MicroLoan Foundation Zambia

Microfinance Index

Insights Report

Source: MicroLoan Foundation

GLOBAL PARTNERSHIPS

CA FONDATION GRAMEEN CRÉDIT AGRICOLE
Microfinance & Social Business

microloan foundation

60__decibels
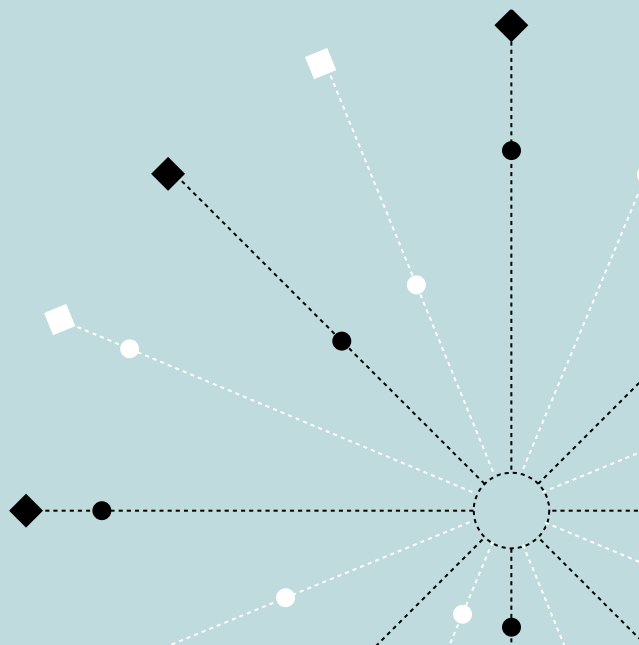
Contents

About This Report

This report is designed to provide you with an in-depth understanding about your clients, their profile, the outcomes they experience, how satisfied they are, and how you can improve your impact and business performance.

The insights are based on phone interviews with 275 clients. These interviews were conducted by 60 Decibels-trained researchers. We really enjoyed hearing from your clients – they had a lot to say!

Your results in this report are segmented by tenure and loan amount. Similar to the client population shared with us, all respondents in our sample have group loans for business purposes.

For more detailed results and segmentation, please visit your private online dashboard.

To contextualize your results, you can see how your performance compares to other microfinance organizations in the Performance Snapshot. Once we have collected data for all the Microfinance Institutions included in the 2022-23 60 Decibels MFI Index, we will provide MicroLoan Foundation Zambia (MLF) with an Index ranking in your online dashboard. Please note, the data in this report is static and the benchmarks are as of 12/2022 where the online dashboard benchmarks are consistently updated with new data.

We encourage you to use these results to set targets and identify ways you can further improve your impact performance over time.

Source: FSR

> ❝
> Things in my household have changed. I can afford clothes, food and am able to pay for school for my children in boarding school. My life has really changed because of MicroLoan.
>
> – Female, 37

Performance Snapshot

The performance column compares how you compare to 60 Decibels Benchmarks in the microfinance sector. You can find additional insights of your results alongside the 60 Decibels Benchmarks in the Appendix.

**Performance vs
60dB MFI Benchmarks**

●○○○○	BOTTOM 20%
●●○○○	BOTTOM 40%
●●●○○	MIDDLE
●●●●○	TOP 40%
●●●●●	TOP 20%

Benchmark Overview

118	**34,927**	**43**
Microfinance organizations included	voices listened to	Countries

Who are you reaching?

Benchmark Performance
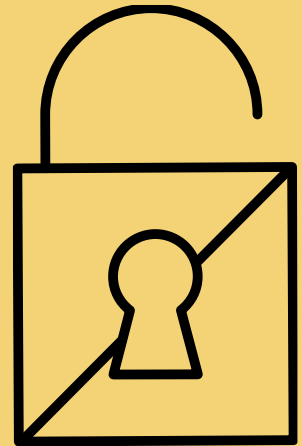
Inclusivity Ratio	0.94	●●●●●
Accessing a loan for first time	89%	●●●●●
Could not easily find a good alternative	92%	●●●●●

What impact are you having?

% seeing significantly improved quality of life	60%	●●●●●
% say their repayments are 'not a problem'	96%	●●●●●
% report significant business income increases	69%	●●●●●

How satisfied are your clients?

Net Promoter Score	88	●●●●●
% experiencing challenges	5%	●●●●●

01:
Profile & Access

This section helps you understand your client base and measures the degree to which MicroLoan Foundation Zambia (MLF) is serving a previously underserved population, the competitive landscape MLF operates in, and the degree to which you are serving less well-off clients.

The key indicators in this section are:

- **Inclusivity Ratio:** Are you reaching less well-off clients? How representative is your client base of the national population of the country you are working in?

- **First Access:** What proportion of your clients are accessing a similar product/service for the first time?

- **Access to Alternatives:** Do your clients have access to alternatives? Is there competition in the market?
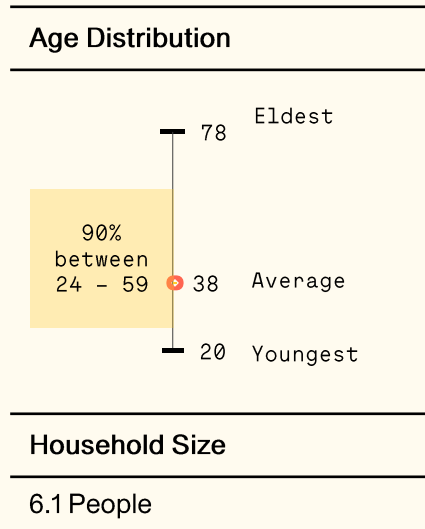
A typical MLF Zambia client is a 38-year-old female, living in a rural area in a household of 6.

Demographics
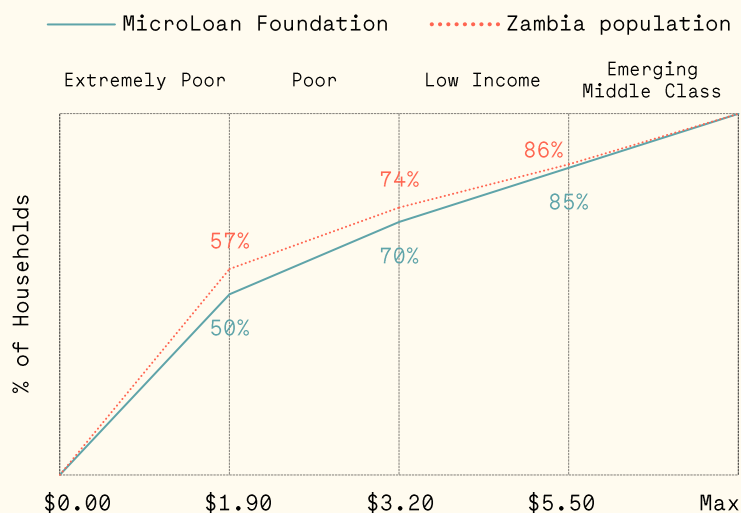
Gender Breakdown

Female	99%
Male	1%

●●●●●
TOP 20% - 60dB MFI Benchmark

Location

Rural	71%
Peri-Urban	28%
Urban	1%

Age Distribution

78 — Eldest

90% between 24 – 59 → 38 — Average

20 — Youngest

Household Size

6.1 People

70% of clients live under $3.20 per day, compared to 74% nationally.

Clients' Income Distribution Relative to Country Average

% living below $x.xx per person per day (2011 PPP) (n = 275)

——— MicroLoan Foundation   ········· Zambia population

Extremely Poor   Poor   Low Income   Emerging Middle Class

86%
74%
85%
57%
70%
50%

% of Households

$0.00 $1.90 $3.20 $5.50   Max

Inclusivity Ratio

Degree to which MLF Zambia is reaching low-income clients in Zambia (n = 275)

0.94

1 = parity with population;
> 1 = over-serving;
< 1 = under-serving.
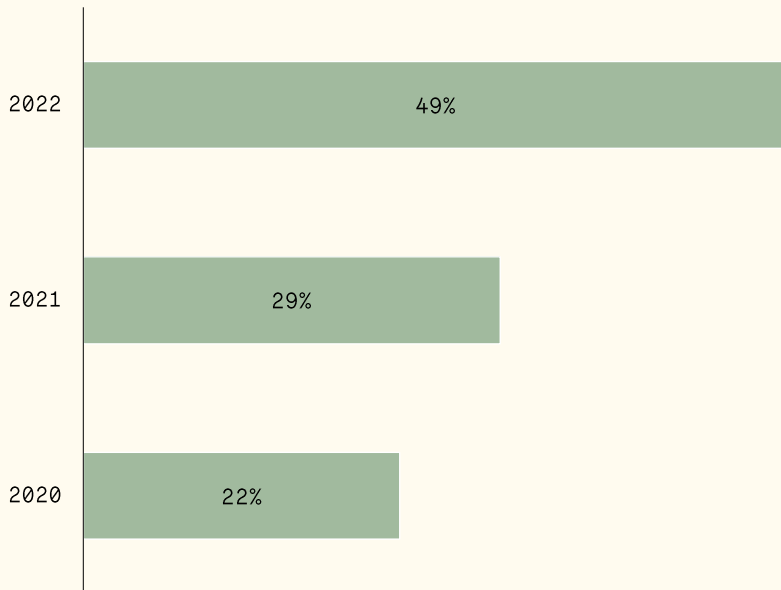
See Appendix for calculation.

