2. Better Satya representatives (5% / 5% of respondents)
3. Increased ability to pay (3% / 3% of respondents)

## 59% of loans are used for existing businesses; buying shop inventory is the most common loan use.

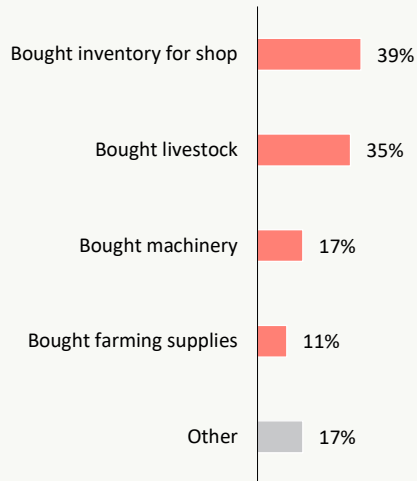
### Primary Loan Usage

Q: What did you use your loan for? (n = 251). Multiple Select



### Specific Business Uses

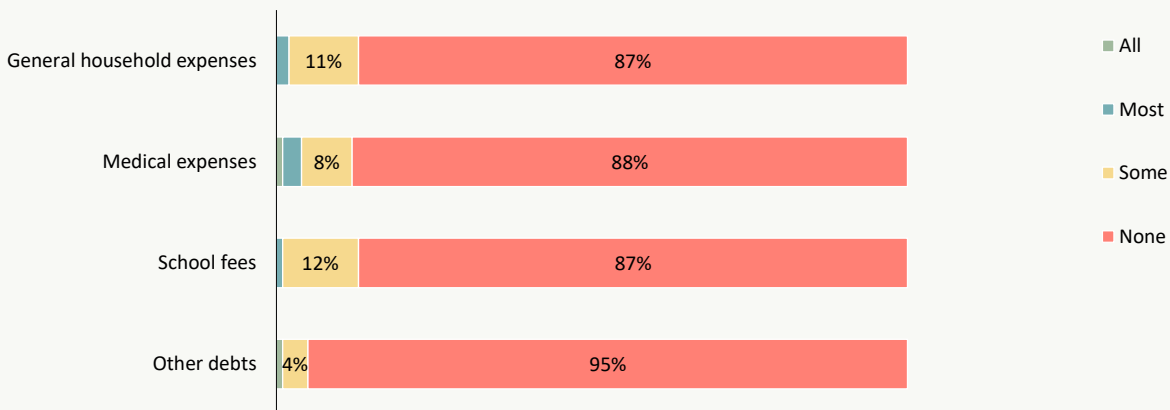
Q: Tell me more about how you used your loan for your business? (n = 224)



## When asked about the frequency of loan use for non-business purposes, general household expenses is the most frequent use, albeit still relatively rare.

### % using Loan for...

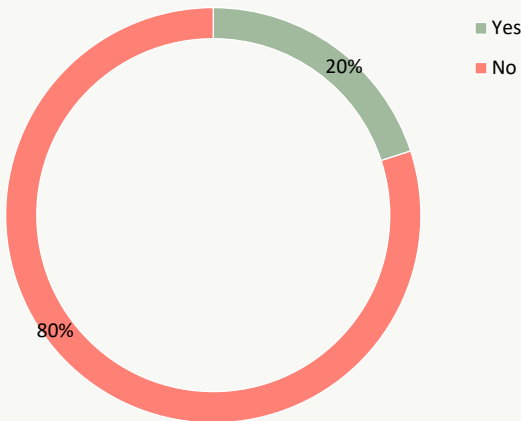
Q: Thinking about your loan(s), how often have you used some of it to pay for...? (n = 251)



## 20% of clients report facing a challenge with Satya MicroCapital loan.

### Proportion of Customers Reporting Challenges

Q: Have you experienced any challenges with the Satya MicroCapital loan? (n = 251)



“

In the last few months, the value of the installments paid for the loan has been increased without reasonable explanation. .

-Male,31

## Of the 20% who experience a challenge, the most common ones are issues with company representatives and bad credit terms.

### Most Common Challenges

Q: Please explain these challenges. (n = 49). Open-ended, coded by 60 Decibels.

12%

Report issues with company representatives

(12% of all respondents)

6%

mention bad credit terms

(6% of all respondents)

5%

talk about high loan rates

(5% of all respondents)

# Appendix

---

## Detailed Satya MicroCapital Impact Performance

Performance Relative to Benchmark indicates where Satya MicroCapital falls in the ranking relative to other MFIs in the 60 Decibels Financial Inclusion Index:

