

Using Customer Insights to Drive Your Crisis Response: A Conversation with 4G Capital, Kenya

4G Capital lends working capital to microentrepreneurs (81% women) in Kenyan markets through a tech/touch model that includes enterprise training. This summary is based on a SPTF webinar presentation. View the full webinar [here](#).

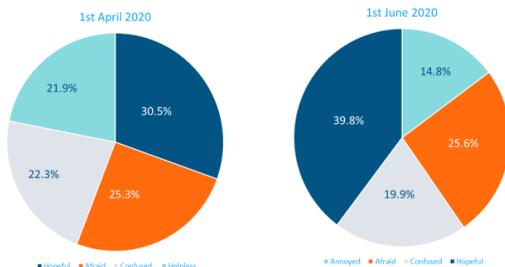
4G is collecting client data during the COVID crisis. What data is collected and from whom?

- Call centre and field staff conduct telephone interviews using a random sample. Thus far, about 500 clients have been contacted. In addition, 4G did a one-time SMS survey with 1,372 responses and in-depth case-study interviews on a smaller sample size.
- 4G also use MIS data to analyze changes in loan history.

What are your data insights and what actions did they lead to?

- Over 40% of clients are concerned with health/sickness => **4G developed a health insurance product to include COVID.**
- A significant and increasing proportion of clients are “hopeful about the future” (30% in April; 40% in June) => **4G continues to make new loans.**
 - Segmented business analysis showed a big variation between impacts on different business types: about 36% not trading at all in May and 17% in June; 50% continuing but badly affected. => **4G continues to lend; assess risk based on type of business and geographical area – continue to support clients while protecting them from over-indebtedness. Plus, tailored business training (via call center, social media, and SMS).**
- There are opportunities for businesses to repurpose or diversify: e.g., tailoring business is one of worst affected => **Supported tailors to repurpose business to produce face masks**
- Few clients have a second source of income (22%); clients becoming more aware of need to diversify => **Future strategy to encourage/support business diversification through financial education**
- Data showed some clients particularly severely affected => **330 clients targeted to receive food packages**
- 2/3 of clients report suppliers have increased prices => **Reviewing loan amounts and loan calculation algorithm.**

What is your general feeling about Covid?



How is your business doing?