●●●●●
TOP 20% - 60dB MFI Benchmark

Nearly half of clients started taking loans from MLF Zambia in 2022. All clients have a group loan for business purposes.

Tenure of Association

Year	Percentage
2022	49%
2021	29%
2020	22%

Loan Type	
Business Loan	100%

Loan Amount in Zambian Kwacha	
Max	6,000
Median	2,000
Average	2,461
Min	500

Loan Methodology	
Group	100%

Note: We have checked for trends by loan amount in this report. We have rounded up the average loan value to 2500 to use for segmentation throughout the report.
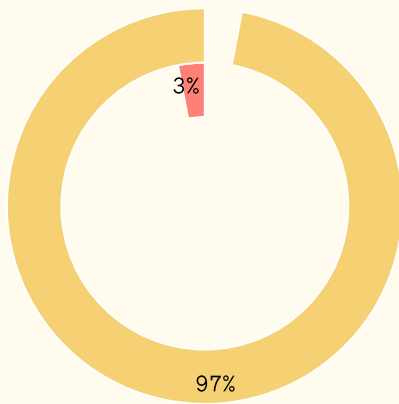At the time of publication, 2500 Zambian Kwacha was equal to $140.49 USD

97% of clients use their loan solely for a business purpose.

Loan Use

What did you use your loan(s) from MicroLoan Foundation for?
Multiple Select (n = 275)

- 🟨 Business purpose (new or existing)
- 🟥 Non-business purpose

3%

97%

Top Business Uses of Loan

Open-ended question, responses coded by 60dB (n = 273)

83%

bought inventory to sell at their shop
(83% of all respondents)

8%

bought livestock
(8% of all respondents)

7%

bought farming supplies
(7% of all respondents)

Nearly half of clients have accessed services apart from their loan in the past six months. The most commonly received service is education / training.

Additional Services

Q: In the last 6 months, have you received any services from
MicroLoan Foundation apart from your loan? (n = 275)

- 🟨 Yes
- 🟥 No

52%

48%

Education / Training	64%
Savings	63%
Business-related services	42%
Insurance	1%
Other	1%
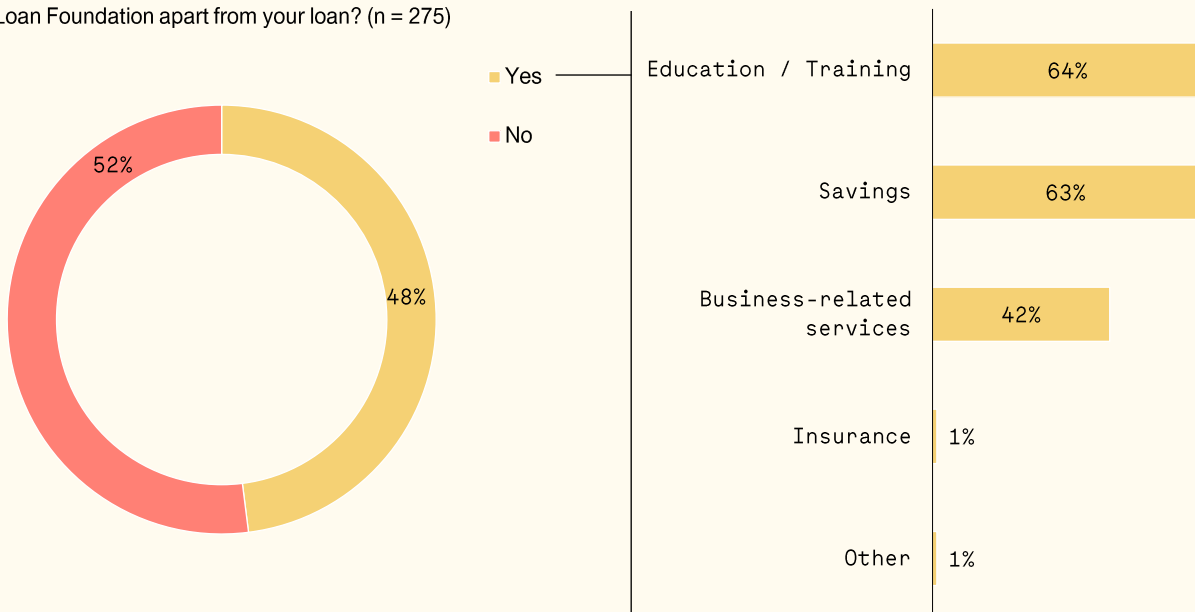
89% of clients say they had no prior access to a loan like the one from MLF Zambia.

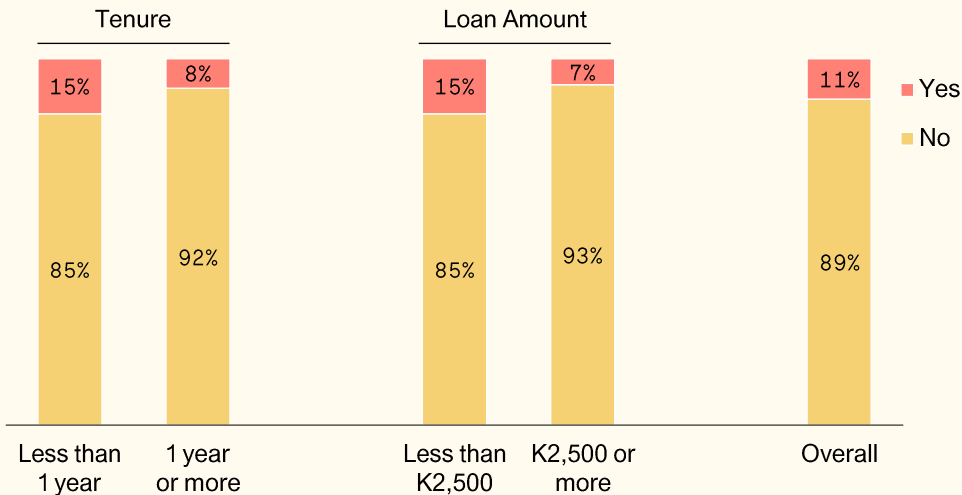### First Access

Q: Before MicroLoan Foundation, did you have access to a loan like the one they provide? (n = 275 | Less than 1 year = 134, 1 year or more = 141 | Less than K2461 = 144, K2,500 or more = 131)
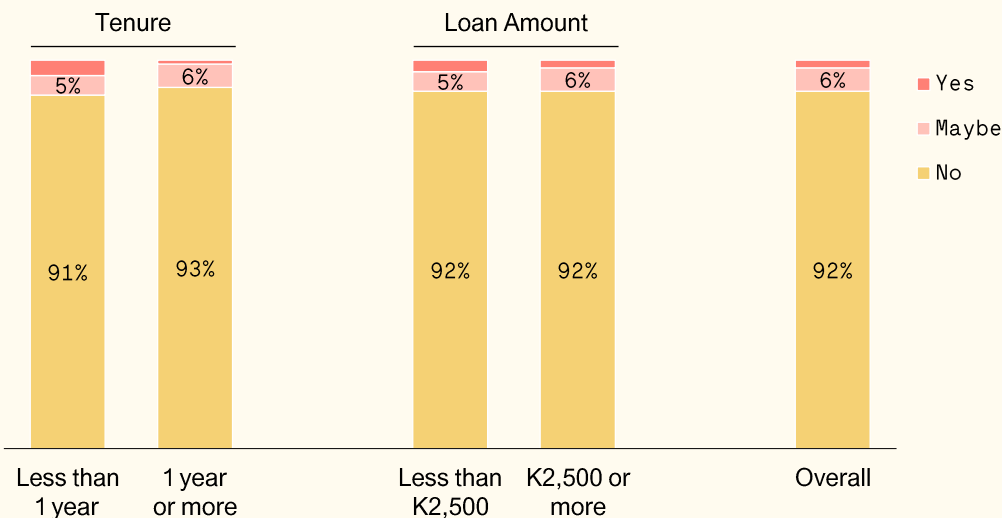

Tenure

15%	8%
85%	92%
Less than 1 year	1 year or more

Loan Amount

15%	7%
85%	93%
Less than K2,500	K2,500 or more

11%
89%
Overall

Legend: ■ Yes ■ No

●●●●●
TOP 20% - 60dB MFI Benchmark

9 in 10 of the respondents said that they could not easily find a good alternative to MLF Zambia.

