About Tala

Tala provides fast, personalized loans based on mobile phone data to millions of underserved people in emerging countries.

Countries we serve at

India, Mexico, Philippines, Kenya

Customer served globally

8.5 million +

Target segment

Security guard, vegetable vendor, driver, retailer, farmer etc
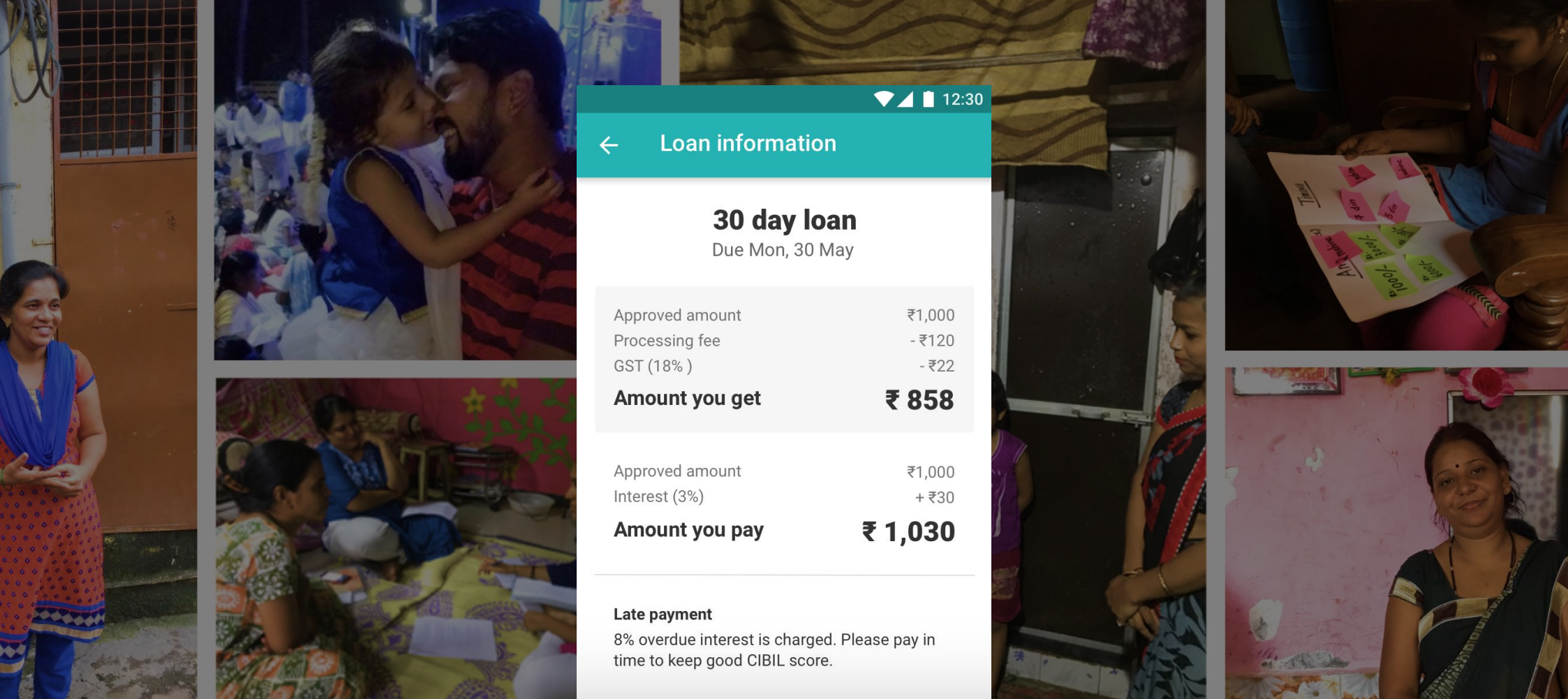
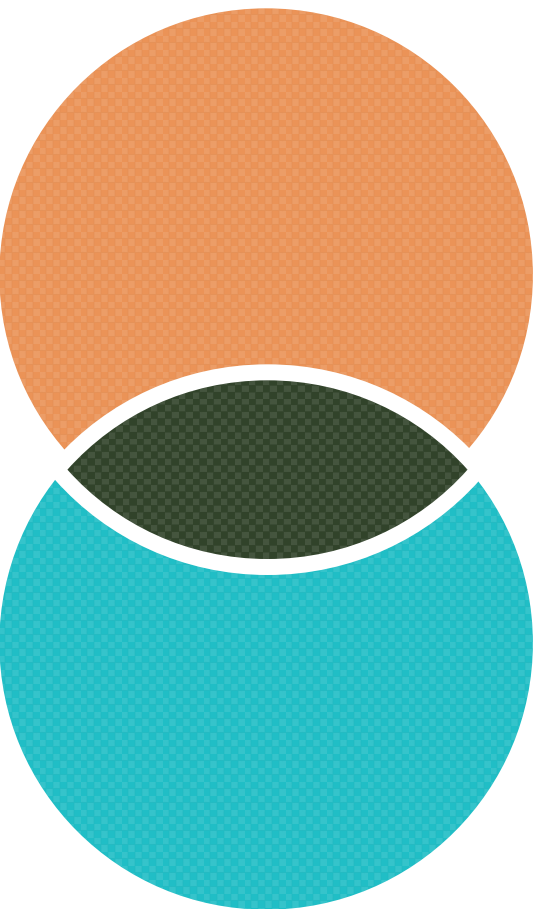**Avg. Repayment Rate**

~90%

Loan disbursement time

~85% borrowers get loan in <10 min

Loan information

30 day loan
Due Mon, 30 May

Approved amount	₹1,000
Processing fee	- ₹120
GST (18%)	- ₹22
Amount you get	**₹ 858**

Approved amount	₹1,000
Interest (3%)	+ ₹30
Amount you pay	**₹ 1,030**

Late payment
8% overdue interest is charged. Please pay in time to keep good CIBIL score.

Project - Fee Structure

Business Goal
As a lender, I want to provide users with a clear and transparent fee structure that complies with local regulations.

User Goal
As a first-time user in India, I want to clearly know the amount I receive, the repayment amount, and the borrowing costs.

