

Product Case Study Submission

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Problem Statement: A loan management system is available to assist finance companies in managing the loans they offer for two-wheelers. Create a product that will help a bank manage debts more efficiently. Create wireframing for the application.

Aim: The goal is to create an effective loan management application that banks can use to effectively manage the loans they offer for customers to buy two-wheelers.

Market Opportunity:

Market behaviour:

- Scooters are becoming popular due to their automatic transmission, ease of use, and fuel efficiency, making them appealing for urban commuting.
- Growing environmental awareness and government incentives are driving the adoption of electric two-wheelers, particularly in urban areas.
- In some markets, a segment of buyers is willing to pay more for premium bikes with high performance, advanced features, and enhanced styling.
- Price, increasing cost of fuels, easy loan availability and brand reputation are some of the major factors which influence the decision of purchase.
- People prefer vehicles with high mileage and low maintenance cost.

We will try to guesstimate the Market Size of the two-wheeler loan industry in scale of India and Delhi.

Market Size in India

a. Population

- India Population: Approx. 140 Cr

b. Annual Two-Wheeler Sales in India

- Annual Sales: Approximately 17 Cr units sale. [Reference](#).

c. Financing Penetration

- Percentage of Two-Wheelers Financed: Typically, around 70% of two-wheelers are financed. [Reference](#).

d. Average Loan Amount

- Average Loan Amount per Two-Wheeler: Approx. INR 80,000

Calculation for India:

1. Annual Two-Wheeler Sales in India: 17 Cr units.
2. Financed Units (70%):
 $17 \text{ Cr} \times 0.70 = 11.9 \text{ Cr Units of Two-wheeler Sale}$

3. Total Loan Market (India):

$$11.9 \text{ Cr} \times \text{INR } 80,000 = \text{INR } 9,52,000 \text{ Cr Annually in India}$$

Market Size in Delhi

a. Population

- Delhi Population: Approx. 2 Cr (97.5% of Urban Population)

b. Annual Two-Wheeler Sales in India

- Annual Sales: Approximately 17 Cr units sale. [Reference](#).

c. Annual Two-Wheeler Sales Estimate in Delhi

$$(97.5 \% \text{ of } 2 \text{ Cr}) / (40\% \text{ of } 140 \text{ Cr}) \times 17 \text{ Cr} = 0.6 \text{ Cr}$$

d. Financing Penetration

- Percentage of Two-Wheelers Financed: Typically, around 70% of two-wheelers are financed. [Reference](#).

e. Average Loan Amount

- Average Loan Amount per Two-Wheeler: Approx. INR 80,000

Calculation for India:

1. Annual Two-Wheeler Sales in India: 17 Cr units.
2. Financed Units (70%):
 $0.6 \text{ Cr} \times 0.70 = 0.42 \text{ Cr Units of Two-wheeler Sale}$

3. Total Loan Market (India):

$0.42 \text{ Cr} \times \text{INR } 80,000 = \text{INR } 33,600 \text{ Cr Annually in Delhi}$

MVP (Minimum Value Product) Features in the app:

1. User Login/ Sign Up

Loan Officer and Customer Service Representative: Users create accounts through the bank's secure portal with credentials. Access to documents and functionalities are granted based on the user's role

Borrower: Sign Up using account details, mobile number and OTP.

2. Loan application:

Loan officer: Documents are accessed and reviewed.

Borrower: Applies for loan. Search for related loan offers. Fills the required information. (Amount and time period)

3. Document management:

Loan Officer: Requests applicant for any further clarification or additional documents.

Borrower: Documents are uploaded and stored safely.

4. Creditworthiness Assessment:

Loan Officers: User interface for loan officers to assess financial ratios and make informed decisions.

5. *Repayment Tracking:*

Automated scheduling of recurring payments and notifications for upcoming due dates.