Access to Alternatives

Q: Could you easily find a good alternative to MicroLoan Foundation? (n = 274 | Less than 1 year = 134, 1 year or more = 140 | Less than K2,500 = 143, K2,500 or more = 131)

Tenure

5%	6%
91%	93%
Less than 1 year	1 year or more

Loan Amount

5%	6%
92%	92%
Less than K2,500	K2,500 or more

6%
92%
Overall

Legend: ■ Yes ■ Maybe ■ No

●●●●●
TOP 20% - 60dB MFI Benchmark
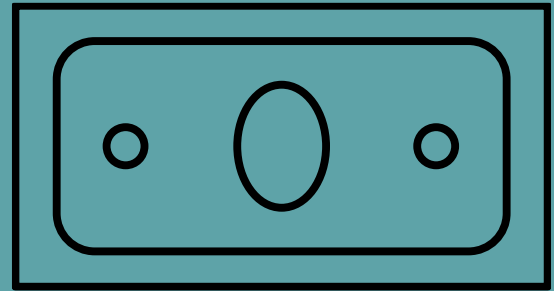
02:
Business Impact

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

This section shows you the degree to which the MLF Zambia has an impact on clients' ability to earn income from their business and their ability to employ others.

The key indicators in this section are:

• **Income Change:** To what extent has the money clients earn from their business changed because of MLF Zambia?

• **Employment**: To what extent are clients employing others because of their loan from MLF Zambia?
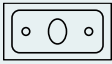
Nearly all clients report the money they earn from their business has increased because of MLF Zambia.

Income Change

Q: Has the money you earn from your business changed because of MicroLoan Foundation? Has it:
(n = 273 | Less than 1 year = 132, 1 year or more = 141 | Less than K2,500 = 144, K2,500 or more = 129)

Tenure

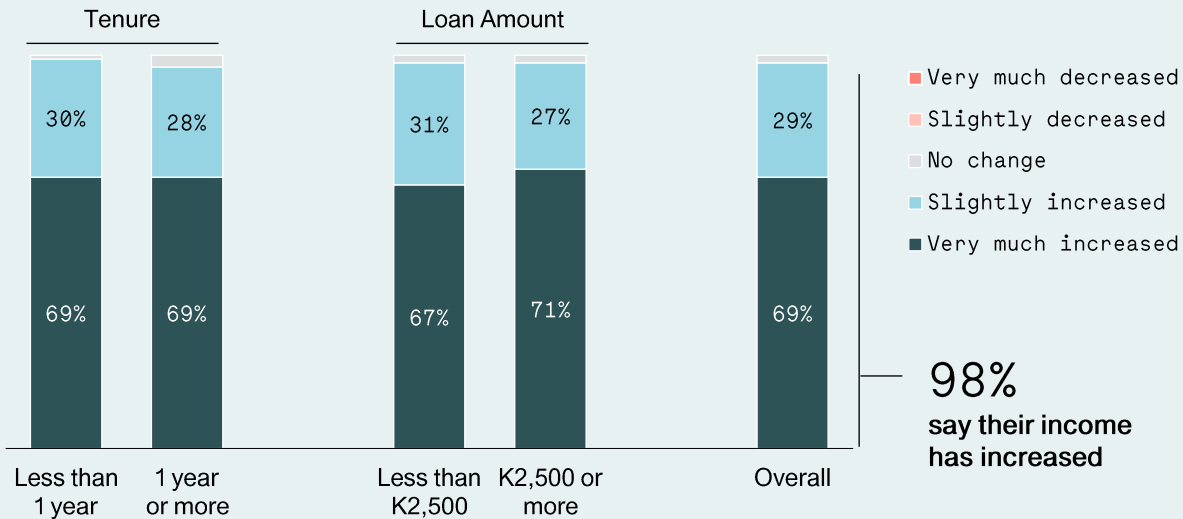| Less than 1 year	1 year or more
30%	28%
69%	69%

Loan Amount

Less than K2,500	K2,500 or more
31%	27%
67%	71%

Overall

29%
69%

Legend:
- ■ Very much decreased
- ■ Slightly decreased
- ■ No change
- ■ Slightly increased
- ■ Very much increased

98%
say their income has increased

●●●●●
TOP 20% - 60dB MFI Benchmark

6% of clients have seen an increase in the number of paid employees.

Change in Paid Employees

Q: Has your number of paid employees working for your business changed because of MicroLoan Foundation? (n = 273)

Paid employees increased	6%
No change in paid employees	9%
Paid employees decreased	0%
N/A don't have paid employees	85%
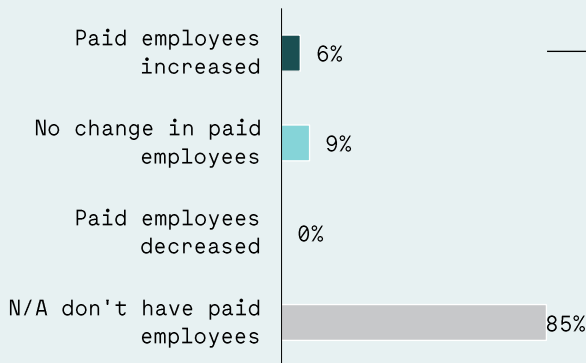
●●○○○
BOTTOM 40% - 60dB MFI Benchmark

Average Number of Employees Before & After

Q: (If increased) Could you please tell me how many paid employees you had before working with MicroLoan Foundation and now? (n = 16)

Before Loan

1.0 employees

After Loan

2.1 employees
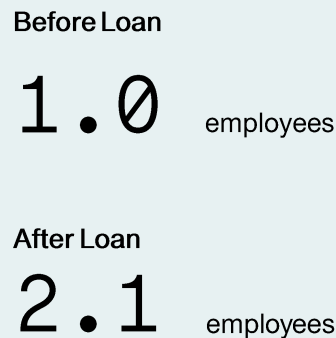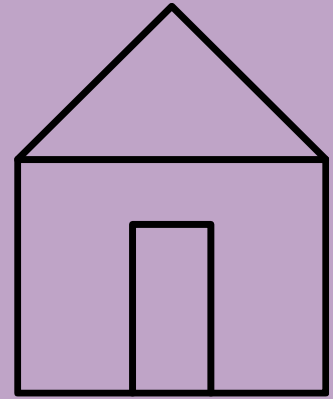
03:
Household Impact

Timely loans help clients cover planned and unplanned expenses such as medical costs, school fees, and household improvements.

This section measures the impact MLF Zambia is having on clients' quality of life and their ability to invest or cover household expenditures.

The key indicators in this section are:

- **Quality of Life:** To what extent has the quality of life of your clients changed as a result of your offering?

- **Household Changes:** How have clients' households changed in the following ways because of MLF Zambia
  > Healthcare
  > Education
  > Home Improvements
  > Meals

Almost all clients report that their quality of life has improved as a result of their MLF Zambia loan.

Quality of Life Change

Q: Has your quality of life changed because of MicroLoan Foundation? Has it: (n = 275 | Less than 1 year = 134, 1 year or more = 141 | Less than K2,500 = 144, K2,500 or more = 131)


Tenure

Less than 1 year	1 year or more
16%	16%
84%	80%

Loan Amount

Less than K2,500	K2,500 or more
17%	15%
81%	83%

Overall

| 16% |
| 82% |

Legend:
- Got much worse
- Got slightly worse
- No change
- Slightly improved
- Very much improved

98%
say their quality of life has improved

●●●●●
TOP 20% - 60dB MFI Benchmark

Top three self-reported outcomes for 98% of clients who said quality of life improved.

Clients Whose Lives Have Improved

Open-ended question, responses coded by 60dB (n = 270)

70%

talk about about being able to pay for personal/family expenses
(69% of all respondents)

35%

mention increase in business profits
(35% of all respondents)

22%

report being able to afford business expenses
(22% of all respondents)

"
I am a widow, I never used to manage to pay for school supplies and food. We used to have two meals but now we have four meals a day.
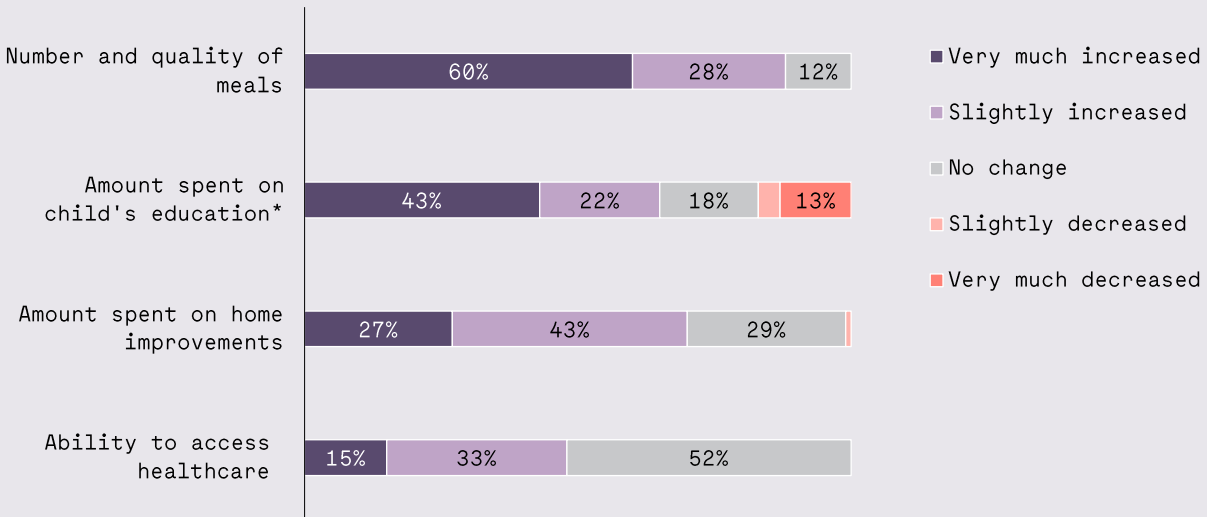– Female, 58

Loans have the biggest positive effect on number and quality meals and children's education.

