

Loan Application and Recovery Dashboard Report

Objective

This dashboard offers a clear view of how loan applications are processed and recovered, highlighting important metrics related to different loan products and regions. It helps us understand the loan process, regional loan distribution, and the factors affecting loan amounts and recoveries.

Audience

This report is meant for financial stakeholders and decision-makers, including executives involved in managing loan products and recovery efforts. It aims to provide insights into current performance and trends to guide decisions about loan products and recovery strategies.

Data Overview

The dashboard tracks loan application and recovery data for various financial products over the year, focusing on different 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:** Shows the process from loan application to recovery.
6. **Applied Amount by Products:** Breakdown by loan types (e.g., Group Loans, Individual Loans).
7. **Loan Applications by Year:** Trends over the year.
8. **Applied Amount by Channels:** How loans are applied (e.g., Digital Sales Agencies, Walk-ins).
9. **Applied vs. Recovered Amount:** Regional data showing loan applications and recoveries.
10. **Key Influencers:** Factors like age and gender affecting loan applications over \$10K.

Dashboard Insights

1. **Loan Funnel**
 - **Conversion Rates:** Out of \$245K applied, \$213K was sanctioned (87% conversion). Of the sanctioned amount, \$104K was recovered (42.4% recovery).
 - **Action:** Improve recovery strategies as the recovery rate is lower than expected.
2. **Loan Applications by Year**
 - **Trend:** There's a noticeable peak in one quarter, but overall, applications perform well throughout the year. This information is useful for quarterly financial planning.
3. **Applied Amount by Products**
 - **Top Products:** Group Loans and Individual Loans have the highest amounts applied. Unsecured Loans are less popular.
 - **Action:** Focus on promoting Group and Individual Loans, and investigate why Unsecured Loans are underperforming.
4. **Applied Amount by Channels**
 - **Top Channel:** Digital Sales Agencies handle 58.43% of applications, while Walk-ins account for 24.45%.
 - **Action:** Invest more in digital channels to increase applications and customer engagement.
5. **Regional Loan and Recovery Distribution**

- **Applications:** Key regions for applications are Maharashtra, Delhi, and Gujarat.
 - **Recoveries:** Uttar Pradesh shows better recovery trends compared to other regions.
 - **Action:** Improve recovery strategies in regions with lower performance.
6. **Demographics**
- **Main Age Group:** 31-40 years old, with a higher number of male applicants.
 - **Action:** Target marketing efforts towards female borrowers and younger age groups.

Trends and Patterns

1. **Loan Funnel Analysis**
 - **Observation:** While the conversion rate from application to sanctioning is high, the recovery rate is lower than desired.
 - **Action:** Develop better repayment strategies, especially in high-debt areas.
2. **Product Performance**
 - **Observation:** Group and Individual Loans are performing well, but Unsecured Loans need further investigation.
 - **Action:** Enhance marketing for successful products and revise Unsecured Loans to boost appeal.
3. **Channel Performance**
 - **Observation:** Digital Sales Agencies are crucial for loan applications.
 - **Action:** Strengthen digital marketing and customer experience, and explore ways to improve Walk-in channels.
4. **Demographics**
 - **Observation:** The age group 31-40 is the most active in loan applications. There's a significant gap between male and female applicants.
 - **Action:** Create targeted products and marketing campaigns for female and younger borrowers.

Actionable Insights

1. **Improve Recovery Rates**
 - **Current Situation:** The recovery rate is 42.4%, which is lower than expected.
 - **Action:** Enhance collection methods and consider flexible repayment options.
2. **Product-Specific Strategies**
 - **Current Situation:** Group and Individual Loans are successful, but Unsecured Loans need work.
 - **Action:** Expand offerings for successful products and re-evaluate Unsecured Loans.
3. **Enhance Digital Channels**
 - **Current Situation:** Digital Sales Agencies are the leading source of loan applications.
 - **Action:** Invest in digital marketing and improve customer engagement through these channels.
4. **Focus on Regional Growth**
 - **Current Situation:** Regions like Maharashtra and Delhi are strong in applications, while Uttar Pradesh excels in recovery.
 - **Action:** Tailor strategies to improve performance in weaker regions and leverage successful ones.

Recommendations for Future Analysis

1. **Investigate Loan Defaults**
 - **Action:** Study reasons for low recovery rates and loan defaults to mitigate risks and improve financial health.
2. **Customize Products by Demographics**
 - **Action:** Analyze demographic data to design products tailored to underrepresented groups, such as women and younger borrowers.

3. Analyze Seasonality

- **Action:** Examine seasonal trends in loan applications to better prepare for peak times and optimize marketing efforts.

Conclusion

The dashboard offers valuable insights into loan applications and recoveries, highlighting successes and areas for improvement. By focusing on enhancing recovery rates and leveraging effective products and channels, the financial performance of loan products can be significantly improved.



