



Including Older Americans in Asset Building Efforts: Hard Truths and Promising Ideas

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EARN Snapshot

Impact

\$8.2M

Total investments by successful EARN Savers since 2002

5,100

Total Accounts opened

90%

Reported a positive change on how they spend money post-EARN

82%

Continue to save after completing the program

91%

Have a strategy for managing financial emergencies—compared to 42% who had no strategy before EARN

80%

Experienced an improvement in self-esteem



2012 Program Activity

1,400

Current active accounts

\$114

Average deposit per Saver per month

8%

Percent of monthly income saved

28%

Attrition, compared to 60% national average of comparable programs

Demographics

\$17,672

Average household income at enrollment

53%

Parents

69%

Women

88%

Self-identified as a person of color

Scaling Impact

Recent Innovation: 2012 Product Launches



TripleBoost Children's Education Savings Account

- Qualified expenses : academic enrichment for primary & postsecondary students, postsecondary education expenses
- 3:1 Match
- Pilot: 2011-2012
- California –wide rollout: September 2012



EARN & SaveUp Partnership

- Collaboration with tech start-up that uses gaming mechanics to foster savings
- Online game platform that rewards individuals with prizes for saving (making deposits) ,paying down debt, and taking financial literacy challenges
- Beta: Aug-Sep 2012
- National launch: Fall 2012

Key Growth Strategies for 2013 and Beyond

1

Online Platform

Invest substantially in technology in order to improve our core program model and expand our capacity to serve.

2

Product Innovation

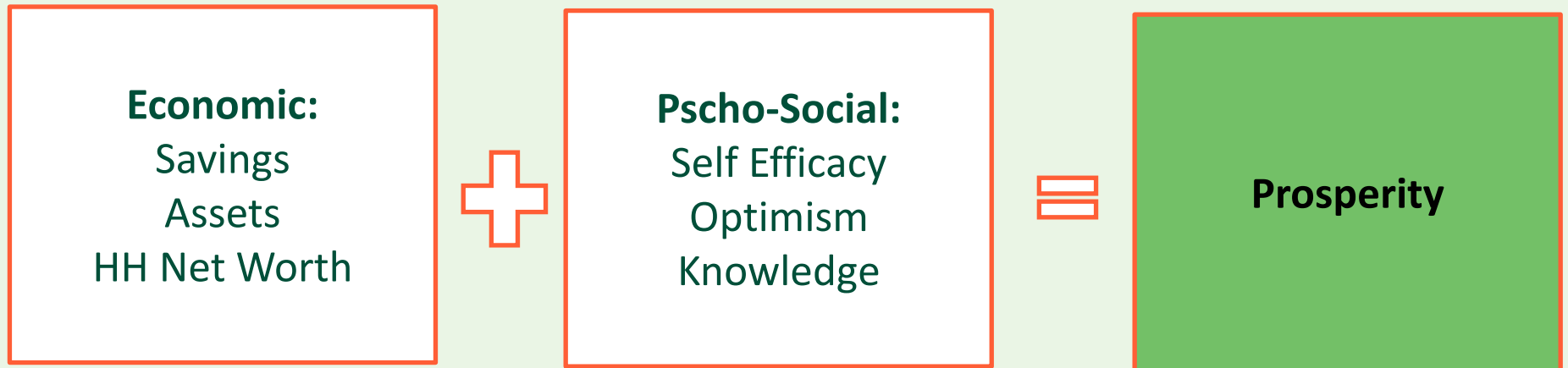
Design, develop, and test products that create savings behavior. Apply gamification and behavioral economic tools to accelerate success.

3

Systemic Change

Create policies that promote the growth & quality of goal-based savings programs. Increase private and public investment nationwide.

Prosperity



Insight from Actual, Real People!

- Low-income people identify emergencies/retirement as their primary savings goal
 - Majority are confident about retirement security, in all income categories – despite 58% believing social security is risky.
- Key features will drive savings:
 1. Liquidity
 2. Safety
 3. Americans want it all! (including high returns w/o risk)
- Incentives are powerful – the bigger the better
 - 72% very likely or almost certain to save \$1,000 if they received a \$500 match in the Savers Tax Credit
 - Lower incomes need the higher incentives to save
- Daunting information barrier about tax credits

Frame for Moving Forward

- Let the demand-side drive program and implementation
 - Go to where people are (tax preparers/Walmart)
 - Listen to consumers – not ideologues
 - Be paternalistic about risk
- Solve the knowledge problem in revolutionary ways – not incrementally
- View and design holistically
 - Focus on psycho-social elements of prosperity when designing
 - Consider the context/quagmire of healthcare costs

Three Keys to Successfully Include Older Savers

Drive initiatives with clarity on:

- Objective: Ideological redistribution of financial resources, or ideologically-agnostic, evidence-based solution to foster prosperity? Both?
- Product: Highly granular, seemingly “small” product features can determine success/failure of attempts to include older savers in asset building work.
- Implementation: Details, management excellence and strategy on implementation = deal breakers for success.