Change In…

Q: How have the following things changed? (n = 275*)

Number and quality of meals	60% · 28% · 12%	

Legend:
- ■ Very much increased
- ■ Slightly increased
- ■ No change
- ■ Slightly decreased
- ■ Very much decreased

Number and quality of meals: 60% | 28% | 12%

Amount spent on child's education*: 43% | 22% | 18% | 13%

Amount spent on home improvements: 27% | 43% | 29%
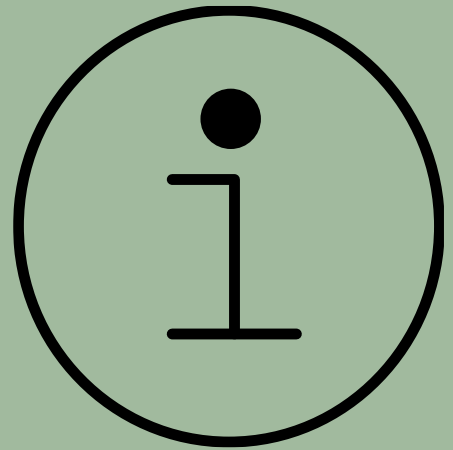
Ability to access healthcare: 15% | 33% | 52%

*The sample size for amount spent on children's education is n = 263, excluding 12 clients who do not have school-aged children.

Source: Halcrow Foundation

> **"**
>
> I never used to have money but now I am able to afford my own lotion, buy food and clothes for my children and pay for my sister's education.
>
> – Female, 30

04:
Client Protection

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.

This section measures the degree to which clients are informed of MLF Zambia's loan conditions prior to borrowing, stress about finances, unexpected fees, and repayment burdens.

The key indicators in this section are:

- **Loan Understanding:** How clear do clients find the fee, penalties, and interest rates?

- **Unexpected Fees:** How often are clients experiencing unexpected fees?

- **Worry about finances:** How much time do clients now spend worrying about finances?

- **Reduced Food Consumption:** Have clients reduced food consumption in order to repay?

- **Repayment Burden:** How do feel clients about their loan repayments from MLF Zambia?

ⓘ

Nearly all clients agree that MLF Zambia fees, interest rates, and penalties are easy to understand.

Ease of Understanding and Clarity

Q: To what extent do you agree or disagree with the following statement: "MicroLoan Foundation's fees, interest rates, and penalties are easy to understand and clear." (n = 275 | Less than 1 year = 134, 1 year or more = 141 | Less than K2,500 = 144, K2,500 or more = 131)

Tenure   Loan Amount

11%	6%		9%	8%	8%
89%	93%		91%	91%	91%

Less than 1 year | 1 year or more | Less than K2,500 | K2,500 or more | Overall

Legend:
- ■ Strongly disagree
- ■ Somewhat disagree
- ■ Neither
- ■ Somewhat agree
- ■ Strongly agree
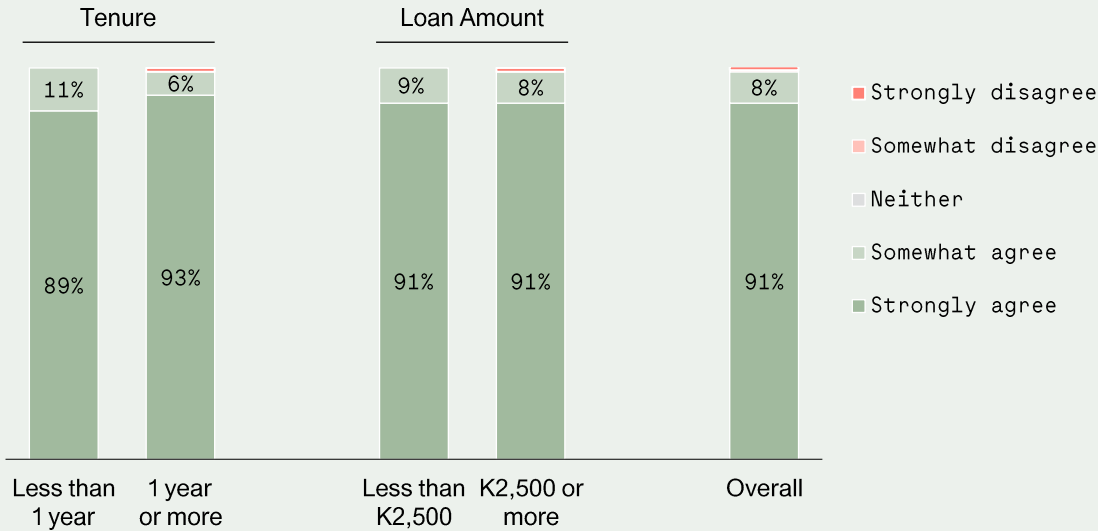
●●●●●
TOP 20% - 60dB MFI Benchmark

Most clients did not see an unexpected fee in the last year.

Unexpected Fees*

Q: In the previous year, have you experienced an unexpected charge or fee from MicroLoan Foundation? (n = 275)

■ Yes, regularly ■ Yes, rarely ■ No, never
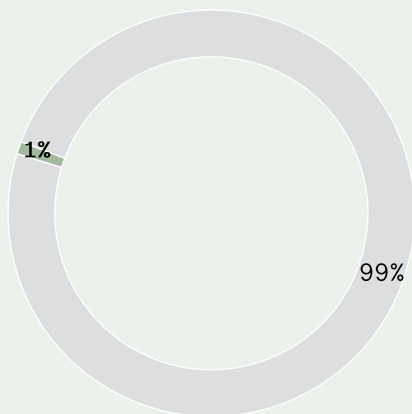
1%

99%

*Check out your online dashboard in March 2023 for the forthcoming benchmark on this metric.

95% say time spent worrying about finances has decreased.

Worry About Finances

Q: Because of MicroLoan Foundation, has the time you spend worrying about your finances changed? Has it: (n = 275)

Very much decreased	67%
Slightly Decreased	28%
No change	2%
Somewhat increased	1%
Very much increased	2%

95% decreased
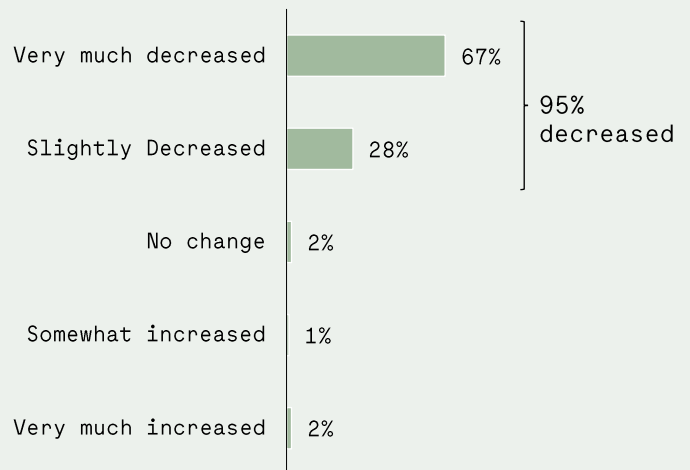
●●●●●
TOP 20% - 60dB MFI Benchmark

ⓘ

3% of clients have reduced their household's food consumption to make repayments at some point.

Consumption Cutback Frequency

Q: Do you have to reduce your household's food consumption of something to make repayments where you didn't have to before? Would you say: (n = 274 | Less than K2,500 = 143, K2,500 or more = 131)*

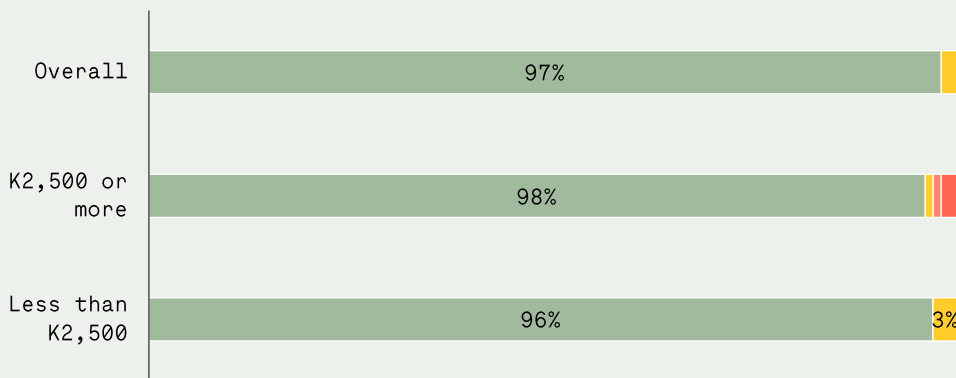■ No, never   ■ Yes, but rarely   ■ Yes, sometimes   ■ Yes, regularly

Overall	97%
K2,500 or more	98%
Less than K2,500	96% 3%

●●●●●
TOP 20% 60dB - MFI Benchmark

Overall, 4% consider their loan repayment a burden.