Product Goal
1. Loan acceptance rate between 70% - 83% is maintained or improved in 4 markets 🇮🇳 🇰🇪 🇲🇽 🇵🇭
2. Minimal or no increase in customer complaints.
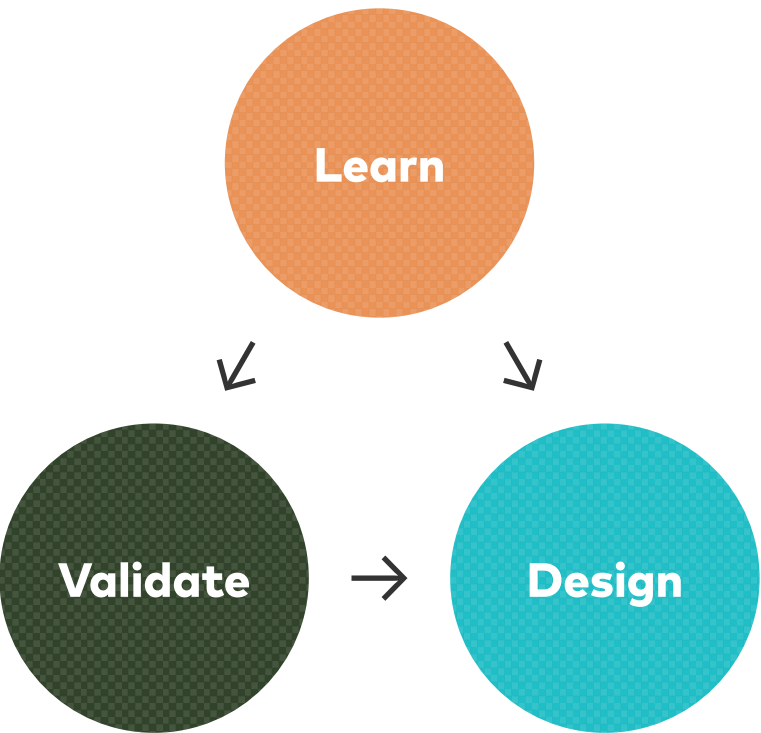
Team, Role and Process

Team
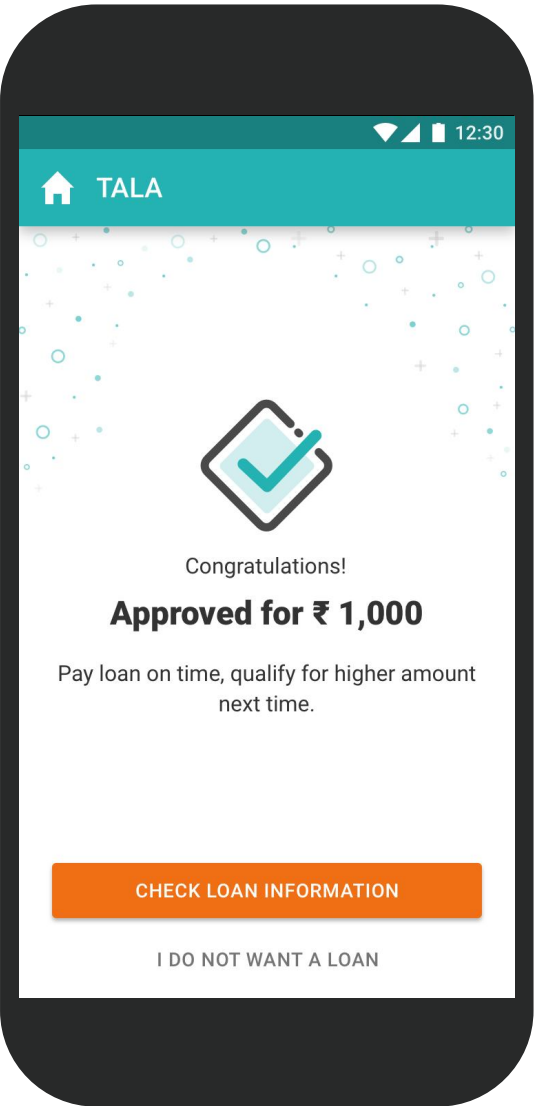Product Manager, Designer, Frontend Engineer, Business Head, Legal

Role
1. Partner with the PM on PRD
2. Led design end to end
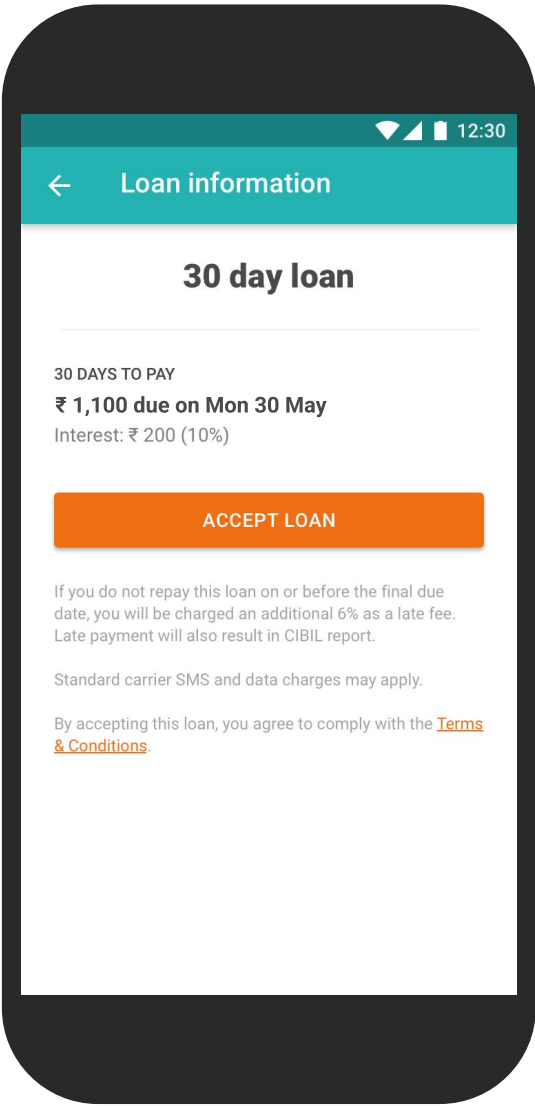3. Led user testing

Process

Learn

Validate → Design

What we wanted to de-risk?