- Bottom 20%
- Bottom 40%
- Middle 20%
- Top 40%
- Top 20%

Indicator	Description	Satya MicroCapital	60dB FI Benchmark	Performance Relative to Benchmark
<b>60dB FI Index</b>		TBD	TBD	TBD
<b>🔑 Access</b>		TBD	TBD	TBD
First Access	% accessing for the first time	45%	TBD	TBD
Alternatives	% without access to good alternative	54%	TBD	TBD
Targeted Access	% living below India poverty line (\$X.XX)	-	TBD	TBD
Equitable Access	inclusivity ratio (normalised)	0.94	TBD	TBD
<b>🏢 Business Impact</b>		TBD	TBD	TBD
Income	% seeing 'very much increased' improvement in income	22%	TBD	TBD
Employment	% increasing no. of paid employees	4%	TBD	TBD
<b>🏠 Household Impact</b>		TBD	TBD	TBD
Quality of Life	% 'very much improved' quality of life	26%	TBD	TBD
Home Improvement	% 'very much increased' household spending on home improvement	3%	TBD	TBD
Education	% 'very much increased' household spending on education	3%	TBD	TBD
Healthcare	% 'very much increased' household spending on healthcare	1%	TBD	TBD
Quality Meals	% 'very much increased' number of quality meals	3%	TBD	TBD
Financial Goals	% 'very much improved' ability to achieve financial goal	43%	TBD	TBD
<b>📊 Financial Management</b>		TBD	TBD	TBD
Loan Understanding	% 'strongly agree' to understanding terms	74%	TBD	TBD
Financial Management	% 'very much improved' ability to manage finances	16%	TBD	TBD
Financial Stress	% 'very much improved / decreased' financial stress	16%	TBD	TBD
Repayment Burden	% saying payments 'not a problem' (if offering financing)	67%	TBD	TBD
<b>⚡ Resilience</b>		TBD	TBD	TBD
Savings	% 'very much increased' savings balance	11%	TBD	TBD
Financial Shocks	% 'very easy' to meet an emergency expense	26%	TBD	TBD
Company Role	% 'very much improved' resilience thanks to company	16%	TBD	TBD
Consumption Sacrifice	% who 'never' cut food consumption to make payments	68%	TBD	TBD

## Methodology

### About the 60dB Methodology

In March 2022, 60 Decibels' trained researchers conducted 251 phone interviews with Satya MicroCapital loan clients. The clients were randomly selected from a random sample of Satya MicroCapital's client database. Here is the breakdown of how we collected this data:

Country	<b>India</b>
Contacts Shared	<b>2500</b>
Interviews Completed	<b>251</b>
Response Rate	<b>57%</b>
Languages	<b>Hindi and Punjab</b>
Average Survey Length	<b>14 mins</b>
Confidence Level	<b>90%</b>
Margin of Error	<b>5%</b>

### Calculations and Definitions

For those who like to geek out, here's a summary of some of the calculations we used in this report.

Metric	Calculation
Wealth Index	What proportion of beneficiaries lie in the bottom three wealth quintiles of India's population? This indicator uses the Wealth Quintiles developed by Innovations for Poverty Action to identify the likelihood of your customers living in a certain wealth quintile compared to the country's population. We use the index to determine the proportion of beneficiaries that lie in the Bottom 20 <sup>th</sup> , Bottom 40 <sup>th</sup> , Bottom 60 <sup>th</sup> , and Bottom 80 <sup>th</sup> wealth quintiles in India. This gives you insight into the inclusivity of your business.
Net Promoter Score®	The Net Promoter Score (NPS) is a common gauge of client satisfaction and loyalty. It is measured by asking clients to rate their likelihood to recommend a product/service to a friend or family member on a scale of 0 to 10, where 0 is least likely and 10 is most likely. The NPS is the % of clients rating 9 or 10 out of 10 ('Promoters') minus the % of clients rating 0 to 6 out of 10 ('Detractors'). Those rating 7 or 8 are considered 'Passives'.

## Ideas for How to Use these Results

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

### Review Your Results

- Review your results and qualitative client responses. There's a lot of juicy feedback in there!
- 

### Engage Your Team

- Send report to your team & invite feedback, questions and ideas. Sometimes the best ideas come from unexpected places!
  - Set up team meeting & discuss what's most important, celebrate the positives & identify next steps.
- 

### Spread The Word

- Reach a wider audience on social media & show you're invested in your clients.
- 

### Close The Loop

- 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 XYZ.
  - If you can, call back the clients with challenges and/or complaints to find out more and show you care.
  - After reading this report, don't forget to let us know what you thought: [Click here!](#)
- 

### Take Action!

- Collate ideas from team into action plan including responsibilities.
- Keep us updated, we'd love to know what changes you make based on these insights.





“

My life was going well but after Satya it improved a lot as we get an extra source of income which we used to meet the requirements of our daughters and even installments are also easily affordable.

-Female, 31

# 60 \_decibels

## About 60 Decibels

We're a tech-enabled impact measurement company, working in over 50 countries worldwide. Our repeatable, standardized approach to gathering data allows us to gather robust impact indicators and rich graduate insights direct from end users.

We also provide genuine benchmarks of impact performance, enabling our clients to understand their impact relative to peers and to make informed decisions regarding how to improve their impact. Our clients include over 350 of the world's leading impact investors, companies, foundations, corporations, NGOs, and public sector organizations.

## Thank You For Working With Us!

### Let's do it again sometime.

We'd love to hear your feedback on working with 60dB; take 5 minutes to fill out our feedback survey [here!](#)

### Stay In Touch

Please sign up for [The Volume](#), our monthly collection of things worth reading.