Repayment Burden

Q: Thinking about this loan repayment, are they a heavy burden, somewhat of a burden, or not a problem? (n = 275 | Less than K2,500 = 144, K2,500 or more = 131)*

■ Not a problem   ■ Somewhat of a burden   ■ A heavy burden

Overall	96%	4%
K2,500 or more	95%	4%
Less than K2,500	96%	4%
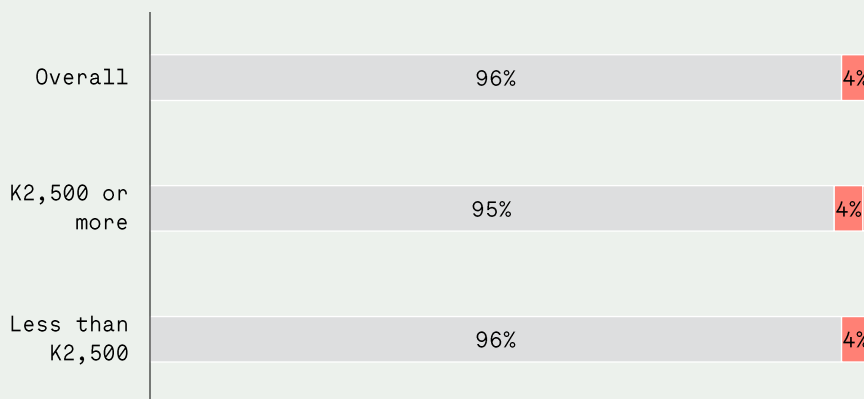
●●●●●
TOP 20% 60dB - MFI Benchmark

*Note: We didn't find any statistically significant results by Tenure.

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.

This section measures the degree to which clients are financially prepared for an unforeseen economic shock, and the impact MLF Zambia has on this preparedness. As well as the degree to which clients are better able to manage their finances.
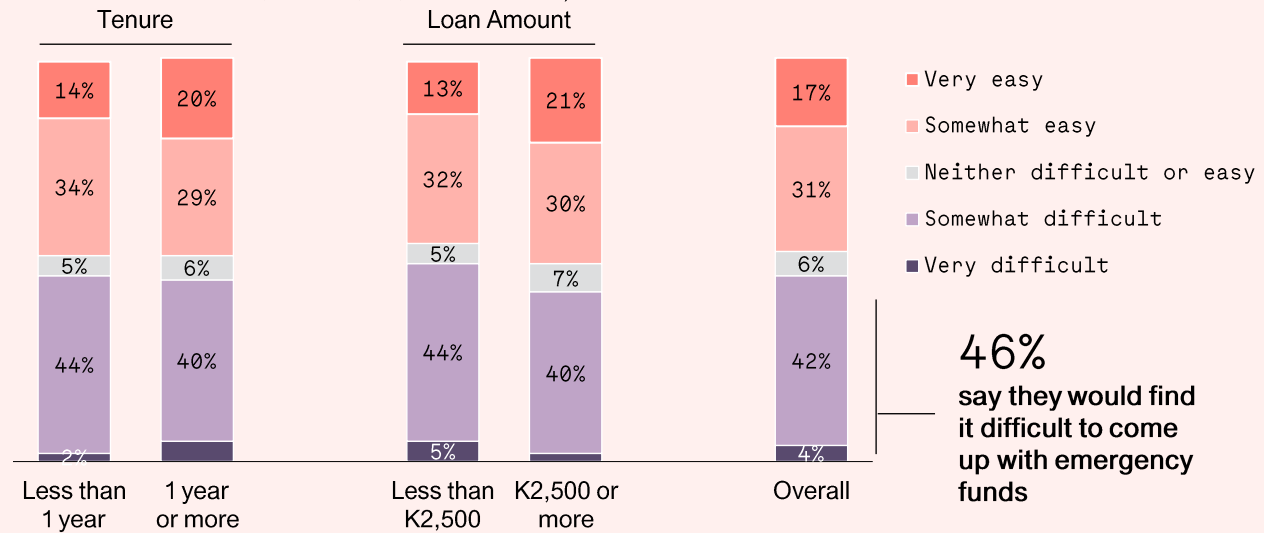
The key indicators in this section are:

• **Improved Resilience:** Are your clients better prepared to face an unexpected financial emergency?

• **Savings:** Are your clients seeing a change in their savings?

• **Ability to Manage Finances:** Have your clients seen any change in their ability to manage their finances because of their engagement with MLF Zambia?

46% would find it 'difficult' to face an unexpected emergency expense in the next month.

Unexpected Emergency Expense

Q: Imagine that tomorrow you have an unexpected emergency and need to come up with1000 ZMW within the next month. How easy or difficult would it be to come up with this money? (n = 273 | Less than 1 year = 133, 1 year or more = 140 | Less than K2,500 = 142, K2,500 or more = 131)
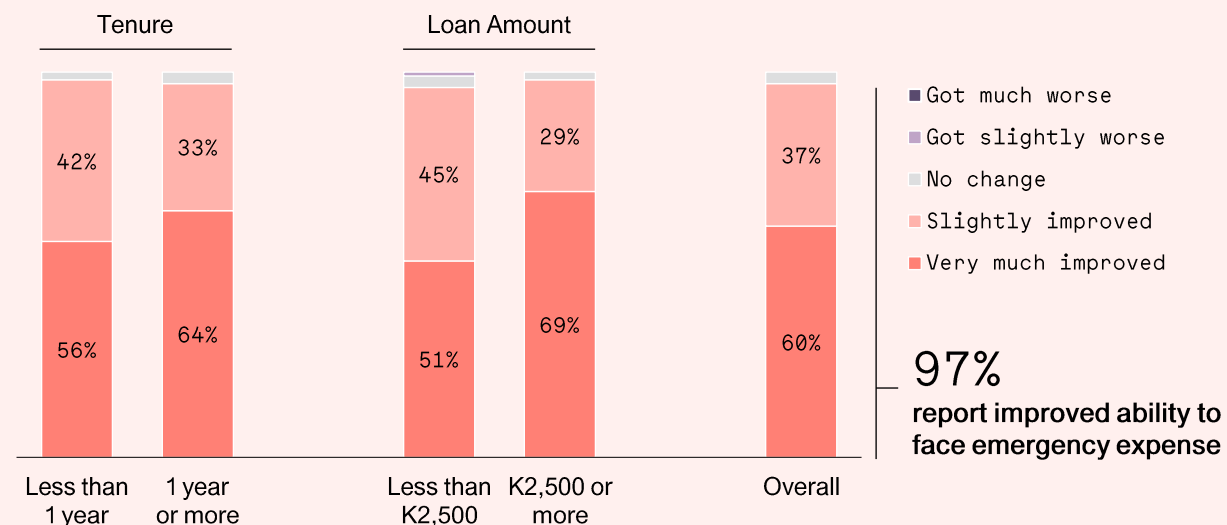
Tenure

	Less than 1 year	1 year or more
Very easy	14%	20%
Somewhat easy	34%	29%
Neither difficult or easy	5%	6%
Somewhat difficult	44%	40%
Very difficult	2%	—

Loan Amount

	Less than K2,500	K2,500 or more
Very easy	13%	21%
Somewhat easy	32%	30%
Neither difficult or easy	5%	7%
Somewhat difficult	44%	40%
Very difficult	5%	—

Overall

	Overall
Very easy	17%
Somewhat easy	31%
Neither difficult or easy	6%
Somewhat difficult	42%
Very difficult	4%

Legend:
- ■ Very easy
- ■ Somewhat easy
- ■ Neither difficult or easy
- ■ Somewhat difficult
- ■ Very difficult

46%
say they would find it difficult to come up with emergency funds

●●●●●

TOP 20% - 60dB MFI Benchmark

Almost all clients say their ability to face a major expense has improved because of MLF Zambia.