User Personas:

1. Loan officer



Bhumi

Loan Officer

- Age: 32
- Occupation: Loan Officer
- Location: Mumbai
- Income: xxx

Loan Officer

- Bhumi is a Loan officer.
- Manages loan applications
- Verifies the applicant's information and eligibility
- Make any clarification requests in the document.
- Accepts or Denies applications.

2. Borrower



Rakesh

Borrower

- Age: 48
- Occupation: Private Service
- Location: Nagpur
- Income: xxx

Borrower

- Rajesh travels 20 km daily to his office.
- After clarification, explores loan options.
- Applies for loan.
- Uploads documents and tracks status.
- Makes payments
- Receives bike documentation after full payment.

3. Customer Service Representative (CSR)



Manisha

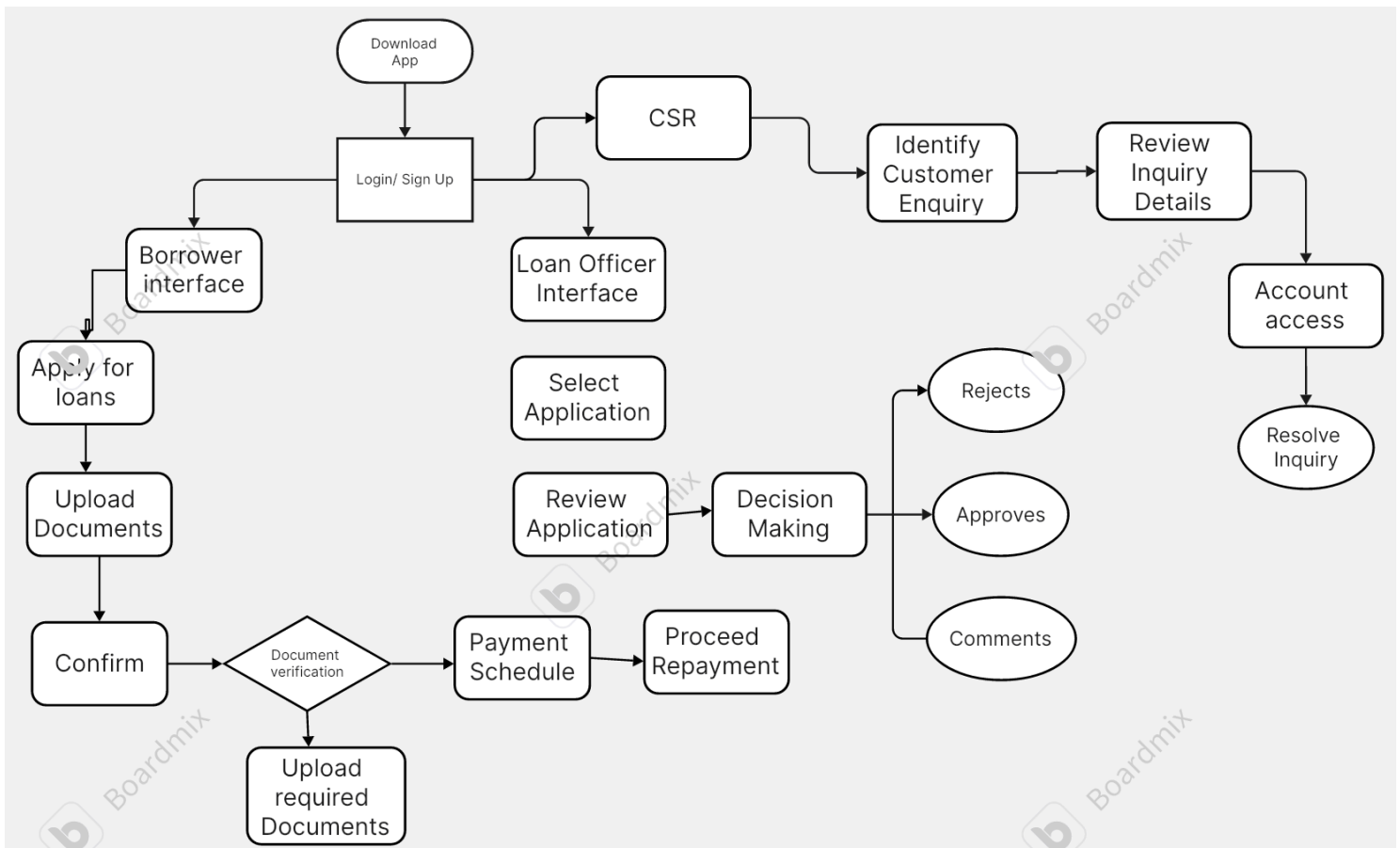
Customer Service Representative (CSR)

