



Linkage Business Models: Common Threads & Critical Questions

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Pathways Savings Group Linkage Conference- September 2025

Why Linkages Matter



Chidinma Eyinaya on her farm, Osa Okwu, Abia State Nigeria

Phyu Aye Pwint, 2017 CGAP Photo Contest

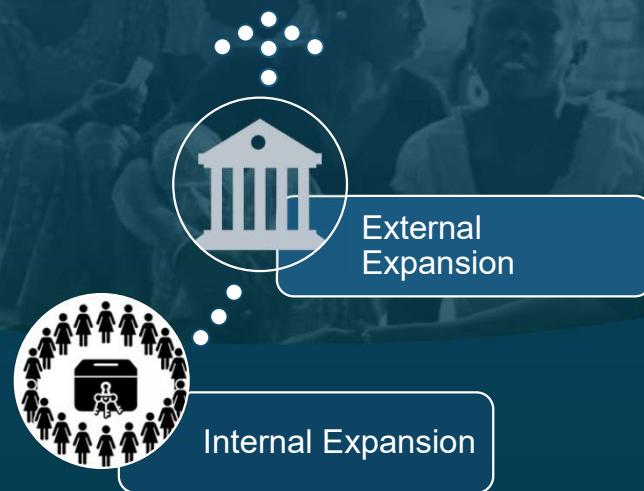
Reach underserved women

Help women manage shocks

Ease access for providers

Savings Groups as a Foundation for Growth

With a strong foundation in place, savings groups, and their members, are positioned to grow.



Solidarity & Support

Improved Financial Capability

Democratic group management

Accessible, Trusted, Safe

Flexibility in Savings & Borrowing

Formal & Informal Training



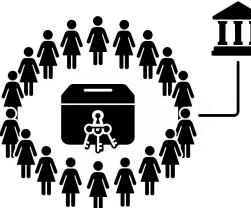
How Linkages Work: Three Stages



Stage 1 Group Formation, Initial Savings

Internal lending capacity + individual financial capability strengthened

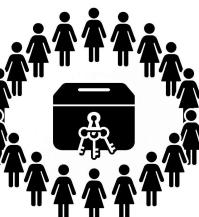
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Stage 2 Group Products

- FSPs offer group products
- Trust in FSPs built

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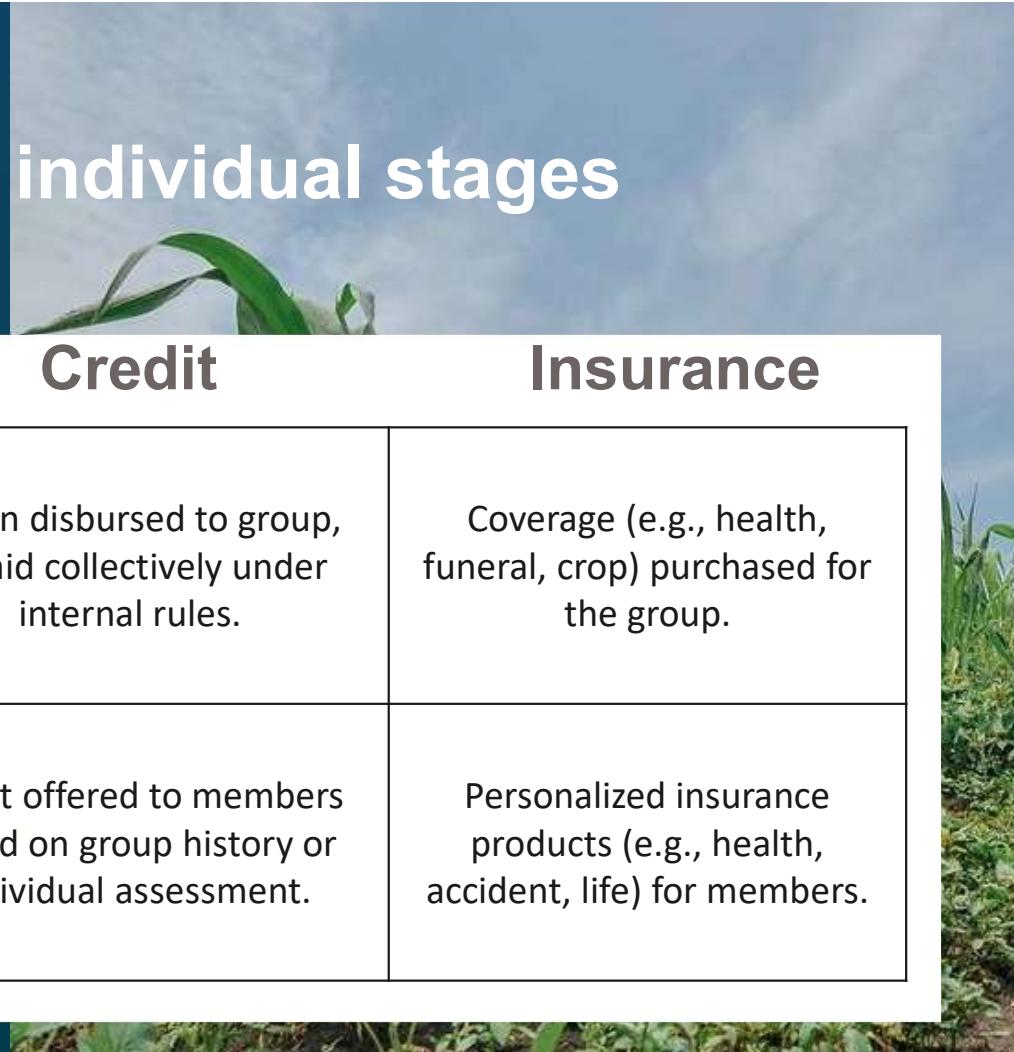