Change in Ability to Face Emergency Expense

Q: Has your ability to face this major expense changed because of MicroLoan Foundation? (n = 270 | Less than 1 year = 130, 1 year or more = 140 | Less than K2,500 = 140, K2,500 or more = 130)

Tenure

	Less than 1 year	1 year or more
Slightly improved	42%	33%
Very much improved	56%	64%

Loan Amount

	Less than K2,500	K2,500 or more
Slightly improved	45%	29%
Very much improved	51%	69%

Overall

	Overall
Slightly improved	37%
Very much improved	60%

Legend:
- ■ Got much worse
- ■ Got slightly worse
- ■ No change
- ■ Slightly improved
- ■ Very much improved

97%
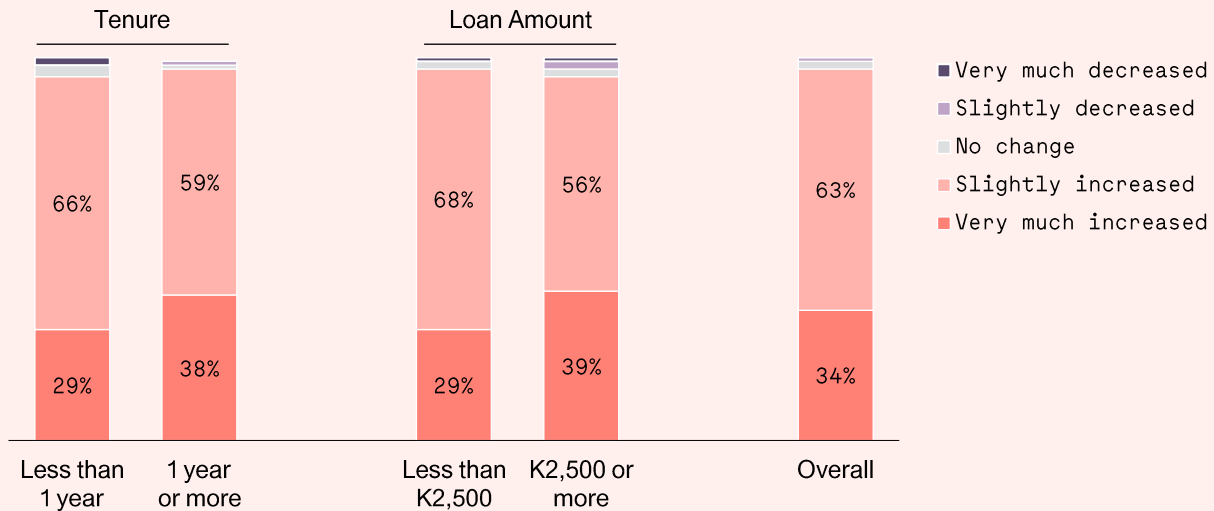**report improved ability to face emergency expense**

●●●●●

TOP 20% 60dB - MFI Benchmark

34% of clients say their savings have 'very much increased', which is higher than the 60dB MFI Benchmark.

Changes in Savings

Q: Because of MicroLoan Foundation, how has your savings changed? Has it: (n = 275 | Less than 1 year = 134, 1 year or more = 141 | Less than K2,500 = 131, K2,500 or more = 144)
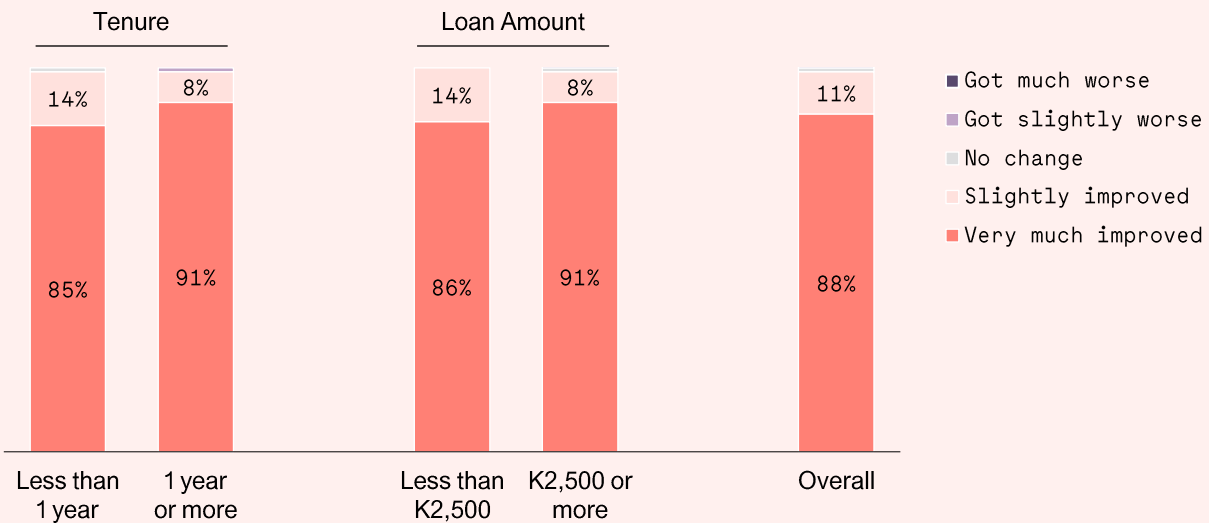
Tenure

Loan Amount

Less than 1 year	1 year or more	Less than K2,500	K2,500 or more	Overall

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

Tenure:
- Less than 1 year: 66% / 29%
- 1 year or more: 59% / 38%

Loan Amount:
- Less than K2,500: 68% / 29%
- K2,500 or more: 56% / 39%

Overall: 63% / 34%

●●●●●
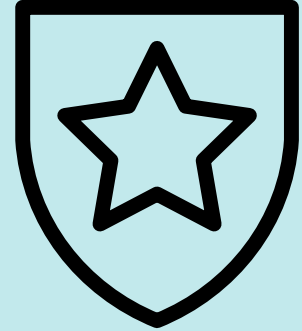TOP 20% - 60dB MFI Benchmark

88% of clients say their ability to manage finances has 'very much improved'.

Changes in Ability to Manage Finances

Q: Because of MicroLoan Foundation, how has your ability to manage your finances changed? Has it:
(n = 275 | Less than 1 year = 134, 1 year or more = 141 | Less than K2,500 = 131, K2,500 or more = 144)

Tenure

Loan Amount

- Got much worse
- Got slightly worse
- No change
- Slightly improved
- Very much improved

Tenure:
- Less than 1 year: 14% / 85%
- 1 year or more: 8% / 91%

Loan Amount:
- Less than K2,500: 14% / 86%
- K2,500 or more: 8% / 91%

Overall: 11% / 88%

Less than 1 year	1 year or more	Less than K2,500	K2,500 or more	Overall

●●●●●
TOP 20% - 60dB MFI Benchmark

06:
Agency

We define agency as the ability to freely act and pursue ones' goals. Access to capital and improved liquidty often has effects on confidence and decision making, particularly for female clients.

This section measures the impact MLF Zambia has on clients' confidence, ability to make decisions about their money, and their ability to achieve their financial goals.

The key indicators in this section are:

- **Financial Goals:** What proportion of clients have a financial goal and has their ability to achieve this goal changed because of MLF Zambia?

- **Decision Making:** What proportion of clients their ability to make financial decisions, without consulting another adult or their spouse has improved?

- **Confidence:** How do clients say their confidence, in themselves and their abilities, has changed?

All clients have a financial goal. Clients' most common goal is affording a house/property.

Financial Goal

Binary variable coded by 60 Decibels from Q: What is the most important financial goal you're trying to achieve right now? (n = 275)

- ■ Have a financial goal
- ■ Do not have a financial goal

100%
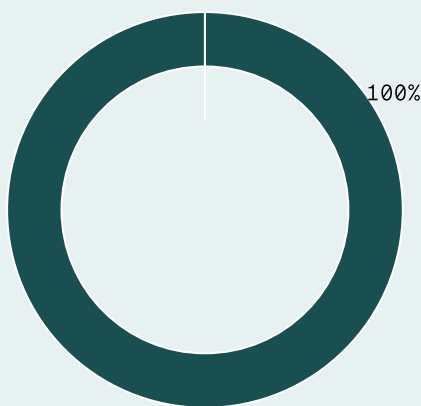
●●●●●
TOP 20% - 60dB MFI Benchmark

Financial Goals Explained

Open-ended question, responses coded by 60dB (n = 275)

47%
talk about affording a house/property
(47% of all respondents)

