Data are not strictly comparable, unless specified, as they are based on data reported by varying sets of members.
Member Pulse Survey Q2

104 Respondents from 51 different HQ countries representing work in 192 countries

All Respondents (June/July)

- Europe & Central Asia: 25%
- Latin America & Caribbean: 9%
- South Asia: 9%
- North America: 10%
- Middle East & Africa: 13%
- Sub-Saharan Africa: 18%
- East Asia & Pacific: 16%

Type of Respondents

- Bank/Financial Institution: 51%
- FinTech Company: 27%
- Development Bank: 11%
- Other: 11%

*Data are not strictly comparable, unless specified, as they are based on data reported by varying sets of members*
Member Pulse Survey

How has your business been affected?

- Not Affected
- Limited Closure
- Extensive Closure
- Complete Closure

October (74):
- Not Affected: 15%
- Limited Closure: 24%
- Extensive Closure: 26%
- Complete Closure: 1%

November (62):
- Not Affected: 26%
- Limited Closure: 48%
- Extensive Closure: 23%
- Complete Closure: 3%

February (71):
- Not Affected: 14%
- Limited Closure: 24%
- Extensive Closure: 14%
- Complete Closure: 1%

June/July (103):
- Not Affected: 31%
- Limited Closure: 10%
- Extensive Closure: 10%
- Complete Closure: 1%
Member Pulse Survey

How effective have your staff been?

- Not effective: 4% (February 54), 0% (June/July 51)
- Somewhat effective: 41% (February 54), 43% (June/July 51)
- Completely effective: 56% (February 54), 53% (June/July 51)

Has there been any shift in customer behavior?

- February (47):
  - Yes: 85%
  - No: 15%

- June/July (41):
  - Yes: 90%
  - No: 10%
Member Pulse Survey

Proportion of customers...

Sales Origination through Digital Channels

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<thead>
<tr>
<th></th>
<th>February (38)</th>
<th>June/July (37)</th>
</tr>
</thead>
<tbody>
<tr>
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<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>Low</td>
<td>32%</td>
<td>16%</td>
</tr>
<tr>
<td>Medium</td>
<td>45%</td>
<td>14%</td>
</tr>
<tr>
<td>High</td>
<td>30%</td>
<td>54%</td>
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Customer Digital Activity

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<tr>
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<th>February (38)</th>
<th>June/July (37)</th>
</tr>
</thead>
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<tr>
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<tr>
<td>Low</td>
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<td>45%</td>
</tr>
<tr>
<td>Medium</td>
<td>21%</td>
<td>32%</td>
</tr>
<tr>
<td>High</td>
<td>51%</td>
<td>11%</td>
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</table>
## Member Pulse Survey

### Which channels saw traffic change?

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<th></th>
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</thead>
<tbody>
<tr>
<td>Agents</td>
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<td>32%</td>
<td>9%</td>
<td>44%</td>
<td>6%</td>
<td>27%</td>
<td>3%</td>
<td>31%</td>
<td>22%</td>
<td>43%</td>
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<td>53%</td>
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<tr>
<td>ATMs</td>
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<tr>
<td>Branch Offices</td>
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<td>57%</td>
<td>35%</td>
<td>67%</td>
<td>8%</td>
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<td>56%</td>
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<td>31%</td>
<td>36%</td>
<td>35%</td>
<td>31%</td>
<td>41%</td>
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<td>Call Center</td>
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<td>3%</td>
<td>31%</td>
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<td>Kiosks</td>
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<tr>
<td>Point of Sale</td>
<td>11%</td>
<td>33%</td>
<td>16%</td>
<td>44%</td>
<td>11%</td>
<td>33%</td>
<td>16%</td>
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<td>Call Center</td>
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</tbody>
</table>

### Percentage of responses

- **Decreased**
- **Stayed the Same**
- **Increased**
Member Pulse Survey

Operational Change

If you accelerated investment in IT, was this done to connect...?