Stage 3 Individual Products

Access to & adoption of broader array of financial services for savings group members

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Products on offer at group & individual stages



	Savings	Credit	Insurance
Group Linkages 	A shared account where the VSLA deposits its collective savings.	A loan disbursed to group, repaid collectively under internal rules.	Coverage (e.g., health, funeral, crop) purchased for the group.
Individual Linkages 	Personal savings and transaction accounts offered to VSLA members.	Credit offered to members based on group history or individual assessment.	Personalized insurance products (e.g., health, accident, life) for members.

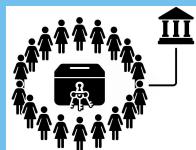
Linkage Business Models Today

3.8 million linkage clients
(counting case studies + event participants)

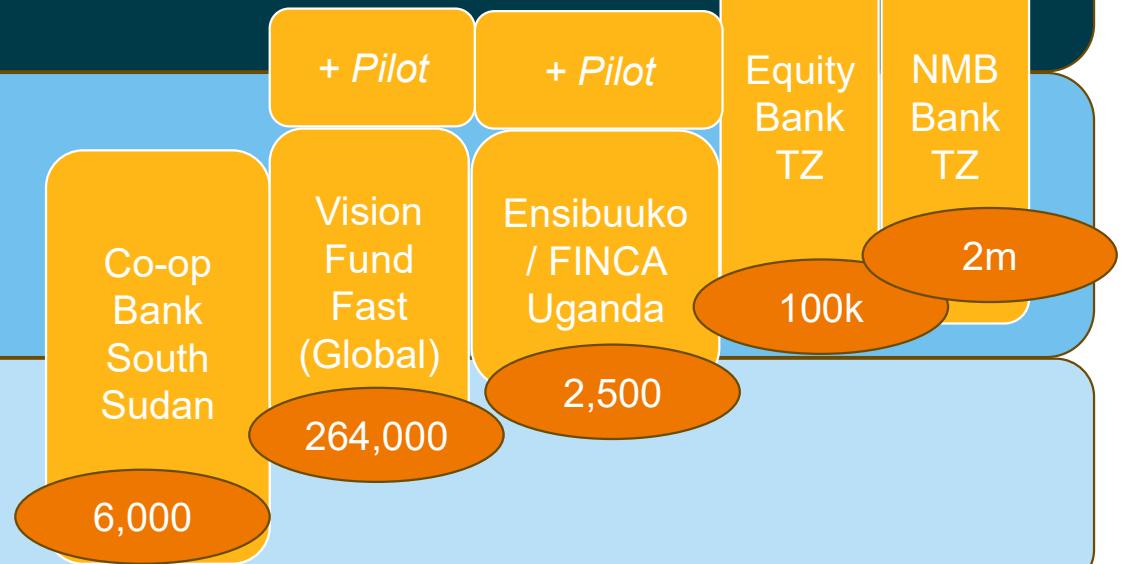
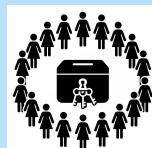
Stage 3
Individual Products



Stage 2
Group Products



Stage 1
Group Formation,
Initial Savings



Market Readiness – Can Linakges Work in My Market?