- Age: 30
- Occupation: Customer Service Representative (CSR)
- Location: Nagpur
- Income: xxx

Customer Service Representative

- Assists customers with loan inquiries.
- Account management.
- Ensures working of loan repayment process.

User journey: (flowchart)



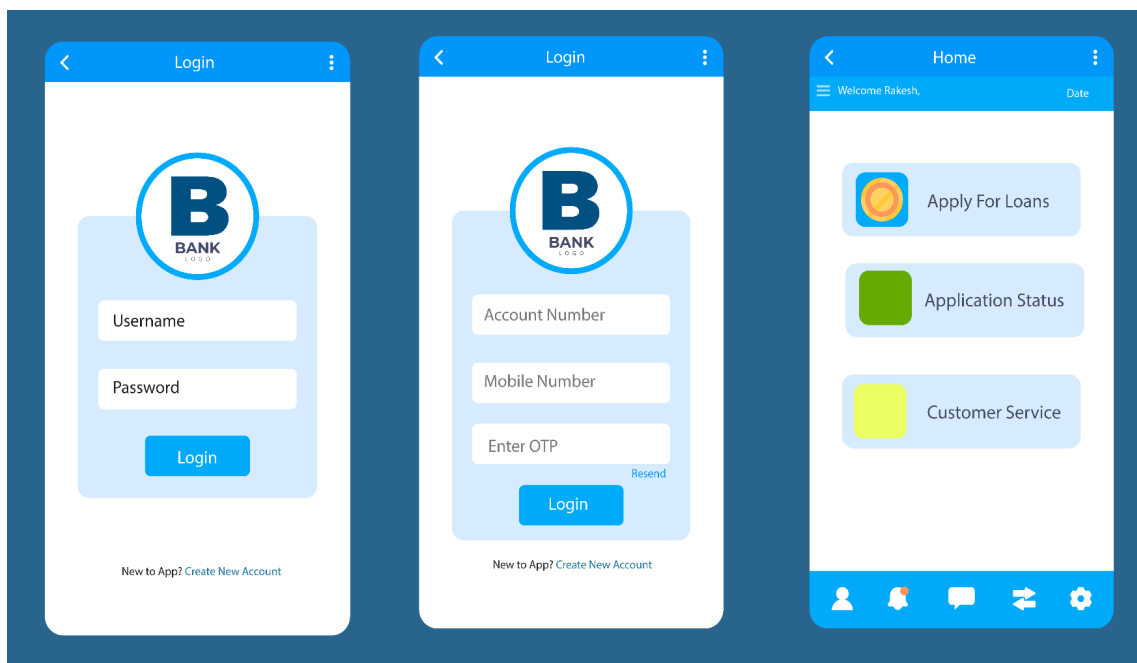
Wireframes:

Screen for Users who want to Apply for Loan.

1.

2.

