Assumptions

1. Disbursement amount is the sale amount
2. Loans with 'Deceased' status are covered by Life insurance thus excluded from the default rate calculation

Question 3 Answers

a) Brief written summary of the key insights highlighted by the data
   - All products brought in some income except the Verified Sales product. This is because the Verified Sales product has the highest default rate.
   - There was a substantial decline in the monthly active customers and also new customers in the last quarter of 2025.
   - By the end of 2025, the net income made my Pesa Ltd was around negative KES 80M and this was majorly contributed by the high default rates by the Verified Sales product
   - Despite the decline in the active and new customers in the last quarter of 2025, there was a noticeable growth in uptake of loans.
   - It is evident that the Verified sales product has to have the highest uptake.

b) Whether to proceed with roll out of their digital product.
   Yes. It has high uptake within a very short period.

c) Any other insights highlighted by the data.
   Towards the end of 2025(specifically in Dec 2025) there appears to be glimpse of hope in this business given by the positive movement the new customers, active customers, loan growth.

d) Recommend strategies to maximize revenue.
   -Focus more sales campaigns on the Verified Sales product
   -Build on a more effective loan recovery strategy like offering incentives to customers so that they can borrow again and again

e) Recommend how much money Finance should have provisioned on a month-to-month basis due to expected defaults.
   Around KES 7 Million

Improvements

1. This analysis can be developed and optimized for consumption on a mobile device
2. More internal and external data would help explain the trends shown on the analysis more effectively