



UNSECURED LENDING IN A CHANGING ENVIRONMENT AND THE ROLE OF INFORMAL LENDING

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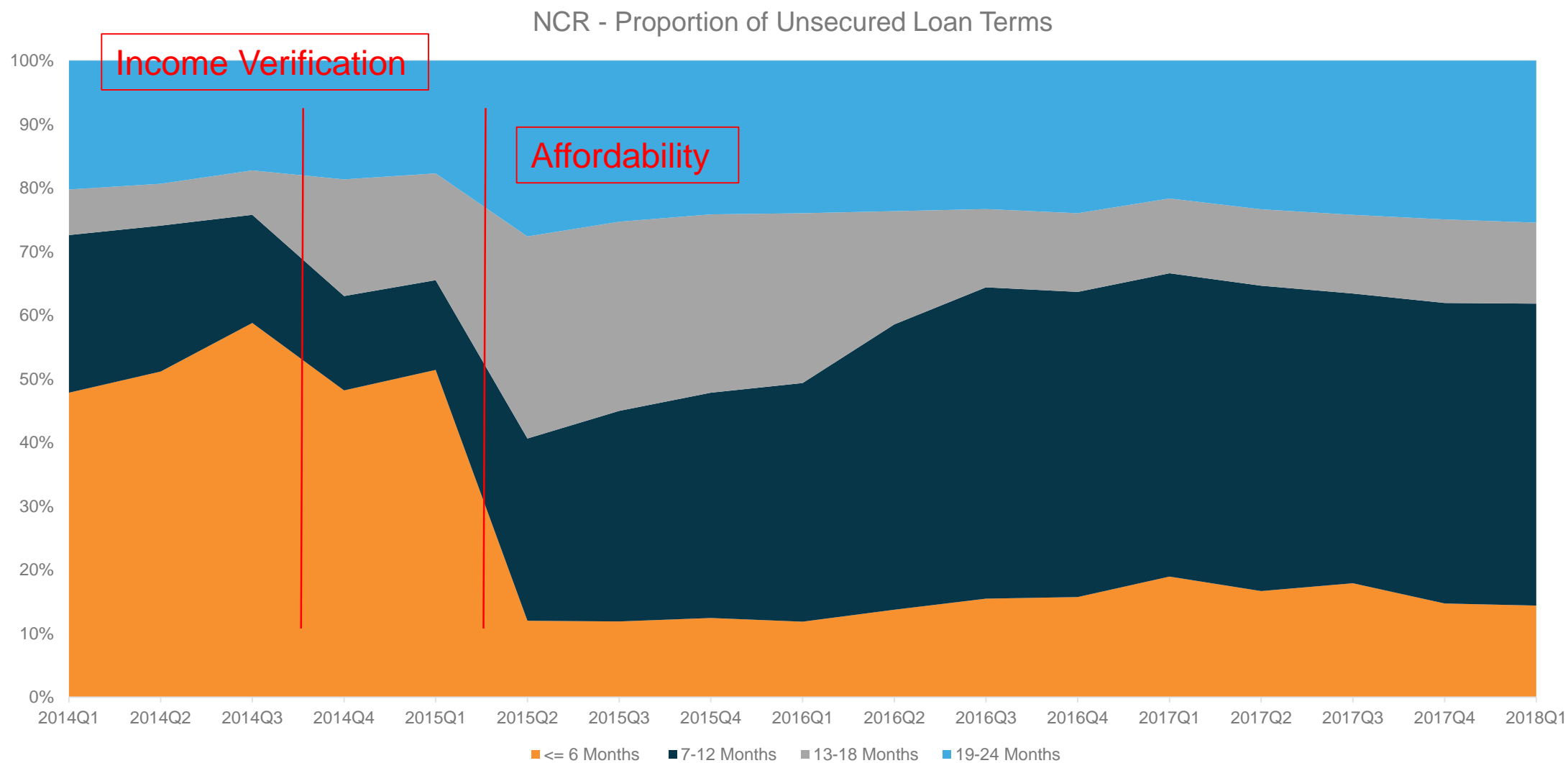