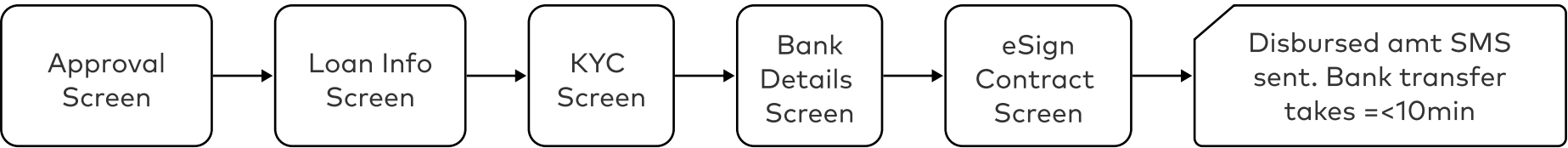## Current designs

Approval Screen

Loan Info Screen

Simple fee structure

Amount disbursed
is same as
Approved amount

Current fee structure

1. Approval amount
2. Tenure
3. Due Date
4. Repayment amount
5. Interest

Flow - Happy Path

New fee structure

1. Approval amount
2. Tenure
3. Due Date
4. Repayment amount
5. Interest
6. Processing fee**
7. GST**
8. Disbursement amt**

New fee elements added

1. Tala introduced Processing fee & GST on loans.
2. These costs were deducted from the approved amount.
3. The remaining amount was then disbursed.

Short summary
Old reality : Disbursed amount = Approved amount
New reality : Disbursed amount ≠ Approved amount

Risk implications
Unclear information will lead to trigger doubt in user mind. Subsequently increasing drop-offs.

Users may overlook loan fee structure in haste and feel deceived by a mismatch in approved and disbursed amounts, harming Tala's brand value 'TRUST'.

Learn

Study India requirments

Information hierarchy - Study, collaborate

1. Studied elements of India fee structure
2. Collaborated with PM and business head to set the hierarchy.

MuSCoW framework for hierarchy setting

1. **Mu**ST - Remembering info until loan acceptance journey is must
2. **S**HOULD - Noticing/remembering info is good to have.
3. **Co**ULD - Unnoticed/forgotten info is a non-issue.
4. **W**ONT - Unnoticed/ignored info is a non-issue.
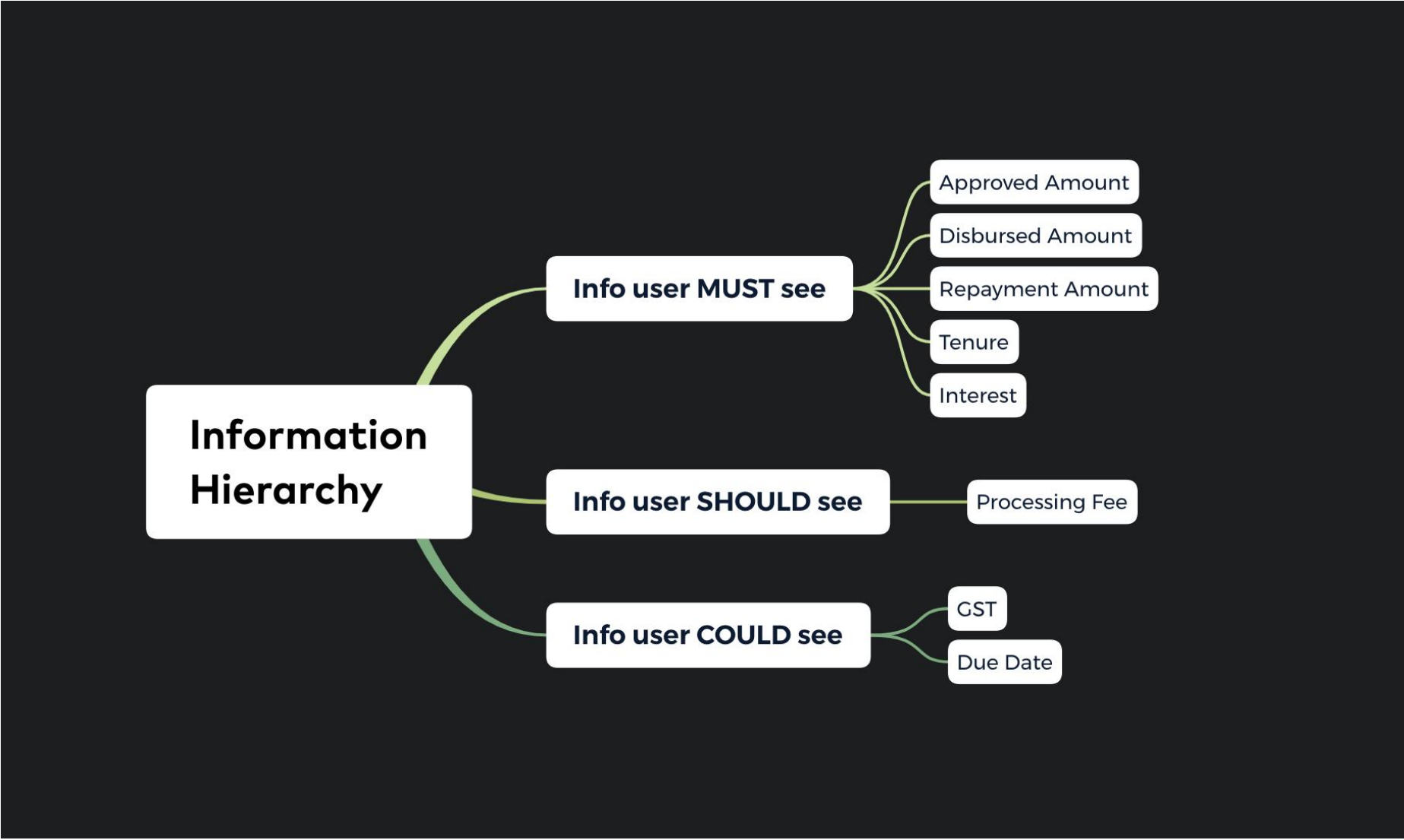
Study Kenya, Mexico, Philippines requirements

Why?

