Lendsqr

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## Comparing Irorun and A1Credit

follow this [link](https://drive.google.com/drive/folders/19a83WcYMWx6sYNN2z7A6KexnCCcFRxnh?usp=drive_link) to access the dataset used for this report

### Loaning from A1Credit or Irorun

[A1Credits](https://a1creditng.com/index) and [Irorun](https://irorun.com/) are both financial institutions owned by Lendsqr.

* A1Credit is a Lendsqr platform for lending large amounts to borrowers up to ₦500,000. From the perspective of a typical Nigerian borrowers, A1Credit loan large money. If I am to borrow huge amount of money from financial institutions A1credit is where I will go to.
* Irorun is Lendsqr platform for lending to regular Nigerian borrowers up to ₦20,000 maximum. From the perspective of a typical Nigerian borrowers, Irorun loan small money that should be suitable to solve short term problems. If I am to borrow a small amount of money from financial institutions Irorun is where I will go to.
* Irorun lending products differs according to the point of accessing the platform. Irorun is accessible as a web app and as a mobile app available on Google playstore.

***Continue reading to see the different products offered by A1Credit and Irorun, and their requirements for validating loan.***

#### What are the requirements for loaning from either A1Credit or Irorun?

| Irorun | A1Credit |
| --- | --- |
| Provide next of kin | Personal details |
| Updated address | Employment details |
| Valid government-issued ID | Functional debit card |
| Debit card |  |

#### Comparing the products offered A1Credit and Irorun

##### Using tables

Table 1: Products of Irorun (mobile app)

| Products | Min loan Amount | Max loan Amount | Min loan duration (days) | Max loan duration (days) | Interest (%) | Processing Fee | Repayment Frequency | No. of Prerequisite Loan | Customer's Class |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Easy credit starter | **1,000** | **5,000** | 3 | 15 | **15** | **100 Naira** | Daily | 0 | Everyone |
| Easy credit | **1,000** | **10,000** | 7 | 15 | **15** | **10%** | Daily | 2 | Everyone |
| Easy credit Loyalty | **1,000** | **20,000** | 7 | 30 | **10** | **10%** | Daily | 2 | Loyal android customers |
| Refer and Earn | **100** | **NA** | NA | NA | **NA** | **NA** | NA | NA | NA |

Downloading Irorun mobile app from Google playstore provides new user with the privilege of borrowing up to ₦5,000 at an interest of 15% with ₦100 processing fee. The loan is to be repaid 3 to 15 days after borrowing. For Nigerians, this is a medium to responsibly get **urgent 5k**, and it’s available for everyone.

After 2 successful loans, Nigerian users can borrow up to ₦10,000 at a processing fee as low as 10% to be repaid 7 to 15 days after loaning.

Irorun Easy credit loyalty provides specifically to their **loyal Android users** to borrow up to ₦20,000 to repay in 30 days.

Table 1: Products of Irorun (web app)

| Products | Min loan Amount | Max loan Amount | Interest per month (%) | Min loan duration (days) | Max loan duration (days) | Processing fee | Repayment frequency | Prerequisite loan |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Easy credit | **5,000** | **10,000** | **15** | 7 | 15 | **400** | Daily | 0 |
| Easy credit loyalty | **5,000** | **20,000** | **10** | 7 | 30 | **400** | Daily | 2 |
| Easy credit supreme | **5,000** | **50,000** | **10** | 7 | 30 | **400** | Daily | 5 |
| Easy credit free | **5000** | **-** | **0** | 7 | - | **400** | Daily | 5 |

Loaning from Irorun web app provides new user with an opportunity of borrowing up to ₦10,000 at an interest of 15% with ₦400 processing fee to repay in 15 days.

After 2 successful loans, the Easy credit loyalty product provides Nigerian users can borrow up to ₦20,000 at a processing fee of ₦400 to be repay in 30 days.

After 5 successful loans, Irorun Easy credit supreme and Easy credit free provides borrowers with the opportunity to borrow up to ₦50,000 to repay in 30 days. Easy credit supreme comes with an interest of 10% while Easy credit free has **zero interest**.

Table 1: Products of A1Credit

| Products | Min loan Amount | Max loan Amount | Min loan duration | Max loan duration | Interest per month (%) | Processing Fee (%) | Repayment frequency |
| --- | --- | --- | --- | --- | --- | --- | --- |
| A1Credit Advance | **5,000** | **10,000** | 7 days | 14 days | **5.5** | **10** | Daily |
| A1Credit Freedom | **50,000** | **1000,000** | 1 month | 3 months | **7.0** | **1** | Daily |
| A1Credit Freedom-Manual | **5,000** | **500,000** | 1 months | 3 months | **7.0** | **0** | Daily |

A1Credit app from Google playstore provides borrowers with the privilege of borrowing a minimum of ₦5,000 up to a maximum loan amount of ₦500,000 at different interest rates and processing fee.

From the table showing the products of A1Credit, **A1Credit Freedom-Manual** provides loans to borrowers at an interest of 7% with a **0%** processing fee to be repaid in 3 months.

#### Findings

As seen from the above tables, A1Credit provides borrowers large sum of loan with relatively low interest rate. A1Credit requires some specific documents which may be very difficult to be provided by a regular Nigerian borrower. Irorun on the other provides optimum loan to borrowers with interest rate as high as 15% but has minimum documents for validating loans. Irorun web app have different products from Irorun mobile app but has a steady processing fee of ₦400.

* A1Credit is suitable for large borrower like for business start ups. It is basically to take care of long term needs.
* Irorun is suitable for small borrowers probably to take care of short term problems.

**Irorun** comes with a higher interest rate compared to **A1Credit**.

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#### Strength

| Irorun | A1Credit |
| --- | --- |
| Suitable for regular Nigerian that require urgent fund | Suitable for large borrowers like business start ups in Nigeria |
| Requires minimal amount of documents before validating loan | Provides borrowers with sufficient time for repay. |
| Provides a **Refer and Earn** for users |  |

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#### Weakness

| Irorun | A1Credit |
| --- | --- |
| It is not suitable for large borrowers | Not suitable for small borrowers |
| Has a high interest rate and Processing fee | Not all Nigerians can easily provide the documents required for validating loans |

#### How can Irorun improve?

1. Irorun can improve the satisfaction of Nigerian borrowers by reducing the processing fee for the products offered on the mobile app.
2. There should be products that allow Irorun borrowers to borrow large sums.

Table 1: Comparison of Loan Products

| Products | | | Interest Rate | | | Processing Fee | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Products of A1Credit | Products of Irorun (mobile app) | Products of Irorun (web app) | A1Credit interest rate | Irorun mobile app interest rate | Irorun web app interest rate | A1Credit app processing fee (%) | Irorun mobile app processing fee | Irorun web app processing fee (₦) |
| A1Credit Advance | Easy credit starter | Easy credit | **5.5** | **15** | **15** | 10 | 100 Naira | 400 |
| A1Credit Freedom | Easy credit | Easy credit loyalty | **7.0** | **15** | **10** | 1 | 10% | 400 |
| A1Credit Freedom-Manual | Easy credit Loyalty | Easy credit supreme | **7.0** | **10** | **10** | 0 | 10% | 400 |
| NA | Refer and Earn | Easy credit free | **NA** | **NA** | **0** | NA | NA | 400 |

5 star for [Irorun mobile app](https://drive.google.com/file/d/1WvJq40LZSnCuB6l2bJpLvSlCTisNkD8d/view?usp=drive_link)

5 star for [A1Credite app](https://drive.google.com/file/d/1OqScQUuw_kBkkDIvHc4B5YJImQyIKi23/view?usp=drive_link)