34%
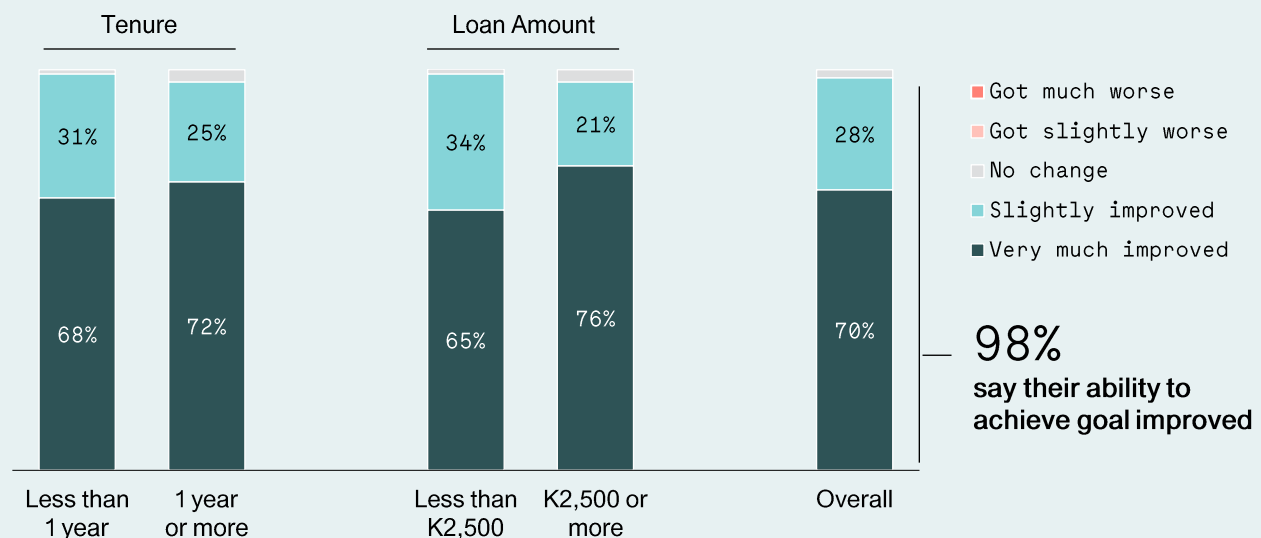mention investing in business
(34% of all respondents)

19%
talk about increased income
(19% of all respondents)

98% of clients with a financial goal say their ability to achieve this goal has improved because of MLF Zambia.

Financial Goal Attribution

Q: Has your ability to achieve this financial goal changed because of MicroLoan Foundation? Has it: (n = 275 | Less than 1 year = 134, 1 year or more = 141 | Less than K2,500 = 131, K2,500 or more = 144)

Tenure

Less than 1 year: 31% Slightly improved, 68% Very much improved
1 year or more: 25% Slightly improved, 72% Very much improved

Loan Amount

Less than K2,500: 34% Slightly improved, 65% Very much improved
K2,500 or more: 21% Slightly improved, 76% Very much improved

Overall

28% Slightly improved, 70% Very much improved

- ■ Got much worse
- ■ Got slightly worse
- ■ No change
- ■ Slightly improved
- ■ Very much improved

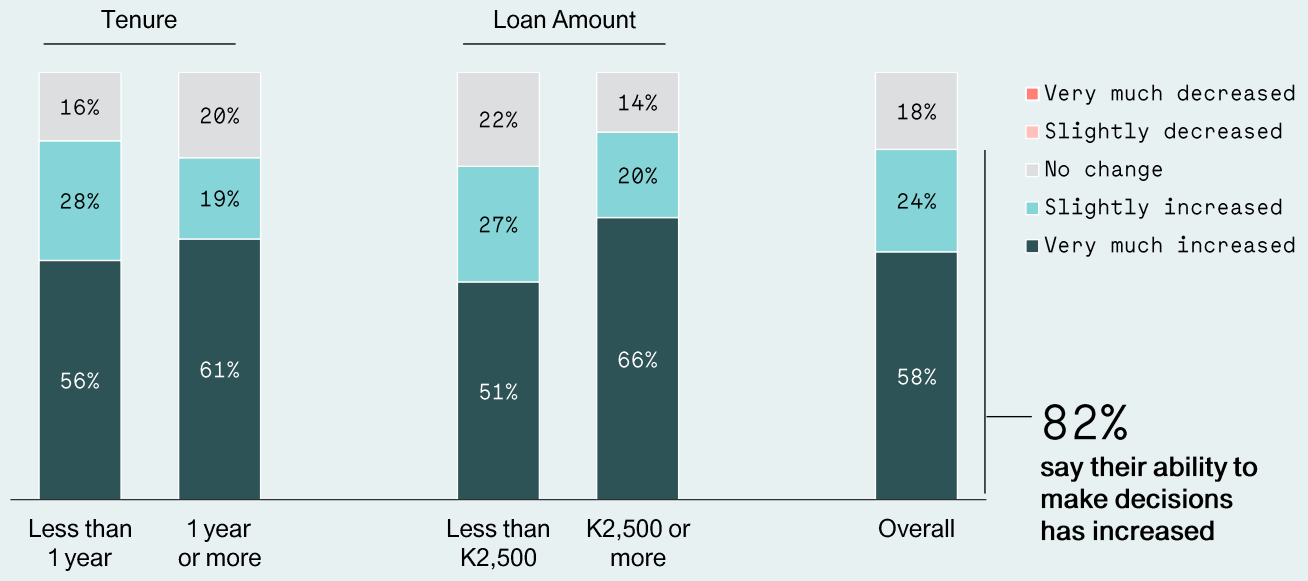**98%** say their ability to achieve goal improved

●●●●●
TOP 20% - 60dB MFI Benchmark

82% of clients say their ability to make decisions, without consultation from others, has improved.
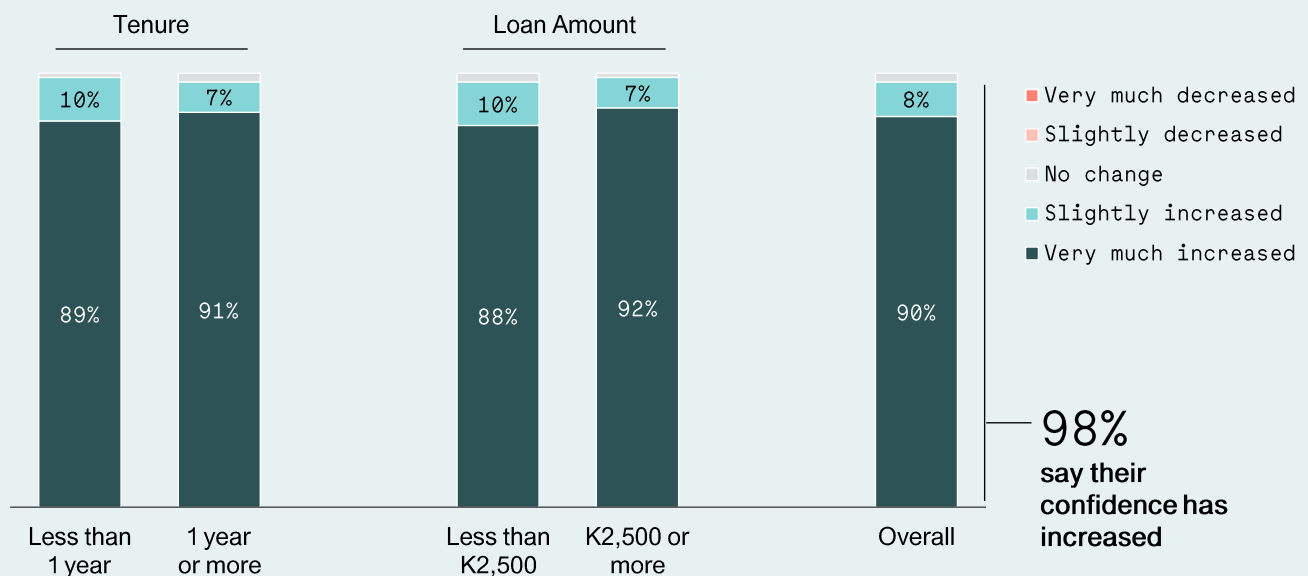
Decision Making*

Q: Because of MicroLoan Foundation, has your ability to make decisions on what you do with your money (i.e. spend or save) without consulting your spouse/another adult changed? Has it (n = 275 | Less than 1 year = 134, 1 year or more = 141 | Less than K2,500 = 131, K2,500 or more = 144)

Tenure

Less than 1 year	1 year or more
16%	20%
28%	19%
56%	61%

Loan Amount

Less than K2,500	K2,500 or more
22%	14%
27%	20%
51%	66%

Overall

| 18% |
| 24% |
| 58% |

Legend:
- ■ Very much decreased
- ■ Slightly decreased
- ■ No change
- ■ Slightly increased
- ■ Very much increased

82% say their ability to make decisions has increased

Almost all clients report that their confidence has improved because of MLF Zambia.

Confidence

Q: Because of MicroLoan Foundation, has your confidence in yourself and your abilities changed? Has it: (n = 275 | Less than 1 year = 134, 1 year or more = 141 | Less than K2,500 = 131, K2,500 or more = 144)

Tenure

Less than 1 year	1 year or more
10%	7%
89%	91%

Loan Amount

Less than K2,500	K2,500 or more
10%	7%
88%	92%

Overall

| 8% |
| 90% |

Legend:
- ■ Very much decreased
- ■ Slightly decreased
- ■ No change
- ■ Slightly increased
- ■ Very much increased

98% say their confidence has increased

*Check out your online dashboard in March 2023 for the forthcoming benchmark on this metric.
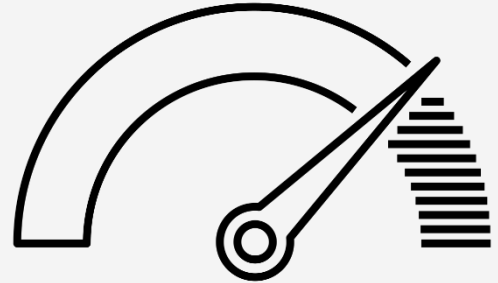
Additional Insights

If your clients are unhappy, it's unlikely they will continue to choose your loan products or other services or recommend them to others.