1. Tala is a global product. Change in one country impacts the other.
2. Aim of the study was to come up with extensible layout and design patterns.

Key Takeaways

1. Number of fee structure elements ranges from 5 to 8 in different countries.
2. A typical text/string length of fee elements is 20-30% higher or lower than India.
3. India is the only country with a different approved amount and disbursed amount.

Constraints

PM's conveyed

> New design shouldn't demand too much iteration. Reuse current design
> as much you can. But take care, brand value doesn't take a hit. If required do
> usability test.

Design Takeaway

Design high impact but low-cost solution

Learn phase concludes

Concludes with a 70-80% finished PRD covering goals, user stories, constraints, etc.
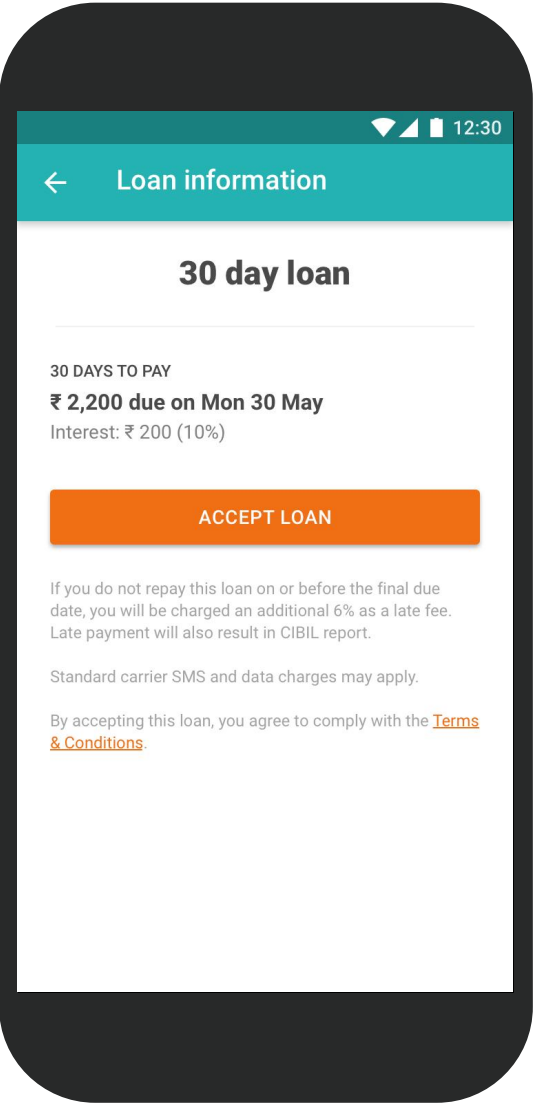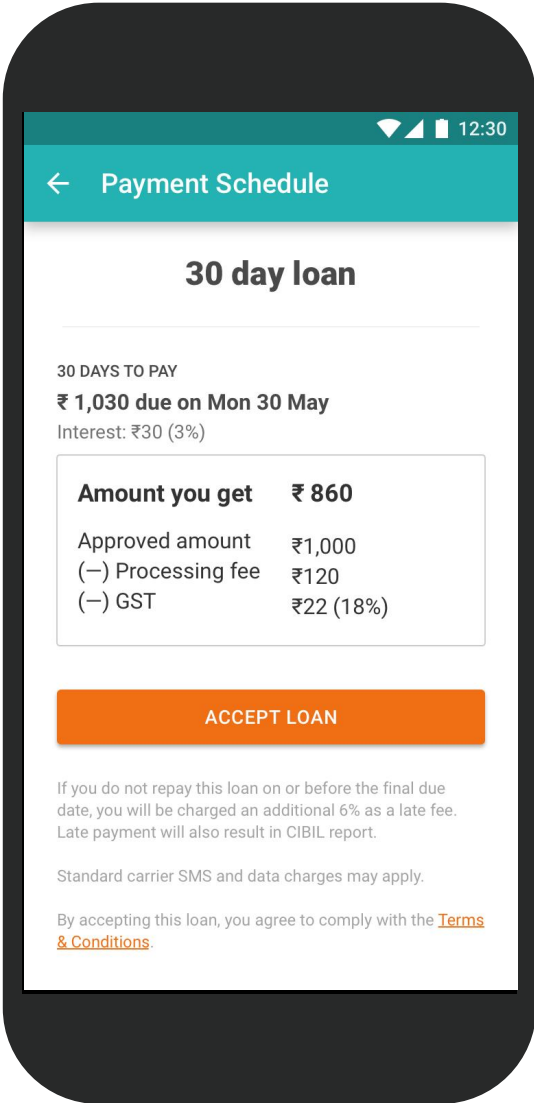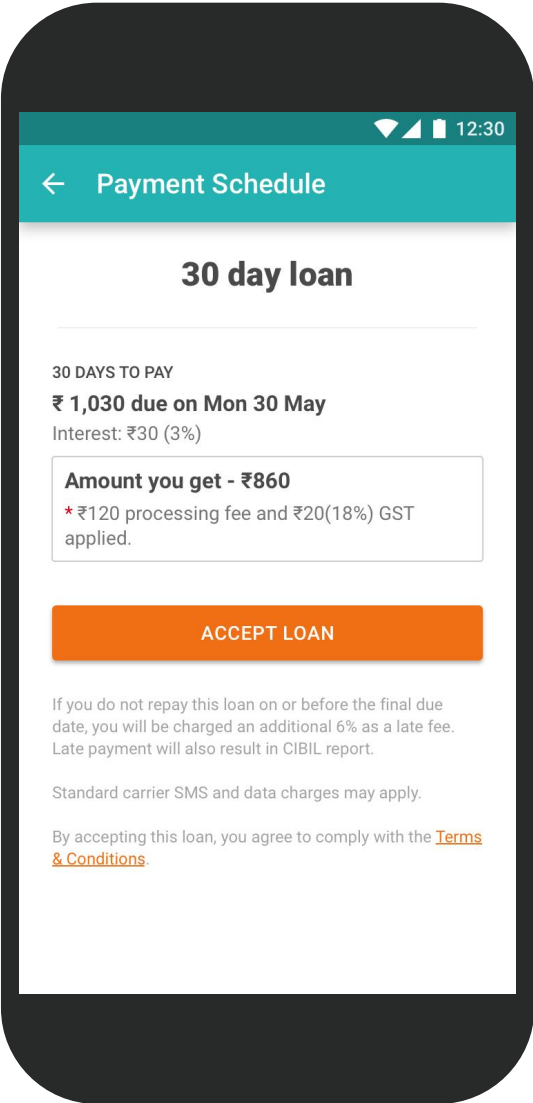
Collect team feedback on initial concept