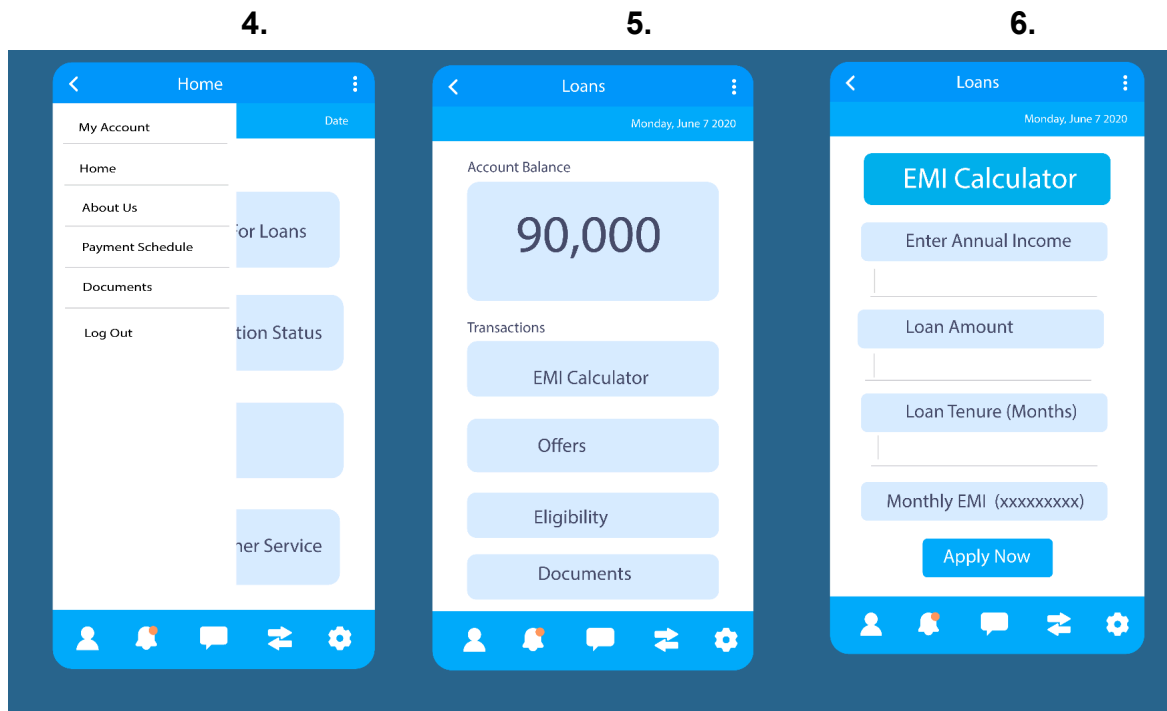
3.



1. Signin/ Signup screen

2. Verification through OTP

3. Dashboard



4. Click on the three horizontal lines icon and the section shown in the first image will appear. My account will lead to a section where users can edit the profile details. Home will lead to a dashboard. The About Us section will give a brief description about the bank. Payment schedule is the section which will cover upcoming EMI Payments, due payments and previous transactions. Document section will contain all the documents uploaded for loan procedure.

5. Applying for loans option will lead to the loans section screen. The Offers section will show all available offers for buying two wheelers. For example: special interest rates, quicker loan processing, flexible repayment options, zero processing fees etc.

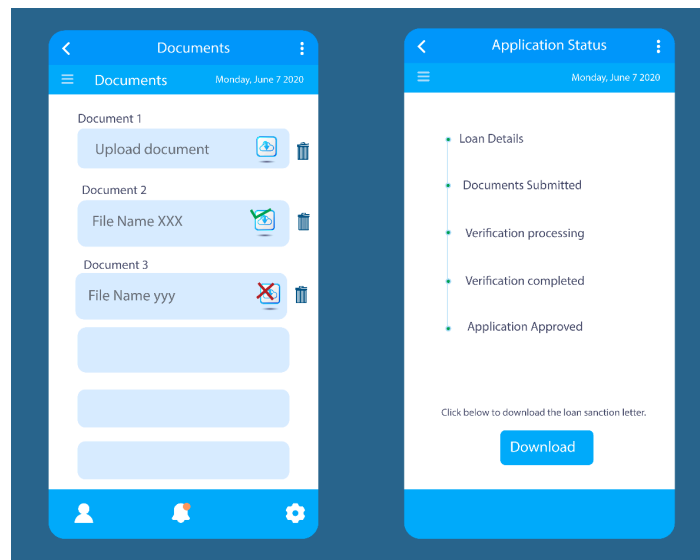
Eligibility section will display all the terms and conditions required to be fulfilled by the user before applying for the loan. Failing to do so will lead to rejection of the application

