

Potential of Data and Client Outcomes SPTF, February 2018



BASIC PRINCIPLES FOR OUTCOMES MEASUREMENT

Reach, Quality and Depth

Meaningful insights for investee and investor

Practical, low cost

Needs to drive business sense (in short term or long term)

Customer voice needs to be heard

EXAMPLES FROM OUR PORTFOLIO

Are we listening to the customer?

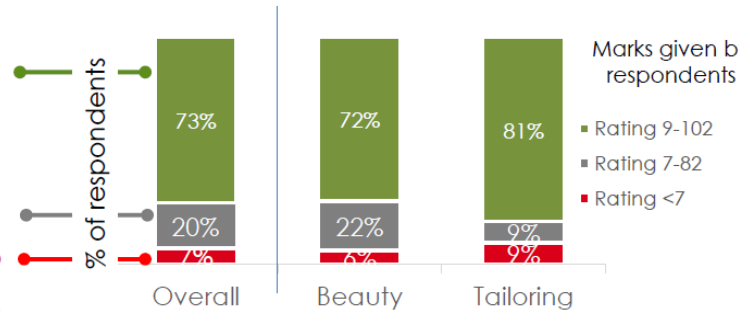
Are we having the impact we desire?

How do I link impact and business?

VOICE OF THE CUSTOMER

Respondents are **very satisfied** with Labournet. Tailoring course had higher satisfaction rates than Beauty, with 81% students giving it 9-10 marks.

Q: Imagine you are giving a report card to Labournet. How many marks would you give (0-10)?



PROMOTERS = loyal enthusiasts who will keep buying and likely refer others, fueling growth

PASSIVES = customers who are satisfied with the product but not overtly enthusiastic; they may be vulnerable to competitive offerings

DETRACTORS = unhappy customers who could damage your brand and/or impede growth through negative WOM

	% Promoters	% Detractors	Net Satisfaction Score
OVERALL	73	7	66
BEAUTY	72	22	66
TAILORING	81	9	72

Labournet has a fairly high NSS. It has considerably more Promoters than Detractors. It will be worth tracking NSS over time to gauge response to strategic choices and/or market changes.

INTEREST IN ADVANCE COURSE

Q: If Labournet launches an advanced training course in the same sector, would you attend it?

91%

said that they would take the advanced course.

WILLINGNESS TO PAY FOR COURSE

If the training that you attended was a paid course, would you still have taken it and how much would you pay?

64%

said that they would have paid for the course, an amount of:

- + <Rs 1000 per month: 24%
- + Rs 1000 per month: 9%
- + Rs. 3000 per month: 13%
- + Rs. 5000 per month: 18%

LONGITUDINAL SURVEYS

~3275 customers surveyed in 2010, and ~1,500 were available for a follow on round of customer responses in 2013

Causality was not established

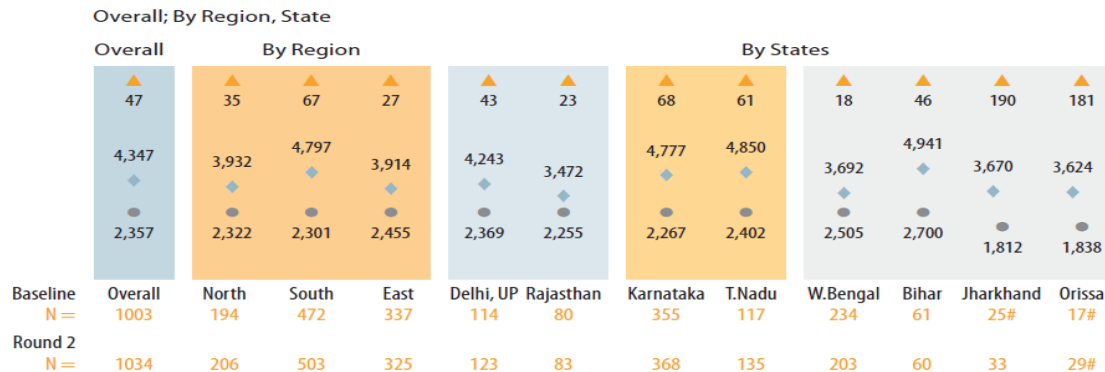
Multitude of factors impact clients' lives over a period of time

Self selection bias in microfinance clients

Respondents Monthly Income (in Rs.) - Overall, by Region & State

Chart 10A

Baseline - 2010
Round 2 - 2013



Respondents Average Monthly Income in Rs.