Feedback prompt given to the team

1. **Question asked to team members**
   a. What's your 1st impression?
   b. Will the old UI prove efficient enough to communicate the fee structure clearly?
   c. If unclear, what are the risk?
2. **Feedback sought**
   a. From PM and designer from 4 countries 🇮🇳 🇰🇪 🇲🇽 🇵🇭
   b. Business head in India 🇮🇳

Old designs

New design proposals - 2 options

Loan information

30 day loan

30 DAYS TO PAY
₹ 2,200 due on Mon 30 May
Interest: ₹ 200 (10%)

ACCEPT LOAN

If you do not repay this loan on or before the final due date, you will be charged an additional 6% as a late fee. Late payment will also result in CIBIL report.

Standard carrier SMS and data charges may apply.

By accepting this loan, you agree to comply with the Terms & Conditions.

Payment Schedule

30 day loan

30 DAYS TO PAY
₹ 1,030 due on Mon 30 May
Interest: ₹30 (3%)

Amount you get - ₹860
* ₹120 processing fee and ₹20(18%) GST applied.

ACCEPT LOAN

If you do not repay this loan on or before the final due date, you will be charged an additional 6% as a late fee. Late payment will also result in CIBIL report.

Standard carrier SMS and data charges may apply.

By accepting this loan, you agree to comply with the Terms & Conditions.

Payment Schedule

30 day loan

30 DAYS TO PAY
₹ 1,030 due on Mon 30 May
Interest: ₹30 (3%)

Amount you get	₹ 860
Approved amount	₹1,000
(—) Processing fee	₹120
(—) GST	₹22 (18%)

ACCEPT LOAN

If you do not repay this loan on or before the final due date, you will be charged an additional 6% as a late fee. Late payment will also result in CIBIL report.

Standard carrier SMS and data charges may apply.

By accepting this loan, you agree to comply with the Terms & Conditions.

Team reaction on 1st impression

1. That's too much information
2. Which section is more important information is not clear
3. So much text
4. It's confusing.

Conclusion

Project scope revised. Got a buy-in to do 100% reimagining UX.

Learning

> *"If a picture is worth 1000 words, a prototype is worth 1000 meetings."*
> *— Tom & David Kelley*

In the interest of speedy development and shipping, the project was constrained within the boundaries of current UI patterns.

Above design helped me negotiate the design scope and timelines in a short time.

Design → Validate → Learn

Design chosen for validation

After vetting multiple ideas with a diverse team across time zones, we selected this concept for user testing.
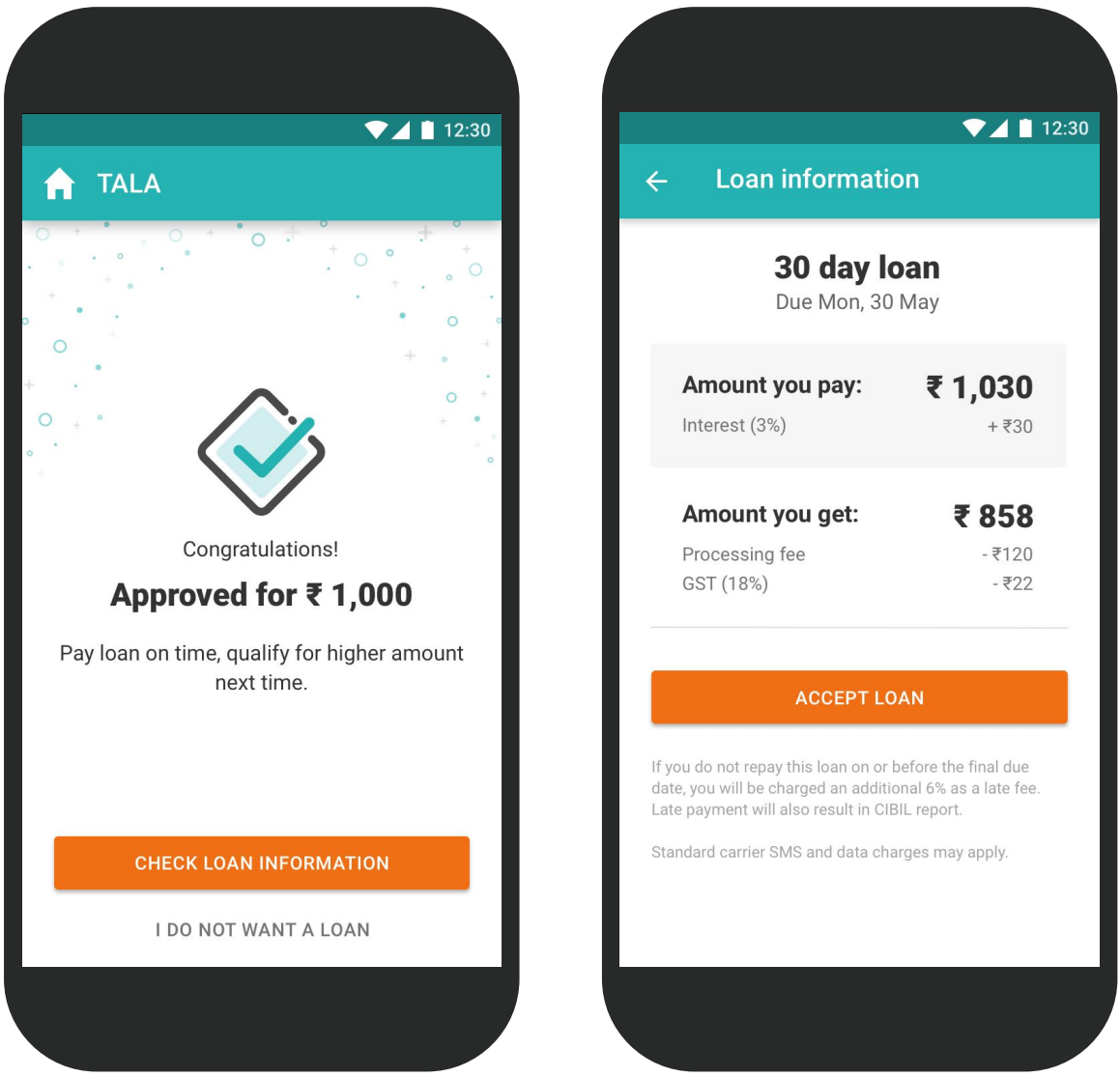