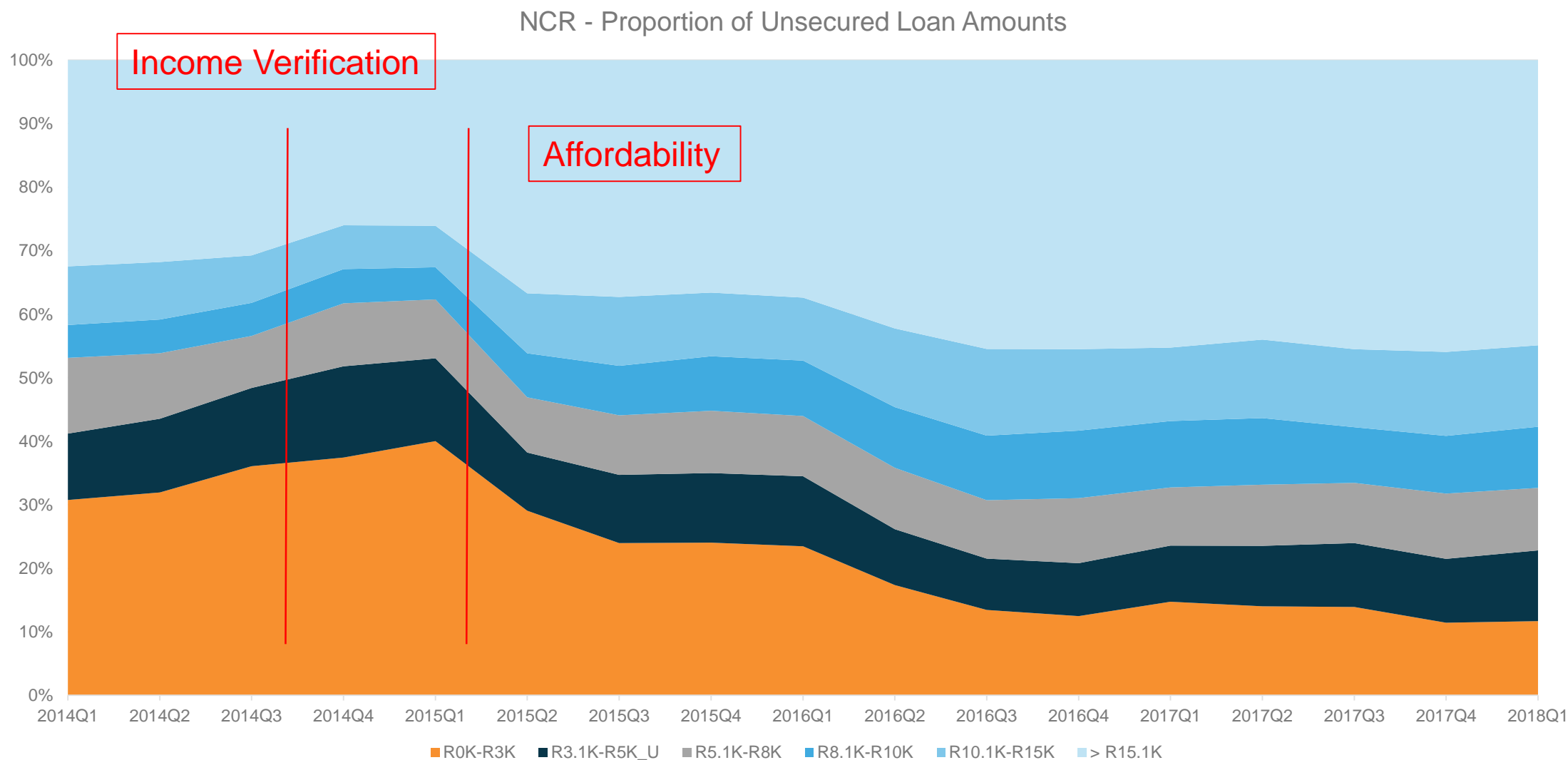
A man in a dark suit and light-colored trousers is walking through a narrow, unpaved alleyway between shacks made of corrugated metal and wood. The ground is dirt and littered with some trash. The man is looking off to the side with a serious expression.

Why did we conduct this research?

Unsecured & micro lending industries



Unsecured & micro lending industries



Informal credit research – Why did we do it?

Big Data, and in particular massive aggregators like **Google**, have led us to believe that given enough data, anything could be predicted.



The image displays three overlapping Google search interface mockups, each showing a search bar with a query and a list of autocomplete suggestions. The first mockup shows the query "is my husband" with suggestions: "is my husband gay", "is my husband cheating quiz", "is my husband depressed", and "is my husband having an affair". The second mockup shows the query "is my wife" with suggestions: "is my wife cheating", "is my wife having an affair", "is my wife cheating on me signs", and "is my wife a narcissist". The third mockup shows the query "am i good" with suggestions: "am i good enough", "am i good enough for him", "am i good looking", and "am i good in bed".

Google is my husband
is my husband **gay**
is my husband **cheating quiz**
is my husband **depressed**
is my husband **having an affair**

Google is my wife
is my wife **cheating**
is my wife **having an affair**
is my wife **cheating on me signs**
is my wife **a narcissist**

Google am i good
am i good **enough**
am i good **enough for him**
am i good **looking**
am i good **in bed**

A man in a dark suit and light-colored trousers is walking through a narrow, unpaved alleyway between makeshift buildings. The buildings are constructed from corrugated metal and wood, with some having barred windows. The ground is dirt and littered with small pieces of trash. The man is looking slightly to his left with a serious expression.

Why did we conduct this research?

Who and what are mashonisas?

Mashonisas are a socially embedded, widespread and deeply ingrained aspect of community life in South Africa

40 000
mashonisas
in South Africa

1:100
mashonisas
to household ratio



	Formal	Informal
Legal	Registered credit providers	Saving unions
Illegal	Non registered credit providers	Mashonisas

What is the product and why do they use it?

Mashonisa loans



Loans used for



Why do they choose mashonisas?



How mashonisas grant credit?

Marketing



Vetting process



How mashonisas manage the collection process?

Payment collections



Delinquency management



Dispute resolution



A photograph of an elderly woman with a weathered face, wearing a blue patterned headwrap and a blue patterned top. She is looking out a window with a white overlay at the bottom of the image.

So, where to from here?

A background image of a smiling Black man sitting in the driver's seat of a car. He is wearing a dark vest over a light-colored shirt. The car's interior, including the steering wheel and dashboard, is visible. The background outside the car is bright and slightly blurred.

Questions?