



Building a world where anyone can go to  
college

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You may have heard of us, or seen our website?

## Send someone to college for \$25.

### New students

1 / 5  



Needs \$1,937

Fundraising / \$2,037 loan

**Bessy Marina Fuentes Toruño**  
Banking  
Nicaragua



Needs \$1,059

Fundraising / \$1,184 loan

**Martín Antonio Zeledón Membreño**  
Veterinary Medicine  
Nicaragua



Needs \$212

Fundraising / \$643 loan

**Fermina Lucia Torres Bordón**  
Accounting  
Paraguay

Want to see more?

[Search for students](#)

"Funding poor students could be the next big thing in microfinance"

**The Economist**

### How it works

- 1** Find a student
- 2** Make a loan
- 3** Student graduates
- 4** You get paid back

100% of your money goes to the student.

[Learn more >](#)

# Vittana does two things:

1. Works directly with microfinance institutions to develop a robust higher education student loan products for young adult borrowers.
- Use the Internet to connect MFIs to social lenders who provide interest-free, risk tolerant debt capital to fund the MFIs' student loan portfolios.

# Where do we work?



ASOCIACION PARA EL FOMENTO  
AL DESARROLLO DE NICARAGUA  
**AFODENIC**



**BINH MINH**  
DU AN CHO VAY VON

Vittana founded in late 2008

Vittana.org launched in May 2009

To Date:

- 550+ loans disbursed
- \$350,000 portfolio
- 3000+ lenders



**97%** Repayment Rate  
(as of July 2010)



ASOCIACION PARA EL FOMENTO  
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AFODENIC