- Baseline
- ◆ Round 2
- ▲ Inflation Adjusted Growth in %

Figs to be viewed with caution due to very small sample sizes.

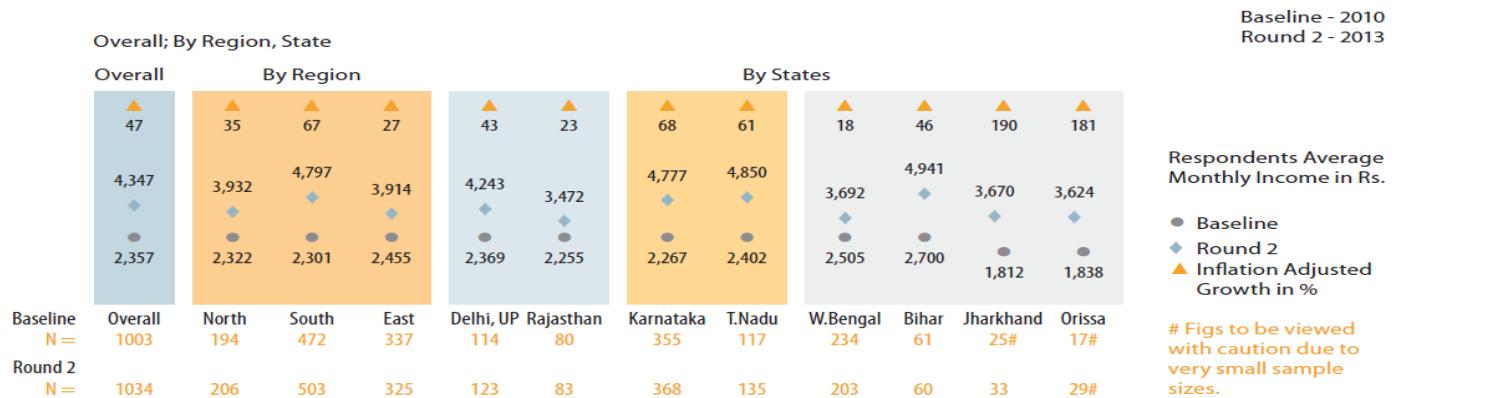


INCREASE IN INCOME LEVELS

~47% inflation adjusted increase in clients income levels

Respondents Monthly Income (in Rs.) - Overall, by Region & State

Chart 10A



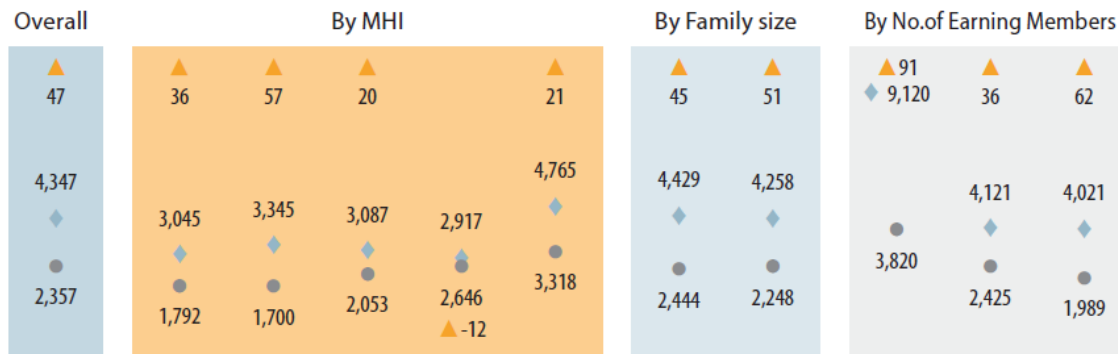
HIGHEST CHANGE FOR MID-SEGMENT OF CLIENTS

Respondents Monthly Income (in Rs.) - by MHI, Family Size, No. of Earning Members



Baseline - 2010
Round 2 - 2013

Overall; By Monthly Household Income (MHI), Family size, No. of Earning Members



Respondents Average Monthly Income in Rs.