This section uses the popular Net Promoter Score® to understand the level and drivers of client satisfaction and loyalty. Additional insights on challenges and suggestions for improvement highlight areas you can improve.
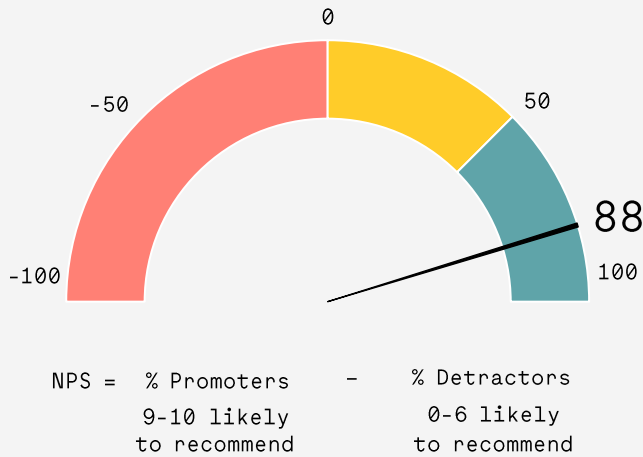
The key indicators in this section are:

- **Net Promoter Score:** How likely are your clients to recommend your company to a friend?

- **% Experiencing Challenges:** What proportion of clients experience challenges with your product?

MLF Zambia has an NPS of 88, which is excellent and higher than the 60dB MFI Benchmark.

Net Promoter Score® (NPS)

Q: On a scale of 0-10, how likely is it that you would recommend MicroLoan Foundation to a friend, where 0 is not at all likely and 10 is extremely likely? (n = 517)

```
        0
-50          50

-100         100
                   88
```

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

●●●●●
TOP 20% - 60dB MFI Benchmark

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 clients rating 0 to 6 ('Detractors'). Those rating 7 or 8 are 'Passives'.

The score can range from -100 to 100. MicroLoan Foundation in Zambia has an NPS of 88, which is excellent.

Segments	NPS
Less than 1 year	87
1 year or more	89
Less than K2,500	86
K2,500 or more	90

Promoters value that reasonable payments, low interest rate/fees, and ability to have a loan. Detractors would primarily like to see better credit terms and better customer service.

90%
are Promoters ☺

They love:

1. Payments are reasonable
(58% / 52% of respondents)

2. Low interest rates/fees
(39% / 36% of respondents)

3. Ability to have a loan
(24% / 22% of respondents)

8%
are Passives 😐

They like:

1. Good credit terms generally
(44% / 4% of respondents)

2. Low interest rates/fees
(30% / 3% of respondents)

3. Ability to have a loan
(17% / 2% of respondents)

2%
are Detractors ☹

They dislike:

1. Bad credit terms generally
(40% / 1% of respondents)

2. Poor customer service
(40% / 1% of respondents)

3. Groupmate issues (not repaying)
(20% / 1% of respondents)

5% of clients report facing a challenge with MLF Zambia.

Proportion of Clients Reporting Challenges

Q: Have you experienced any challenges with the MicroLoan Foundation product? (n = 275)

■ Yes
■ No

5%

95%
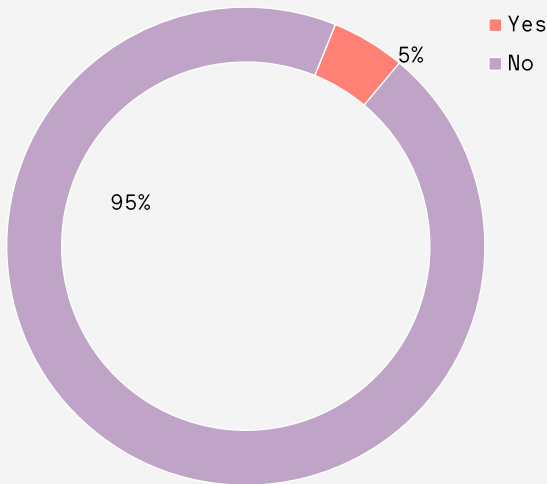
●●●●●
TOP 20% - 60dB MFI Benchmark

Of the 5% who experience a challenge, the most common ones are related to slow loan disbursement, excess requirements, and group accountability.

Most Common Challenges

Q: Please explain these challenges. (n = 15). Open-ended, coded by 60 Decibels.

47%

Slow loan disbursement

(3% of all respondents)

33%

Too many requirements, slow process

(2% of all respondents)

13%

Groupmate issues (not repaying)

(1% of all respondents)

"

They are taking long to disburse the money, before when you get the pictures taken, you get the money but now it takes even a week, delaying your business plans.

— Female, 41

Appendix

Detailed MLF Zambia Benchmark Performance

Performance Relative to Benchmark compares the MLF Zambia performance with the Global 60 Decibels Microfinance Benchmarks which includes 86 Microfinance Institutions and 34,927 clients.

Indicator	Description	MLF Zambia	Southern Africa MFI Benchmarks*	60dB MFI Benchmark	Performance Relative to Benchmark
🔒 Access					
First Access	% accessing for the first time	89%	49%	57%	Top 20
Alternatives	% without access to good alternative	92%	67%	62%	Top 20
Equitable Access	inclusivity ratio	0.94	0.59	0.76	Top 20
💵 Business Impact					
Income	% seeing 'very much increased' improvement in income	69%	17%	25%	Top 20
Employment	% increasing no. of paid employees	6%	11%	13%	Bottom 40
🏠 Household Impact					
Quality of Life	% 'very much improved' quality of life	60%	40%	35%	Top 20
Home Improvement	% 'very much increased' household spending on home improvement	27%	21%	19%	Top 40
Education	% 'very much increased' household spending on education	43%	16%	16%	Top 20
Healthcare	% 'very much increased' household spending on healthcare	15%	11%	10%	Top 20
Quality Meals	% 'very much increased' number of quality meals	60%	16%	17%	Top 20
ⓘ Client Protection					
Loan Understanding	% 'strongly agree' penalties, fees, and interest rates are clear	97%	81%	68%	Top 20
Financial Stress	% 'very much decreased' time spent worry about finances	67%	21%	20%	Top 20
Unexpected Fee	% who say 'no, never' to experiencing an unexpected fee	99%	-	-	-
Repayment Burden	% saying payments 'not a problem' (if offering financing)	96%	52%	68%	Top 20
Consumption Sacrifice	% who 'never' cut food consumption to make payments	97%	64%	71%	Top 20
⚡ Resilience					
Savings	% 'very much increased' savings balance	34%	17%	17%	Top 20
Role in Resilience	% 'very much improved' resilience thanks to MLF Zambia	60%	22%	19%	Top 20
Financial Management	% 'very much improved' ability to manage finances	88%	25%	25%	Top 20
⭐ Agency					
Financial Goals	% 'very much improved' ability to achieve financial goal	70%	23%	26%	Top 20
Confidence	% 'very much increased' confidence in self and abilities	90%	-	-	-
Decision making	% 'very much increased' ability to make financial decisions	58%	-	-	-

Methodology

About the 60 Decibels Methodology

In November 2022, 60 Decibels' trained researchers conducted 275 phone interviews with MLF Zambia loan clients. The clients were randomly selected from a random sample of MLF Zambia's client database. Here is the breakdown of how we collected this data:

Country	**Zambia**
Client Population	**41,000**
Interviews Completed	**275**
Response Rate	**59%**
Languages	**Bemba, English, Nyanja and Tonga**
Average Survey Length	**23 mins**
Confidence Level	**90%**
Margin of Error	**5%**

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
Inclusivity Ratio	The Inclusivity Ratio is a metric developed by 60 Decibels to estimate the degree to which an organization is reaching less well-off clients. It is calculated by taking the average of Company % / Country %, at the $1.90, $3.20, and $5.50 lines for low income and low-middle income countries, or at the $3.20, $5.50 and $8.00 lines for middle income countries. The formula is: $$\sum_{x=1}^{3} \frac{\text{(Company Poverty Line \$x)}}{\text{(Zambia Poverty Line \$x)}} \Big/ 3$$
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 of 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 interesting feedback in there!

Engage Your Team

☐ Send the report to your team & invite feedback, questions and ideas. Sometimes the best ideas come from unexpected places!

☐ Set up a team meeting & discuss what's most important, celebrate the positives, and 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.

☐ After reading this report, don't forget to let us know what you thought: Click Here!

Take Action!

☐ Collate ideas from team into an action plan including responsibilities.

☐ Keep us updated, we'd love to know what changes you make based on these insights.

☐ Set up the next Lean Data project – we recommend checking in again in 6 to 12 months.

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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.

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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.

Acknowledgments