- Investment in IT
  - February (42)
  - June/July (89)
  - 92%
  - 72%

- Reallocated roles to IT
  - February (42)
  - June/July (89)
  - 43%
  - 27%

- Reallocated roles to Product Design
  - February (42)
  - June/July (89)
  - 59%
  - 61%

- Investment in Product Design
  - February (42)
  - June/July (89)
  - 26%
  - 22%

- Reallocated roles to Customer Service
  - February (42)
  - June/July (89)
  - 56%
  - 48%

- Investment in Customer Service
  - February (42)
  - June/July (89)
  - 31%
  - 27%

- Reallocated roles to Customer Service
  - February (42)
  - June/July (89)
  - 72%
  - 81%

- Clients
  - February (39)
  - June/July (63)
  - 18%
  - 13%
  - 10%
  - 6%

- Staff
  - February (39)
  - June/July (63)
  - 72%
  - 81%

- Both
  - February (39)
  - June/July (63)
  - 18%
  - 13%
  - 10%
  - 6%
  - 72%
  - 81%
Member Pulse Survey

How has your business been affected?

- Increase in sales/revenue: 0%
- Decline in sales/revenue: 59%
- Loss of customers: 13%
- Gain of customers: 42%
- Wholesale funding difficulties: 15%
- Deposits decreased/drawdown: 8%
- Reduced inflows/collections: 3%
- Asset impairment: 8%

- October (75)
- November (62)
- February (57)
- June/July (92)
Member Pulse Survey

How has your portfolio been affected?

October (56)
- Positive impact: 48%
- No measurable impact: 11%
- Slight negative impact: 11%
- Significant negative impact: 11%

November (47)
- Positive impact: 45%
- No measurable impact: 15%
- Slight negative impact: 11%
- Significant negative impact: 11%

February (46)
- Positive impact: 41%
- No measurable impact: 22%
- Slight negative impact: 11%
- Significant negative impact: 11%

June/July (70)
- Positive impact: 14%
- No measurable impact: 14%
- Slight negative impact: 20%
- Significant negative impact: 54%
Member Pulse Survey

Has your time frame from loan application to onboarding changed?

- February (48): 21% Decreased, 52% Stayed the same, 27% Increased
- June/July (67): 18% Decreased, 57% Stayed the same
Member Pulse Survey

Are you continuing lending to new and existing customers?

- October (56): 82% continuing, 11% discontinued, 7% new
- November (47): 83% continuing, 13% discontinued, 4% new
- February (48): 88% continuing, 8% discontinued, 4% new
- June/July (71): 93% continuing, 6% discontinued, 1% new

Since you are lending to new customers, are you lending mostly in NEW or EXISTING sectors?

- 84% existing
- 16% new
Member Pulse Survey

Next quarter, what do you expect to happen to...

Lending

<table>
<thead>
<tr>
<th>February (48)</th>
<th>June/July (68)</th>
</tr>
</thead>
<tbody>
<tr>
<td>71%</td>
<td>71%</td>
</tr>
<tr>
<td>19%</td>
<td>25%</td>
</tr>
<tr>
<td>4%</td>
<td>3%</td>
</tr>
<tr>
<td>6%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Don’t know | Lend less | Lend about the same | Lend more
Member Pulse Survey

Percentage of SME clients in financial distress now?

February (43)
- 42% of clients are 0-20% in distress
- 37% of clients are 21-40% in distress
- 12% of clients are 41-60% in distress
- 5% of clients are 61-80% in distress
- 5% of clients are 81-100% in distress

June/July (53)
- 70% of clients are 0-20% in distress
- 15% of clients are 21-40% in distress
- 11% of clients are 41-60% in distress
- 2% of clients are 61-80% in distress
- 2% of clients are 81-100% in distress

Percentage of SME clients in distress now
Member Pulse Survey

Percentage of SME clients expected to be in financial distress in three months?