● Baseline
◆ Round 2
▲ Inflation Adjusted Growth in %

	Overall	Upto Rs. 4,000	Rs. 4,001 - Rs. 6,000	Rs. 6,001 - Rs. 8,000	Rs. 8,001 - Rs. 10,000	Rs. 10,000+	Upto 4	4+	1	2	2+
Baseline N =	1003	84	199	269	188	263	556	447	39	682	282
Round 2 N =	1034	10 #	20 #	73	143	788	538	496	54	617	363

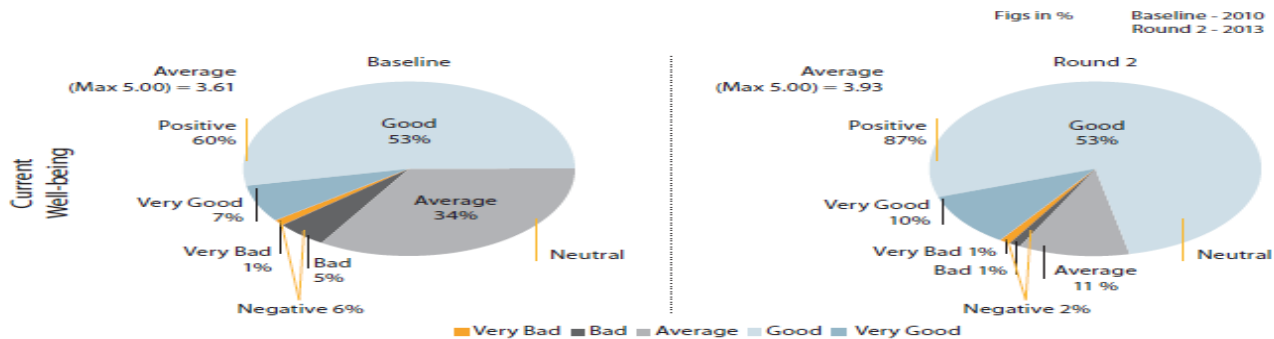
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INCREASED OPTIMISM ON FUTURE AND WELL BEING

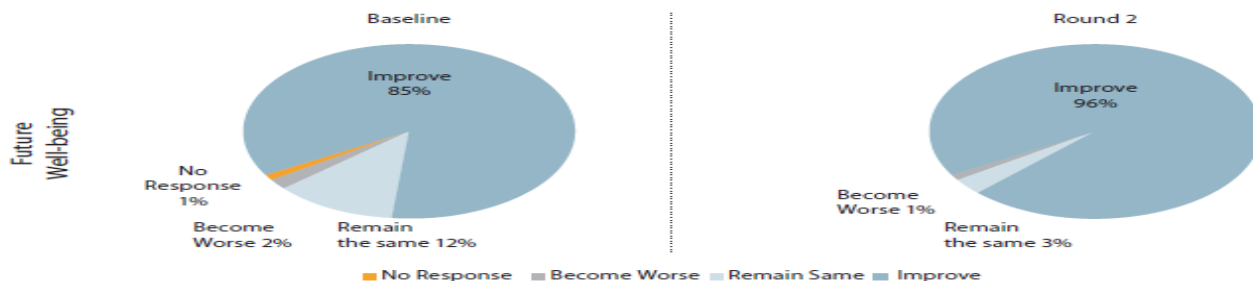


Current & Likely Future Overall Well-being Rating

UNAF 15A



N = 1319



IMPROVED ACCESS TO BASIC SERVICES



Table 3A

Access to Basic Amenities in Dwelling - Toilet, Running Water & LPG		
Amenity	% in 2013	% in 2010
Toilet in dwelling	84	70
Access to running water	71	54
LPG used as main fuel for cooking	71	55

Table 3B

Ownership of Ration card, Voter ID card, PAN card, Aadhar Number		
Ownership of:	% in 2013	% in 2010
Ration card	94	88
Voter ID card	99	93
PAN card	13	NA
Aadhar number	57	NA

Education of Children

	% in 2013	% in 2010
% of households with 1 or more kids of school going age, attending school	72	71
Proportion of children attending school	67	66
Of these, % who go to a private school	40	28
% who attend private tuition	50	46

LINKING IMPACT AND BUSINESS

Is formal savings a need or a demand?

Business incentives can drive a push towards the need based products, but the economics should work!

Backed by data insights, we supported a customer-centric product turnaround, resulting in better uptake and usage of non-frills savings accounts

RCT showed that among clients who receive DBT and wage transfers to their accounts, there is a >90% long-term repeat usage rate of these accounts, and 110% increased savings over a 3 month period

Education service providers need to demonstrate impact for longer term success