The Documents section is shown in image 7.

6. EMI Calculator screen.

7.

8.



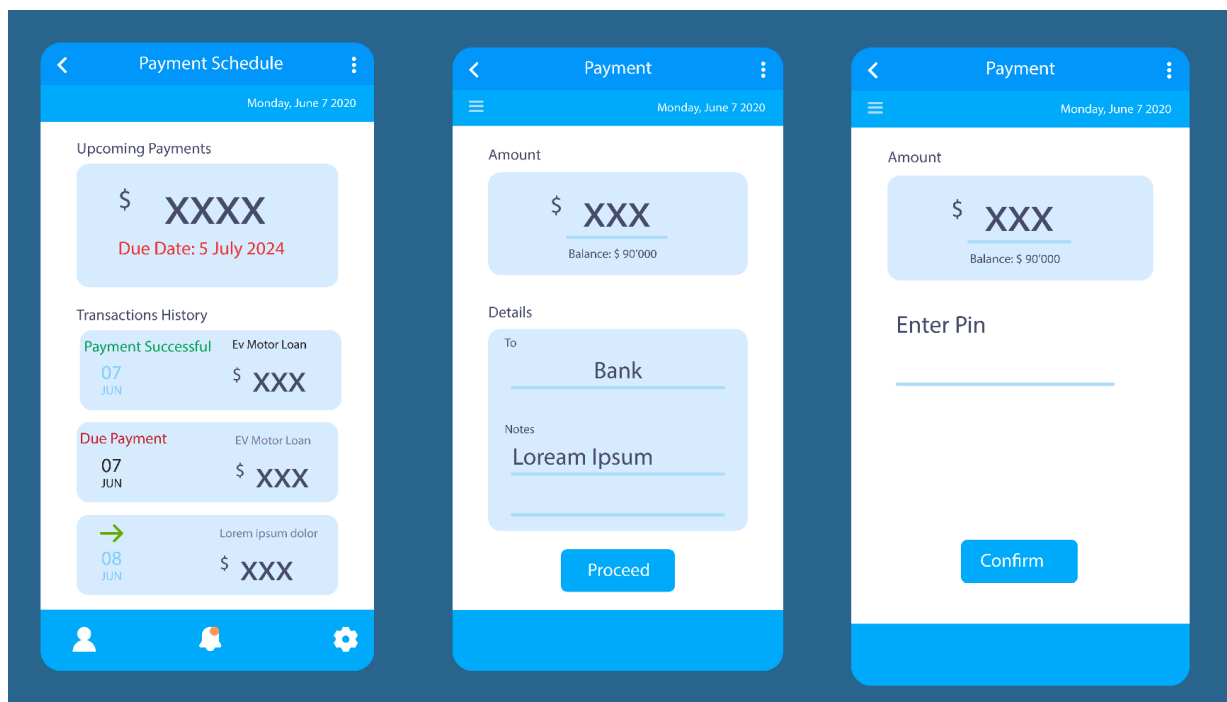
7. Document: Documents will be uploaded. The verified documents will get a green mark on it and invalid documents will get a red cross. After clicking on the particular document User will be able to see and download the document Document can be deleted by clicking on the trash icon.

8. Application Status Screen.

9.

10.