<table>
<thead>
<tr>
<th>Month</th>
<th>0-20%</th>
<th>21-40%</th>
<th>41-60%</th>
<th>61-80%</th>
<th>81-100%</th>
</tr>
</thead>
<tbody>
<tr>
<td>October (67)</td>
<td>49%</td>
<td>36%</td>
<td>12%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>November (59)</td>
<td>53%</td>
<td>29%</td>
<td>17%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>February (43)</td>
<td>58%</td>
<td>28%</td>
<td>7%</td>
<td>2%</td>
<td>5%</td>
</tr>
<tr>
<td>June/July (49)</td>
<td>69%</td>
<td>18%</td>
<td>6%</td>
<td>4%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Percentage of SME clients expected to be in distress, in three months.
Member Pulse Survey Q2

Next quarter, what do you expect to happen to...

Revenue

- February (62):
  - More revenue: 63%
  - About the same: 18%
  - Lesser revenue: 10%
  - Don’t know: 10%

- June/July (98):
  - More revenue: 71%
  - About the same: 23%
  - Lesser revenue: 2%
  - Don’t know: 3%
Member Pulse Survey

Next quarter, what do you expect to happen to...

Number of Customers

- More active customers: 66% in February, 67% in June/July
- About the same: 23% in February, 28% in June/July
- Fewer active customers: 5% in February, 3% in June/July
- Don’t know: 6% in February, 3% in June/July
Member Pulse Survey

NEW ADDITIONS

What MSME client operations have been fully digitalized as result of COVID-19? (34)

- Payment Services: 82%
- Loan Application: 41%
- Loan Servicing: 32%
- KYC and Onboarding: 18%
- Customer RM: 18%
- Insurance: 3%
Member Pulse Survey

NEW ADDITIONS

To what degree has each of the following MSME client operations been automated?

- KYC and Onboarding (39): 56% None, 13% Moderately, 0% Highly, 0% Fully
- Loan Application (41): 37% None, 34% Moderately, 7% Highly, 2% Fully
- Payment Services (40): 20% None, 30% Moderately, 43% Highly, 7% Fully
- Customer Assistance (39): 8% None, 23% Moderately, 41% Highly, 8% Fully
- Insurance (39): 41% None, 13% Moderately, 0% Highly, 0% Fully
Member Pulse Survey

NEW ADDITIONS

Has COVID-19 pushed you to adopt one of these technologies as part of the digitalization of your processes and services? (70)

- Application Programming Interface: 73%
- Artificial Intelligence/Machine Learning: 53%
- Cloud Computing: 51%
- Blockchain/Distributed Ledger Technology: 17%
Member Pulse Survey

**NEW ADDITIONS**

Have you partnered with a FinTech company to offer new digital financial product/services to your MSME client?

(63)

- **Yes**: 48%
- **No**: 21%
- **Considering**: 32%
To what extent has COVID-19 increased the following risks, for either the customer or institution, related to the use of digital financial services?

<table>
<thead>
<tr>
<th>Risk</th>
<th>None</th>
<th>Low</th>
<th>Moderate</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unfair practices (92)</td>
<td>25%</td>
<td>45%</td>
<td>25%</td>
<td>5%</td>
</tr>
<tr>
<td>Financial integrity (92)</td>
<td>21%</td>
<td>35%</td>
<td>37%</td>
<td>8%</td>
</tr>
<tr>
<td>Financial exclusion/digital divisions across segments (95)</td>
<td>15%</td>
<td>36%</td>
<td>36%</td>
<td>14%</td>
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<tr>
<td>Over-indebtedness and insolvency (93)</td>
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<td>37%</td>
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<td>Data Protection and Privacy (94)</td>
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<td>Fraud (95)</td>
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<td>20%</td>
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<td>Cybersecurity (95)</td>
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<td>18%</td>
<td>38%</td>
<td>24%</td>
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</table>
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