

Dashboard Report: Loan Application and Recovery Distribution

Objective

This dashboard provides insights into the loan application process, the recovery of loans, and the associated metrics across various products and regions. The primary aim is to understand the loan funnel, regional distribution of loans and recoveries, and key influencers that impact loan application amounts and recoveries.

Audience

This report is designed for financial stakeholders and decision-makers, including executives responsible for loan product management and recovery operations. It aims to inform the team on current performance and trends, aiding in decision-making regarding product offerings and recovery strategies.

Data Overview

The dashboard uses loan application and recovery data from various financial products. The time period, though unspecified, appears to track key loan metrics throughout the year and across regions in India.

Key Metrics and KPIs

1. **Total Applied Amount:** 245K
2. **Total Sanctioned Amount:** 213K
3. **Total Debt:** 196K
4. **Total Recovered:** 104K
5. **Loan Funnel:** Tracks the funnel from total applied to total recovered.
6. **Applied Amount by Products:** Breakdown by loan product categories (Group, Individual, etc.)
7. **Loan Applied by Year:** Annual loan trends.
8. **Applied Amount by Channels:** Loan applications through channels like Digital Sales Agencies, Walk-ins, and others.
9. **Applied Amount vs. Recovered Amount:** Regional mapping of applied and recovered loans.
10. **Key Influencers:** Age and Gender segments influencing loan applications above 10K.

Dashboard Insights

1. **Loan Funnel**
 - **Conversion Rate:** Starting from a total applied amount of 245K, 213K has been sanctioned (87% conversion), and out of that, 104K has been recovered (42.4% recovery).
 - This indicates strong sanctioning but a lower recovery rate, which may need strategic focus on repayment methods and policies.

2. Loan Applied per Year

- A peak in loans can be seen in one of the quarters, but overall loan application trends suggest a strong performance across the year. This trend will inform quarterly financial planning.

3. Applied Amount by Products

- Loans related to "Group Loans" represent the highest total applied amount, followed by "Individual Loans," while "Unsecured Loans" are comparatively lower.
- Focus on high-demand products could enhance profitability and strategic planning for marketing efforts.

4. Applied Amount by Channels

- **Digital Sales Agencies** have the highest loan applications (58.43%), followed by **Walk-ins** (24.45%).
- This trend underscores the importance of digital sales agencies in customer acquisition, suggesting investment in strengthening digital channels for growth.

5. Regional Loan and Recovery Distribution

- The map visualization shows loan applications and recoveries spread across different regions in India. Maharashtra, Delhi, and Gujarat are among the key regions for loans, whereas recoveries seem more dispersed, with areas like Uttar Pradesh showing better recovery trends.

6. Demographics

- **Age Group 31-40** dominates the loan application category, and men are more likely to apply for loans than women. This information will be crucial for targeted marketing and product offerings.

Trends and Patterns

1. Loan Funnel Analysis

- Although the conversion rate from application to sanctioning is high, the recovery rate of 42.4% indicates potential challenges in debt recovery.
- Improving recovery strategies, particularly in high-debt regions, will be essential for profitability.

2. Product Performance

- The success of Group Loans and Individual Loans highlights where future marketing and financial products should focus, while the low performance of Unsecured Loans may require investigation into their demand and repayment structure.

3. Channel Performance

- With over 58% of loans coming through Digital Sales Agencies, digital marketing and customer outreach programs should be emphasized. In contrast, walk-ins contribute a smaller portion, but could be an area to improve through branch-level promotions.

4. Demographics

- The higher loan application rates among people aged 31-40 suggest they are the most financially active demographic. However, the gap between male and female loan applicants indicates an opportunity for products targeting female clients.

Actionable Insights

1. Increase Recovery Rates:

- A lower-than-expected recovery rate (42.4%) suggests a need to focus on improved repayment collection efforts, either through better communication or offering more flexible repayment plans.

2. Product-Specific Strategies:

- Expand offerings and marketing for Group Loans and Individual Loans to capture more market share. Investigate why Unsecured Loans are less popular and adjust product features to make them more appealing.

3. Leverage Digital Sales Agencies:

- Since Digital Sales Agencies are the primary source of applications, invest more in digital infrastructure and partnerships. Improve customer experience through these agencies to further boost application rates.

4. Target Regional Growth:

- Prioritize regions with higher recovery rates for future lending, while investing in strategies to improve recovery in underperforming regions. Regional strategies should be tailored based on historical loan and recovery data.

Recommendations for Future Analysis

1. Investigate Loan Defaults:

- Analyze the reasons behind low recovery rates and loan defaults to address risks and improve financial health.

2. Demographic-Based Product Customization:

- Further analyze demographic data to create customized products for underrepresented groups such as women or younger borrowers (aged 21-30).

3. Seasonality of Loans:

- Examine the impact of seasonality on loan applications to better prepare for future peaks and optimize marketing efforts in high-demand periods.

Conclusion

The dashboard provides an insightful view of loan application and recovery data, highlighting strong areas such as digital sales and product-specific performance, while pointing to recovery and channel-based strategies for improvement. By addressing the lower recovery rate and tailoring regional and demographic-specific loan offerings, the financial performance of the loan products can be significantly improved.

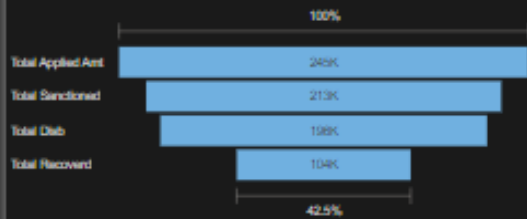
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245K

Total Sanctioned
213K

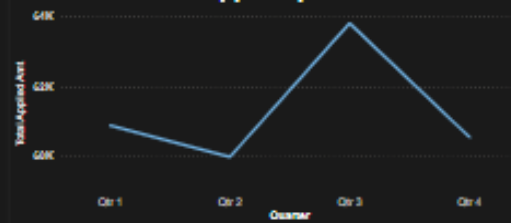
Total Disb
196K

Total Recoverd
104K

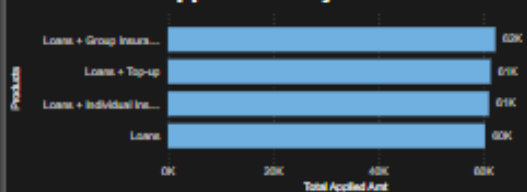
Loan Funnel



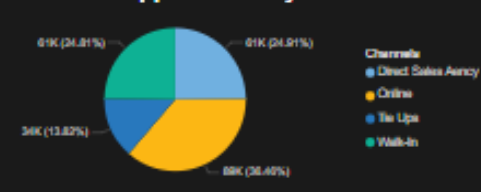
Loan applied per Year



Total Applied Amt by Products



Total Applied Amt by Channels



Applied amt via Recoverd amt



Key Influencers Top segments



Decomposition Tree

Q & A