11



9. Payment schedule and transaction history screen.

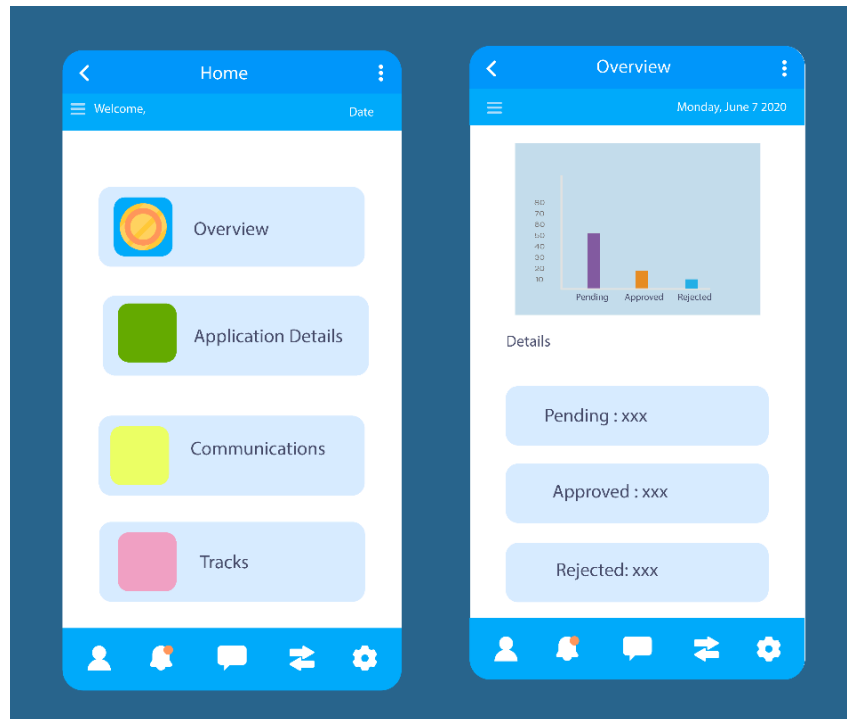
10. Payment Portal.

11. Payment confirmation screen.

Screen for Loan Officer

1.

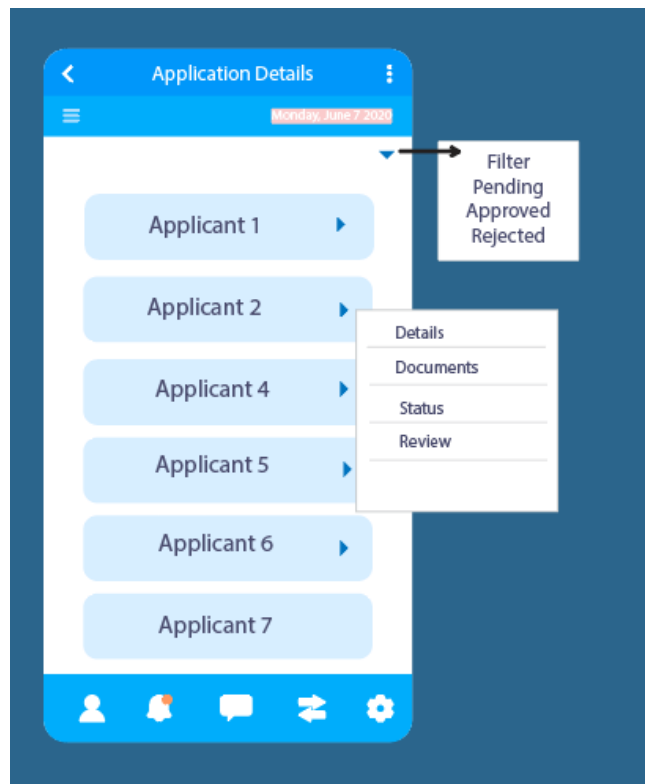
2.



1. Dashboard for Loan Officer

2. Overview section screen: It shows the number of pending, rejected and approved applications.

3.



