Developing a Survey to Track Financial Health for Global Customers

THE CLIENT

Tala is a mobile lender that uses a mobile app to underwrite consumer loans in real time using thousands of alternative data signals. Tala provides fast, personalized loans to millions of approved borrowers and helps customers build a digital credit history over time. 85% of its customers get credit in less than 10 minutes without any required collateral.

Tala’s model uses data such as merchant transactions, app usage, and personal identifiers. These signals serve as a proxy for traditional financial data, helping Tala verify identity and assess creditworthiness. Headquartered in Santa Monica, California, its loan products are currently offered in Kenya, Tanzania, Mexico, the Philippines, and India.

THE CHALLENGE

Tala’s mission is to build a world where underserved people have financial access, choice, and control. CFSI’s financial health framework resonated with the team as it provided a mechanism through which they could measure progress against their mission. Tala had recently completed a baseline study to understand the current impact of its credit product on its users, and to identify customers’ additional financial needs. Tala was seeking to develop an easy-to-administer instrument which it could use to track its customers’ financial health over time.

CFSI had substantial experience adapting a conceptual financial health framework into an easy-to-understand set of financial indicators, having recently launched the CFSI Financial Health Score® Toolkit. In addition, CFSI had recently adapted its U.S.-based financial health framework to a set of indicators and factors that were more applicable to financial health in a developing world context and has been working more frequently with global organizations that are addressing financial health challenges around the world. Consequently, Tala felt that CFSI was the perfect partner to assist them in developing a financial health measurement tool that was appropriate for a developing country.

“Tala is committed to sustainable solutions for our customers’ financial lives and sought out a partner with complementary expertise to co-design a robust survey curated for our unique multinational user base. CFSI was our clear front-runner!”

Shannon Yates, Director of Data
CFSI was tasked with developing, testing, and refining a set of survey questions that would best measure the financial health of Tala’s customers in Kenya based on CFSI’s global financial health framework. Holistically measuring the financial health of its customers would provide two key insights to Tala. First, it would enable Tala to further clarify how its loans interact with the financial health profile of customers, creating a new way to understand and segment its customers’ needs. Secondly, this data would show areas beyond borrowing-needs where its customers could benefit from additional products, services, and education such as in spending, saving, planning, and community groups.

**CFSI’S APPROACH**

To arrive at a short yet rigorous survey to measure the financial health of Tala borrowers, CFSI took a multi-phased approach:

**Initial Survey Development:** For each of the six indicators and four factors of financial health in the global framework, CFSI developed two to three versions of survey questions that aimed to best measure the concept. To develop these initial questions CFSI conducted an industry scan to identify questions from established surveys that corresponded to these financial health concepts and also interviewed several Tala staff both in the U.S. and in Kenya for input into draft survey questions based on their insights about their customer base and the Kenyan context.

**Survey User Testing:** Once the draft survey was in place, a Kenya-based member of Tala’s research team conducted phone interviews with 9 Tala customers. The objective of this step was to test the initial set of questions for user comprehension and reliability based on interpretation consistency and to identify where questions needed to be further clarified. CFSI partnered with the researcher prior to these interviews to ensure the testing objectives were met and the teams could move on to field testing. Based on the feedback and insights from the customer interviews, CFSI adjusted the survey questions to improve clarity and reliability.

**Field Survey Testing:** Tala deployed the revised survey instrument to a subset of 12,500 Tala customers for additional testing. This quantitative test further informed question revision by, for instance, looking for questions that successfully separated respondents, (i.e. questions where there were diverse responses) or questions with high rates of response (i.e. most people answered the question).

**Data Analysis and Survey Finalization:** In the final stage of the project CFSI provided guidance and feedback on the analysis executed by Tala’s sophisticated data team, which included identifying where questions yielded high-quality results and where questions could be clarified and improved.

"CFSI was a thoughtful and resourceful partner throughout the scope of the project, adding helpful expertise and technical knowledge while keeping our customers at the center. They were adaptable to cultural context and nimble throughout the partnership."

Shannon Yates, Director of Data
This rigorous research process resulted in a 20-question survey that comprehensively measures the financial health of Tala customers in Kenya. It also provided Tala with an initial baseline of the financial health of its Kenyan customers. As in our U.S. work where we have continued to refine our financial health survey over time, Tala expects to go through a similar refinement process as it uses the survey with more customers in additional markets. Tala is also using the survey data to cluster its customers into distinct financial health segments and will correlate this data with other customer data.

In short, this project was successfully able to operationalize a theory about financial health into a measurable and actionable tool.

CFSI provided immense value to our team by giving us a novel data capture method, giving us a new foundation to further propel our social mission. Through a deeper understanding of financial health supported by CFSI, we can develop new educational content and other solutions tailored to the diverse and evolving landscape of our markets.”

Shannon Yates, Director of Data

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