Validation goals

Design for clarity and trust.

How will we know if design met clarity and trust building goals?

1. **Clear -** After completing the loan acceptance journey, user is able to clearly answer
   a. What is the approved loan amount? ₹ 1,000
   b. What is the amount the user will get? ₹ 858
   c. What is the amount the user will have to pay? ₹ 1,030
   d. What is the interest? ₹ 30 or 3%
   e. What is the tenure? 30 days
2. **Trust -** ₹ 858 disbursed amount SMS doesn't shock the user
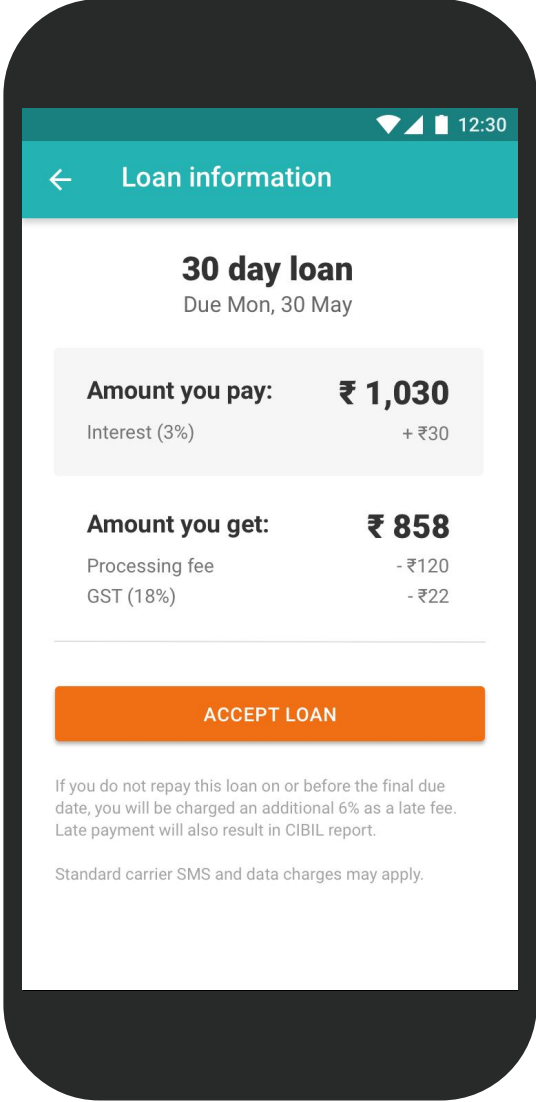
Flow - Happy Path
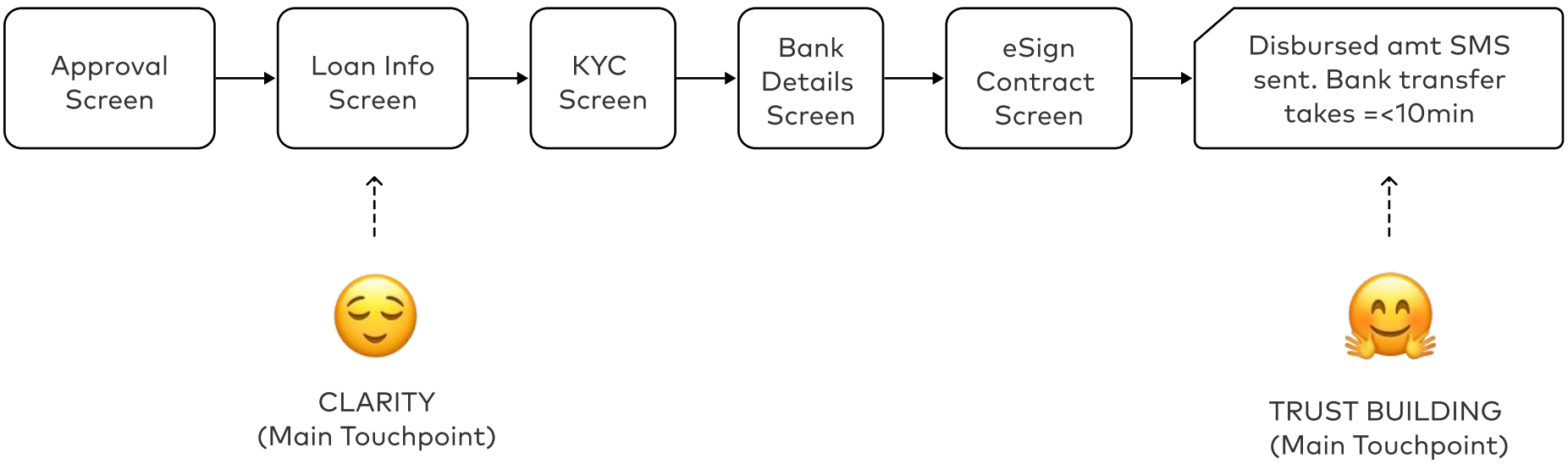
UX research