3. Application Details section: Click on the Applicant, the menu box appears.

'Details' will lead to image 4

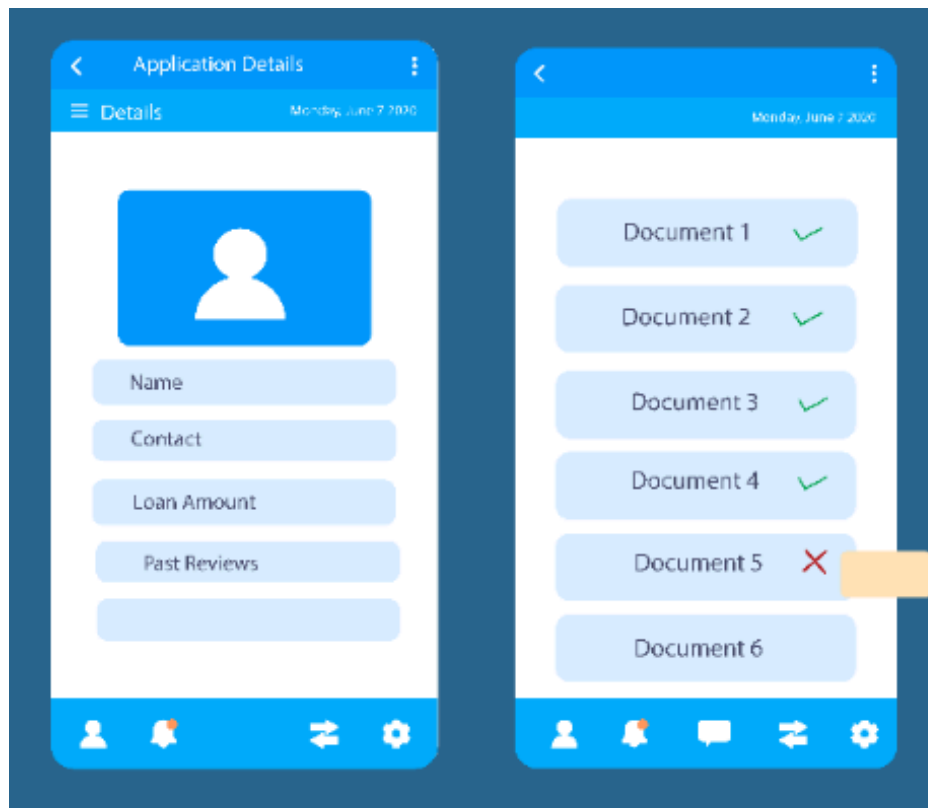
'Documents' will lead to documents section shown in image 5

'Status' will lead to a section which contains decision making buttons like approval, rejections of application and comments on any document.

Review section is shown in image 6.

5.

6.

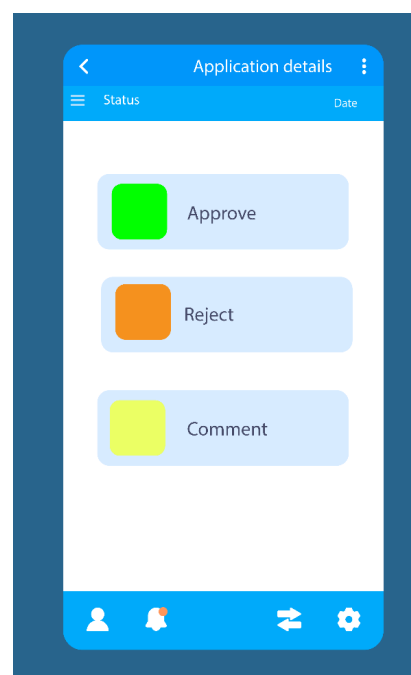
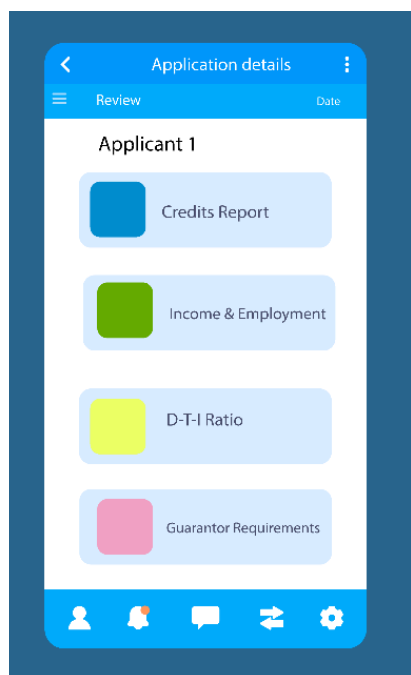