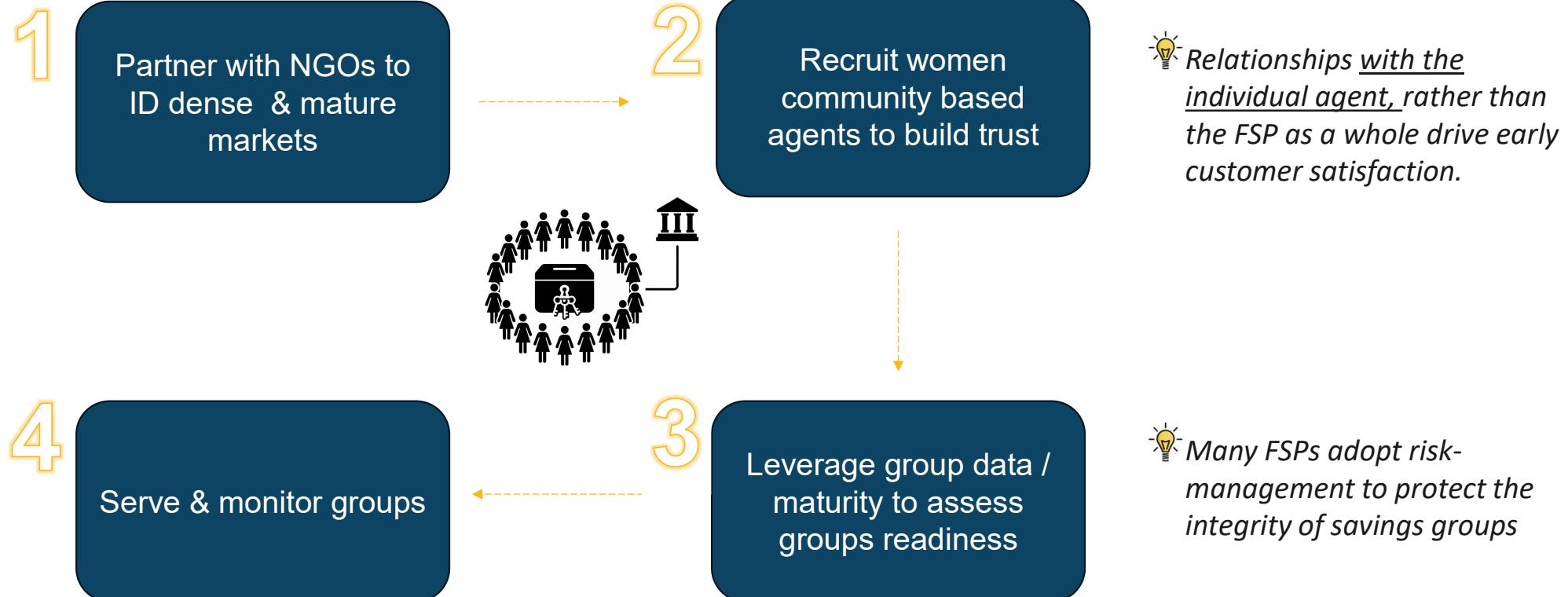
Factor	Why It Matters	Critical?
Group Density  Field manager x40 x40 x40 x40 x40 x40 Field officers	Determines cost-efficiency of outreach: Without enough groups in a defined geography, the model quickly becomes cost-prohibitive.	 Non-negotiable
Regulatory Clarity 	Uncertain legal status of groups and group accounts creates risk for FSPs and limits use of mobile money.	 Helpful
Infrastructure 	Mobile coverage, roads, & mobile money agent networks affect reach and cost.	 Helpful

Group Readiness – When is a Group “Lendable”?

