CASE STUDY

eezLoan Enabled a Nigerian Financial Cooperative to Grow Lending 4x Using Phone as Collateral



- Institution Type : **Financial Cooperative**
- Market : **Nigeria**
- Use Case : **Microloans**
- Solution : **eezLoan**
- Business Impact : **4x portfolio growth in 12 months**

The Challenge



A Nigerian financial cooperative provided small-ticket loans to traders, salaried workers, and self-employed customers. Many had limited credit histories and no assets to offer as collateral.

The cooperative understood its customers, their circumstances, and why they needed credit. However, most loans were issued **without any security**.

As the portfolio grew, so did the lender's exposure to risk. A missed installment quickly became a loss, with little recourse beyond calls and personal follow-ups. This increased recovery costs and strained customer relationships built over years.

The cooperative needed to **strengthen loan security, improve repayment discipline, and continue serving customers with limited credit histories or no traditional collateral**, without making collections confrontational.

The Solution

eezLoan by Datacultr



With eezLoan, the cooperative could use each **customer's existing phone as collateral for the loan.**

The phone remained with the customer and worked normally while repayments were on track. Customers received clear on-device reminders before and after the due date. If an instalment remained unpaid, the **device could be locked and unlocked immediately after payment.**

This gave the cooperative a practical way to:

- Issue loans with smartphone-backed security
- Remind customers without repeatedly calling or visiting them
- Encourage repayment before an account required personal intervention
- Manage overdue loans digitally and consistently
- Continue serving customers without straining relationships

No field visits. No manual calls. No compromise on loan approvals.

Business Impact

Within 12 months of deploying eezLoan, the financial cooperative achieved:

4x

Growth in Its Microfinance Portfolio

- **Serve More** thin-file and new-to-credit customers
- **Improve Recovery Rates** by **60%**
- **Reduce NPLs** by **25%**
- **Spend Less Time** on calls and personal follow-ups

Safer Lending. Stronger Relationships. Lower Risk.

The same phone as collateral model now supports financial institutions across Africa, South Asia, and Latin America.

Hear It From the Client



> We knew many of our customers and understood why they needed credit. But when loans had no security, every missed payment became difficult to manage. eezLoan helped us grow while handling repayments in a way that did not damage those relationships.

Head of Lending
Nigerian Cooperative Financial Institution