



## Using Customer Insights to Drive Your Crisis Response: A Conversation with Annapurna (India)

Annapurna Finance Pvt. Ltd. a leading NBFC MFI in India supporting mostly rural women through a group lending model, is working toward a vision of women’s empowerment through financial inclusion. To bolster its position as a customer-centric provider, the organization surveyed clients in April and May 2020, to understand the effects of COVID. This summary is based on a SPTF webinar presentation. View the full webinar [here](#).

### **Annapurna is collecting client data during the COVID crisis. What data is collected and from whom?**

- The purpose of Annapurna’s descriptive study is to understand the impact of COVID-19 on customers from different states and zones as decided by the government.
- There were 3,739 respondents, with 19% from the Red Zone, 32% from the Orange Zone, and 49% from the Green Zone. (Zone color describes the severity of COVID cases).
- In addition, 88% of respondents are women (male respondents are spouses who own the phone), 94% of respondents are rural dwellers.

### **Who collects the data and how?**

- Annapurna uses telephonic interviews to collect data, using both qualitative and quantitative data. Most questions are closed-ended. Annapurna began collecting data 3-4 weeks after the lockdown was declared. Two rounds of data have been collected.

### **What analysis is done?**

- Analysis includes how income has been influenced, how long customers can sustain themselves, and customers’ expectations on how long it will take to restore their businesses to normalcy.
- Additional response areas include coping mechanisms used by customers, the biggest pain points, and the basic prospect of business continuity on the field.
- Responses are segmented by geography and livelihood.

### **What are the insights and what actions have been taken?**

- 66% of respondents have high impact on income (i.e. income is compromised by more than 50%) and 27% of respondents experience partial impact ( i.e. income has suffered by 20- 40%.)
- Sustenance capability is higher in the Red Zone, as 26% can survive beyond three months compared to 17% in the Orange Zone and 20% in the Green Zone.
- Sectors highly affected by COVID are dominated by wage laborers—agriculture, construction, and manufacturing sectors have more than 95% respondents ‘partially’ or ‘highly affected.’ Whereas sectors like livestock and small business are not as affected. Wage labours from

construction, manufacturing and agriculture are most uncertain about the restoration, with more than 40% respondents from these sectors mentioning they need more than three months to get back to normal.

- The top coping strategies for customers is to reduce household consumption (57% of respondents), followed by monetary help from others (23%), and using personal savings to meet expenses (10%).
- Annapurna *is sensitizing customers about COVID-19 and preventative measures* through phone calls and distributing sanitizer and mask coverings for 10,000 households. It has also *launched a cash-based and digital emergency loan* to support existing customers, as well as educating customers on the moratorium.
- Annapurna is transitioning to digital transactions and already have *100% of disbursement online and in the process of launching other tools* (e.g. QR code-based payment, micro ATM, online payment portal, Aadhar enabled payment, and integration with Bharat bill payment scheme).