Indicator	What It Means
Maturity	Group has completed a minimum number of savings and lending cycles, showing internal loan management capacity
Cohesion	Stable membership, participation, and high internal trust
Recordkeeping	Accurate and transparent logs of savings, loans, and share-outs
Group-wide Demand for External Capital	Clear and collectively shared need for larger, external loans
Group Governance	Constitution, elected leadership, and accountability

Linkage Startup Playbook for FSPs

Successful Group Linkage Models share a common approach to rollout, leveraging SG capacity & Building Trust



Recap: Common Characteristics of Group Linkages

Must Haves

- A **density of strong, mature savings groups**
- Group “cashbox” **products**
- Trusted **community agents**

Enablers

- **Supportive Regulations**
- **Minimum Infrastructure** that lowers delivery costs
- **Digitized** practices and services that reduce costs

Success Indicators

- High repayment rates/ low PAR
- Repeat & increasing borrowing
- Stable group membership and growing group savings/share-out

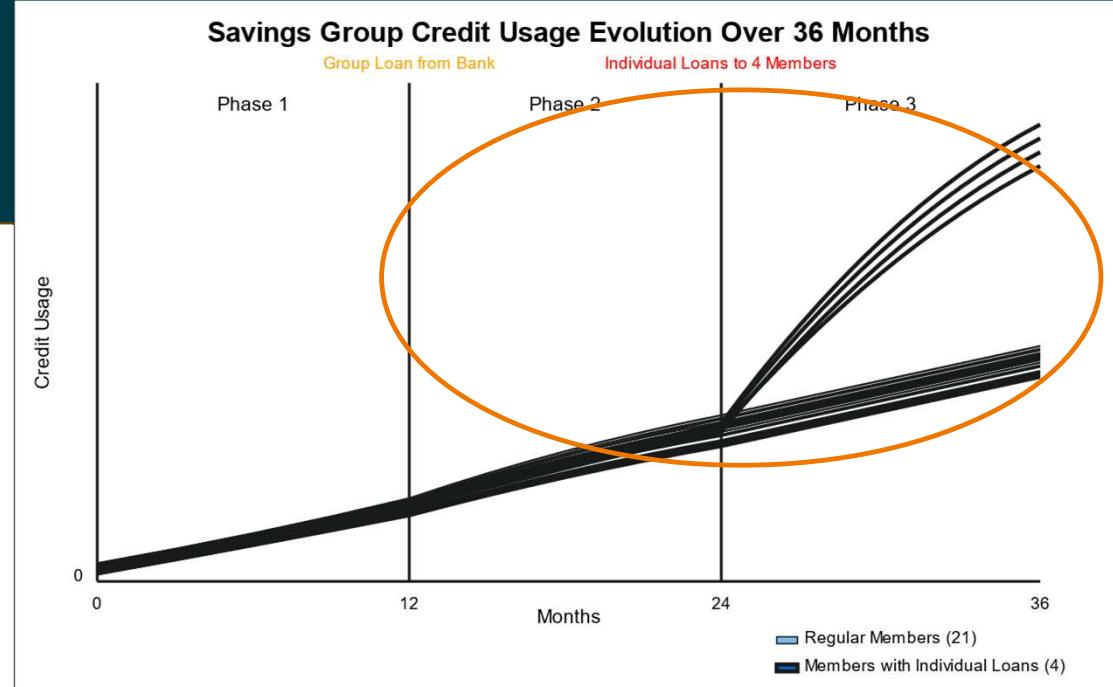
Warning Signs

- Group or product dropout rates
- Tech abandoned due to poor value proposition
- Stagnant or decreasing savings and borrowing

Individual Linkages – Success Factors & Open Questions

Stage 3

Individual Products
for Savings Group
Members



Individual Linkages are Digital & Offer a Mini-Ladder



Women can gradually increase
loan sizes as needed



But many of these examples rely
on "hard-coded" relationships

Takeaways & Key Learning Questions

- How do we move from isolated linkage success stories to scale?
- How do we most strategically deploy subsidies and public financing, to accelerate scale?
- How do we focus business models on women's resilience and growth?