1. **Methodology:** Guerrilla test, hallway test, think out loud and blink test.
2. **Participants:** 20+ participated. Tested with drivers, security guards, florists etc
3. **Duration:** 4 days

Validation / Round 02
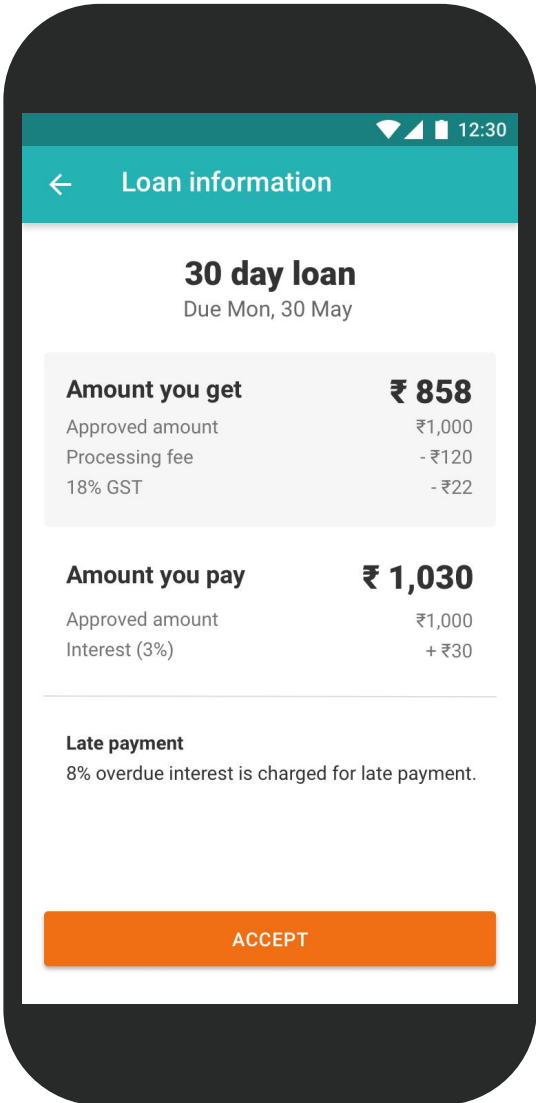
Concept 01
Minimalistic

Test findings

1. Pressed back button to verify whether they saw ₹ 1,000 or less.
2. Felt unsure whether to pay ₹ 1,030 + 30 or total ₹ 1,030.
3. ₹ 858 disbursement SMS was not a shocker.

Meets design goal?

👍 Trust   👎 Clarity

Concept 02
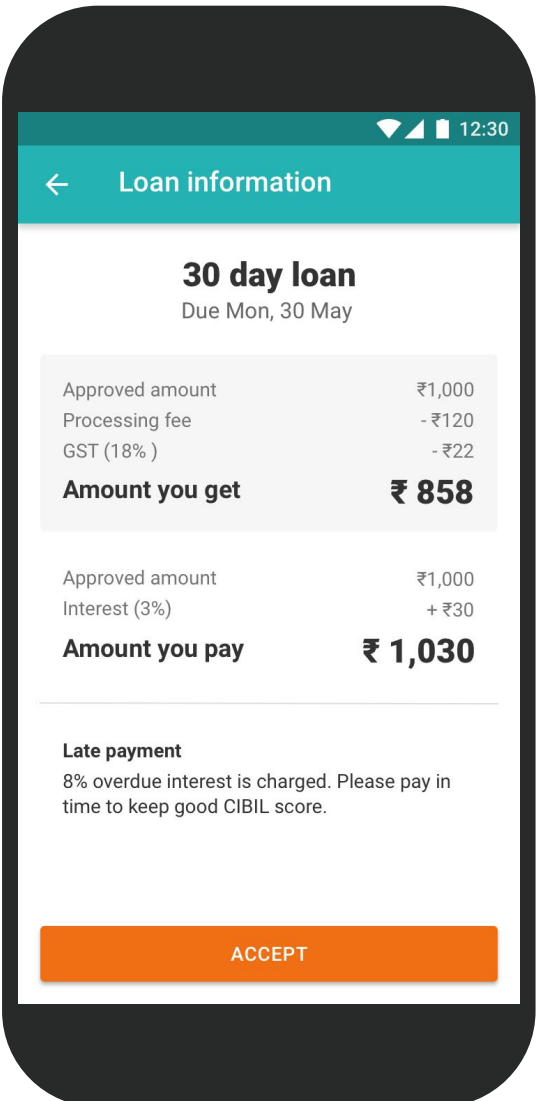## Breakdown style

Test findings

1. Stared at details attentively and curiously.
2. Pressed back button to verify approved amount.
3. Multiple people said "₹ 858 confused me, but felt clear after reading the breakdown".
4. ₹ 858 disbursement SMS not a shocker.

Meets design goal?