4. Details section screen

5. Document section screen: The verified documents will be shown with green tick mark while the invalid documents will be shown with red cross.

7.

8.



6. Review: 'Credit Reports' will represent the borrower's credit history. Higher credit scores indicate that the risk factor is low. Credit reports will also include the borrower's past behaviours including payment history and past public transaction records. Debt to Income ratio compares the borrower's total monthly debt payments (including the proposed loan) to their gross monthly income.

7. Status screen: Section used by loan officers to make decisions for the application.

Additional Features:

- A reports and analytics section where reports on loan portfolio performance, delinquency rates, and customer insights will be generated.
- Customised Dashboards to visualise key metrics for informed decision making.

Go To Market Strategy

After being well versed with the market, we should have a Go To Market Strategy.

1. Market Research and Segmentation

We need to research and identify Target Audience and estimate further segmentations in the target audience.

- Primary Audience: Individuals looking to purchase two-wheelers in urban and semi-urban areas.
- Secondary Audience: Dealerships and showrooms selling two-wheelers.

2. Marketing Channels and Tactics

a. Digital Marketing

- Search Engine Optimization (SEO): Optimize the app's website for keywords related to two-wheeler loans.
- Pay-Per-Click (PPC) Advertising: Use Google Ads and social media ads targeting potential two-wheeler buyers.
- Social Media Marketing: Leverage platforms like Facebook, Instagram, and LinkedIn to reach the target audience with engaging content, and testimonials.

b. Partnerships

- Manufacturers: Partner with leading two-wheeler manufacturers to offer special financing deals.

c. Offline Marketing

- Events and Exhibitions: Participate in auto expos, trade shows, and local events to promote the app.
- Print Media: Advertise in newspapers, auto magazines, and local publications.

3. Sales Strategy

- Sales Team: Employ a dedicated sales team to visit dealerships and pitch the app.
- Telemarketing: Use a call center to reach out to potential customers who have shown interest in two-wheelers.
- Email Marketing: Send targeted emails with personalized loan offers and updates.

4. Customer Acquisition and Retention

- Easy Registration: Simplify the registration process with minimal required information.
- Guided Setup: Provide a step-by-step guide to help users navigate the app.
- Push Notifications: Send reminders for EMI payments, new offers, and important updates.
- Loyalty Programs: Implement a loyalty program to reward repeat customers and referrals.
- 24/7 Support: Provide round-the-clock customer support via chat, email, and phone.
- Feedback Mechanism: Regularly collect feedback and make necessary improvements to the app.

Timeline

1. Pre-Launch (3-6 months)
 - Conduct market research and build partnerships.
 - Develop the app and perform beta testing.
 - Prepare marketing materials and train the sales team.
2. Launch (1 month)
 - Launch a digital marketing campaign.
 - Host a launch event with key partners.
 - Begin direct and inside sales efforts.
3. Post-Launch (6-12 months)
 - Monitor performance and gather user feedback.
 - Optimise marketing strategies based on initial results.

- Expand partnerships and explore new marketing channels.

Thank You