

## USING GLOBAL DATA TO CALCULATE MARKET POTENTIAL

If detailed information on your potential market size is not available, Global Findex data provide a good proxy ([Global Findex](#)). This database includes results from surveys on the use of financial services (formal and informal) conducted in over 140 countries in 2014. It can provide useful information to estimate your institution's potential market (size of market, purpose of loans, sources of loans). For example, an institution could use the Findex indicator "Loan in the past year, older adults (% age 25+)" as a proxy of the total demand for credit. This indicator identifies the % of adults who declared having taken a loan in the past year, from any source. The potential market (variable "g") could be calculated as shown below.

Indicators
Loan in the past year (% , older adults 25+), (a)
Population in the area of intervention area (b)
Population using loans (c = a*b)
Demand that can be served by all financial institutions (d) †
Potential market (e= c*d)
Targeted market share (f)
Total number of targeted clients (g=f*e)