👍 Trust   👎 Clarity

Concept 03
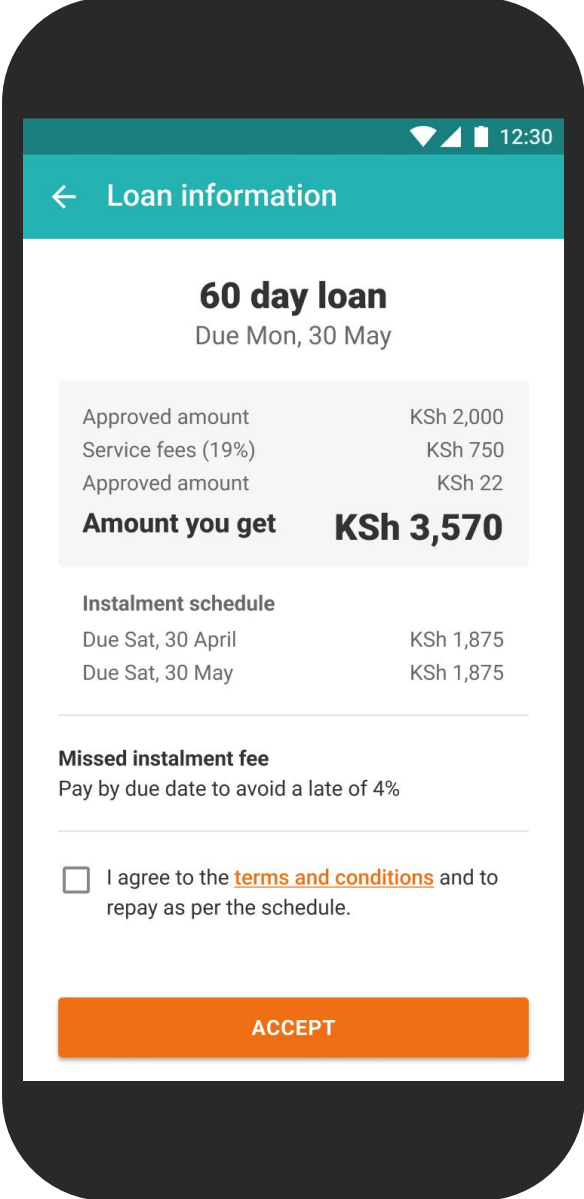## Calculation style

Test findings

1. Info was scanned from top (₹1,000).
2. No back button pressed. Moved to the next screen in the reasonable time.
3. Users used words like "step by step" or "logical" or "order" while giving their design feedback.
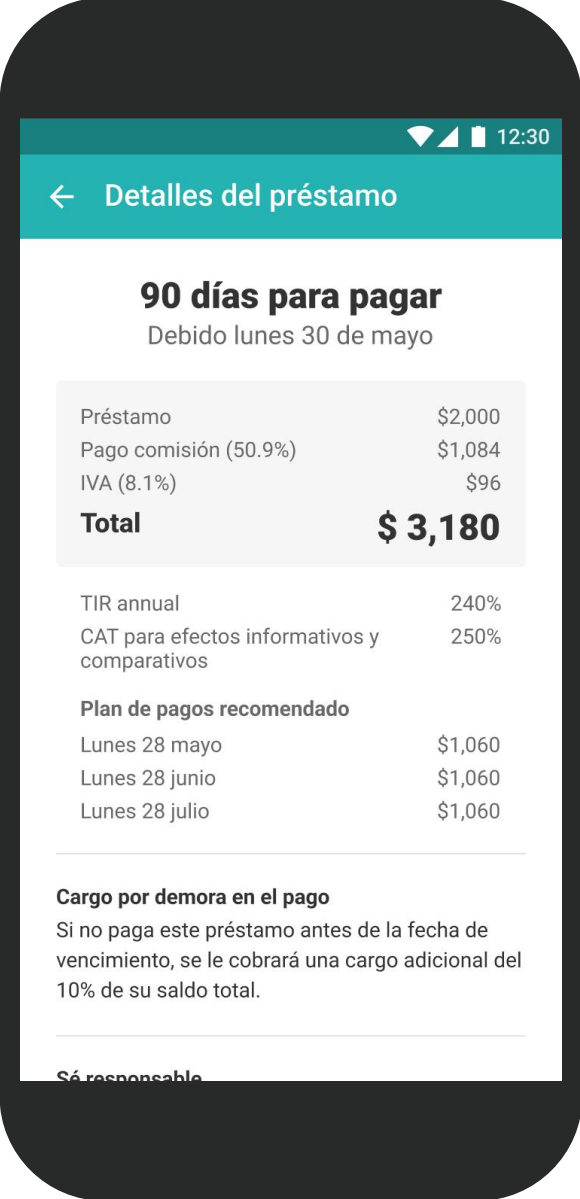4. ₹ 858 disbursement SMS was not a shocker.

Meets design goal?

👍 Trust   👍 Clarity

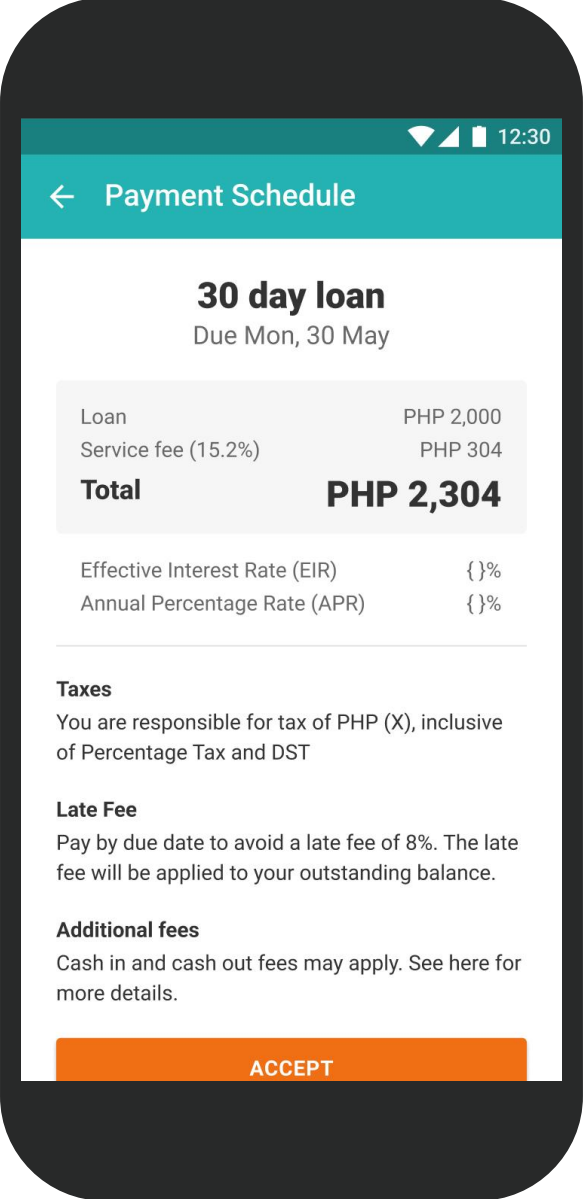## Final designs - Other countries

🇰🇪 Kenya

🇲🇽 Mexico

🇵🇭 Philippines

Impact

1. Loan acceptance rate performed in the range of 71% - 88% in 4 markets.
2. No support ticket raised for amount discrepancies
3. No negative feedback on amount discrepancies in PlayStore