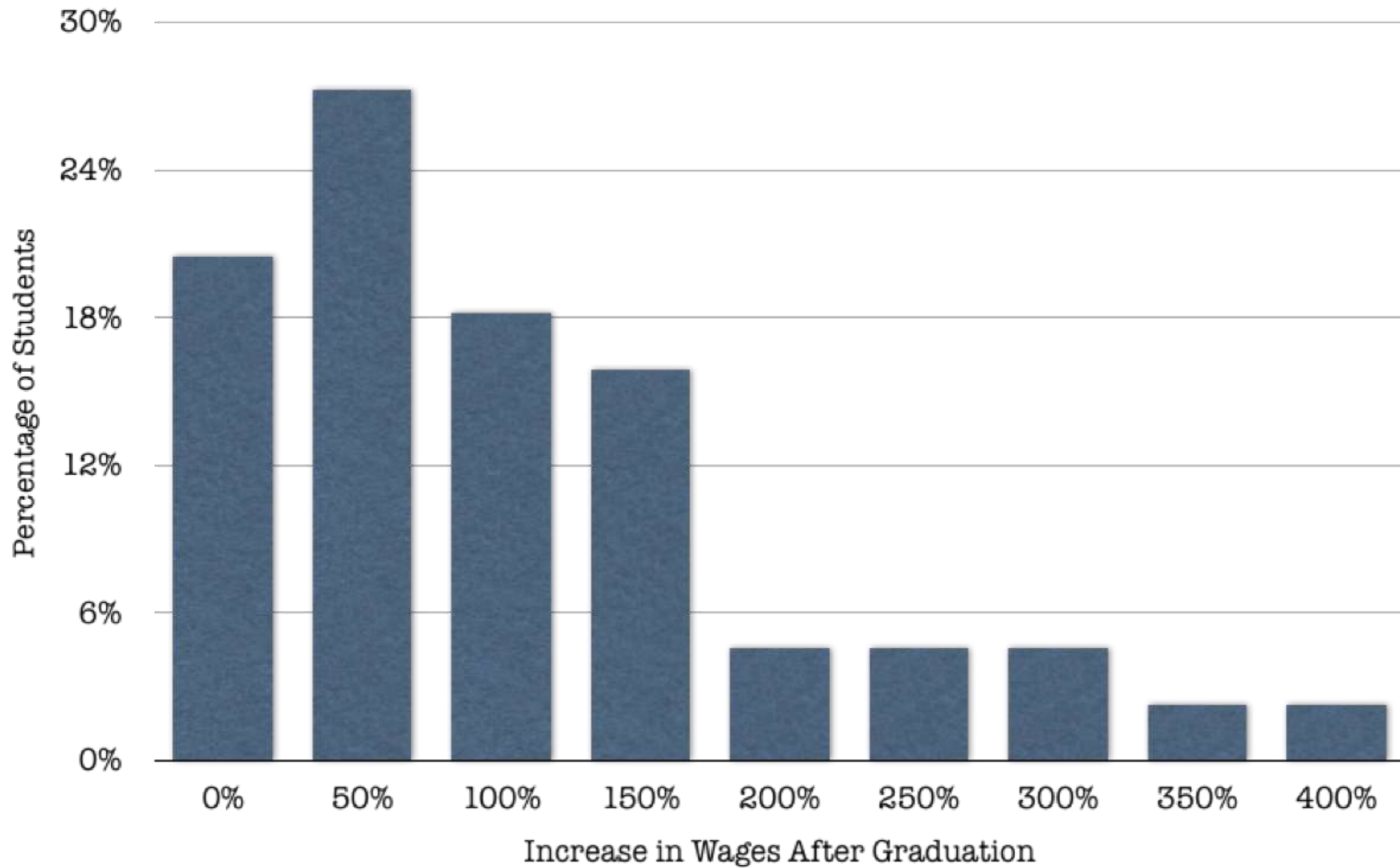


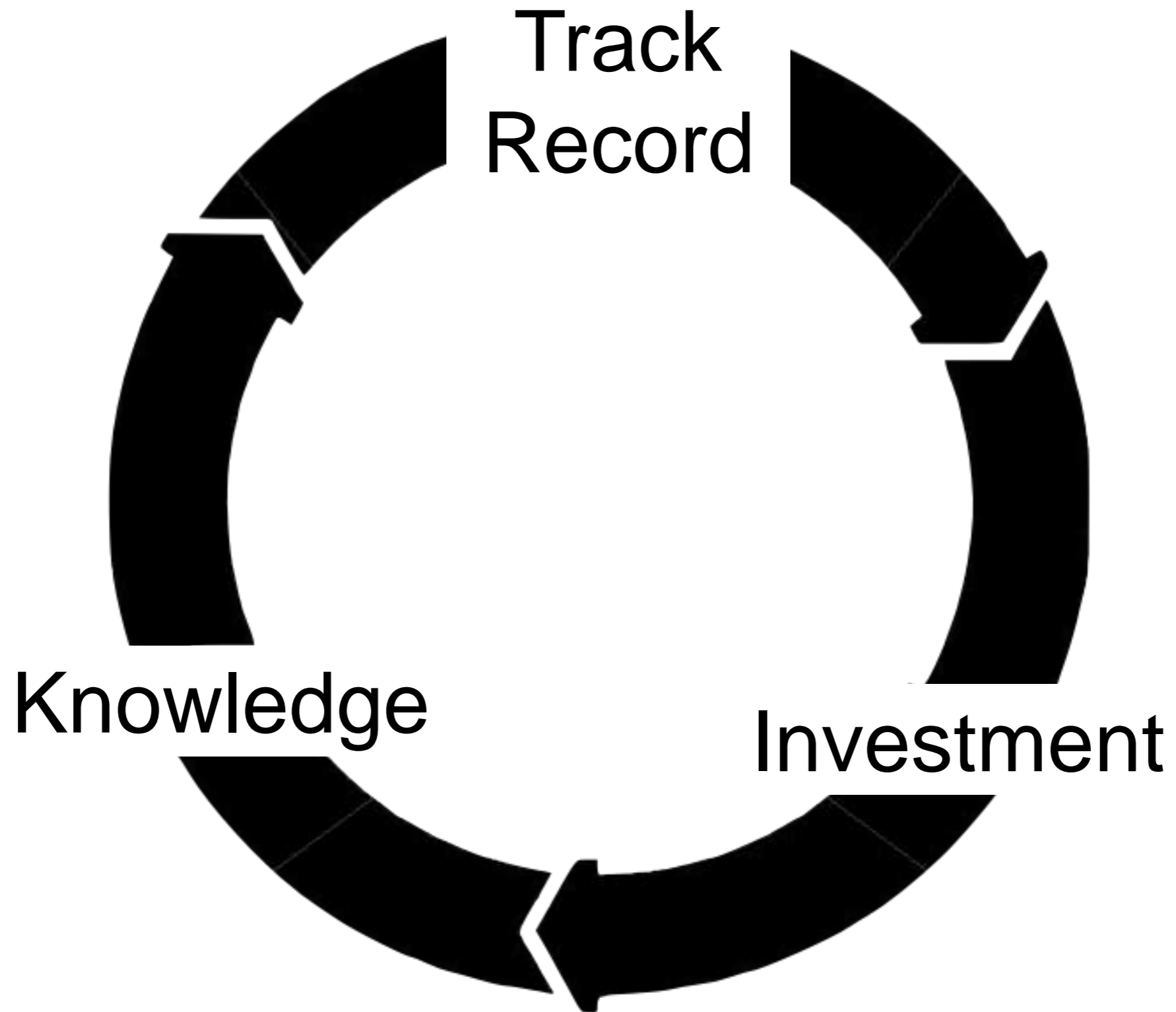
BINH MINH  
DU AN CHO VAY VON

Our thesis: Education is income-generating.



In fact, more income-generating than micro-entrepreneurship.





## What Works:

- vocational school / final year(s) of university / graduation costs
- target children of microfinance borrowers
- parent, relative, or adult supporter as a co-signer
- high school graduates
- families over \$2/day
- interest-only grace period

## What Doesn't:

- group loan model
  - no long-term cohort for group model
- 100% grace period
  - students need to build habit of consistent repayment
  - MFIs need chance to follow-up monthly

Catch-22: No track record => no investment => no track record.



# At scale, how big of a market are we talking about?

Vittana estimates the global student loan market at **95 Million** young people.

Practitioners will face a number of unique challenges in scaling student loans to a global market:

- Nuances of local educational landscape
- Youth-focused marketing — putting your message in the right place at the right time.
- Disciplined product development
- Local economic and labor market complexities
- Reaching rural students who study in urban settings
- Building organizational confidence and competence (e.g. low-cost evaluation tools)

## Leveraging technology to connect with youth & overcome challenges to scale:

1. Build relationships with students where they are:  
Facebook, Twitter + other social networks.
- Use email and text messages to stay in touch, automate payment reminders.
  - Cheap, easy-to-use tools like Survey Monkey can be used in market research and to place loan applications online.

