



Save to Win:

Playing, Saving, and Winning



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Asset Building Policy Project

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Save to Win

An asset building tool you and your organization can leverage to

Help working families achieve **lasting**
& **sustainable** financial security

Can Saving be Fun?

Quick Poll – What’s More Exciting?



322-21
1610

1Your
First
Bank *Anytown, USA*

DATE _____

SIGN HERE IN TELLER'S PRESENCE
FOR CASH RECEIVED

DEPOSIT SLIP

:9124 6027 486586519 30937 3620000 108

CASH	CURRENCY		
	COINS		
LIST CHECKS SINGLY			
TOTAL FROM OTHER SIDE			
TOTAL			
LESS CASH RECEIVED			
NET DEPOSIT			

Gaming & Saving?

38% of those with incomes below \$25,000 think that winning the lottery represents the most practical way for them to accumulate several hundred thousand dollars.

- 2006 Consumer Federation of America study*

Lottery players may seek:

- 1) entertainment
- 2) financial planning / wealth building

Can we strengthen #2 without losing #1?

* <http://www.commondreams.org/news2006/0109-05.htm>

How about “Prize-Linked Savings”?

- Concept:
 - Earn chance(s) to win by saving –
+ **Incentive to save more!**
 - Forego part of return to fund prize(s)
 - There are NO losers!
- Why?
 - Make saving fun, exciting, interesting
 - Divert gaming dollars to saving
 - Exploit our weakness for evaluating odds
- Consider:
 - \$60 *billion* in US lottery sales (2008)*
 - Average of \$515 per household
 - 80% of gambling revenue from HH w/ income <\$50k**

*Sources: *North American Association of State and Provincial Lotteries **Tufano, Maynard and De Neve, Consumer Demand for Prize-Linked Savings.

A Test: **SAVE TO WIN**

– Save to Win in Michigan

- + 8 credit unions in the state of Michigan
- + \$100,000 grand prize
- + \$3.3K / month in smaller prizes
- + \$25 deposit in 1 year Share Cert. = 1 chance to win
- + Max = 10 chances / month (120 per year)



Critical Prize-linked Savings Questions

- Do people want it (demand)?
 - Does “fun” work?
- Does it make a difference (impact)?
 - New savers? New savings?
- Is it good business (sustainability)?



Save to Win Results (2/09 – 12/09)

– Sales

- 11,600 accounts opened
- \$8.6MM deposits
- Avg account - \$734

– Survey findings (n=~6k / 50%+)

- Household income < \$60K: **67%**
 - Less than \$40k: **44%**
 - Less than \$20k: **16%**
- < \$2k in financial assets: **28%**
- Less than a college education: **65%**
- Racial / ethnic minority: **27%**



Positive Impact on the Financially Vulnerable

- The product successfully attracted non-savers, the asset poor, and low-to-moderate income groups to open accounts and also made a positive impact on their savings behavior

	At December 2009		
	# of Active Accounts	Total Saved	Avg Account Balance
Non-Savers (56%)	2,824	\$1,660,897	\$588
Asset Poor (39%)	1,849	\$721,227	\$390
LMI (44%)	2,162	\$1,370,471	\$634

Early 2010 results

Save to Win 2010 (12-31-2010)

Michigan “Save to Win” Program		
	2009 (8 Credit Unions)	2010 (36 Credit Unions)
Accounts	11,666	16,833
Amount Saved	\$8.56 million	\$28.1 million
Average Account Balance	\$734	\$1,673

- 144% increase in total number of accounts
- 329% increase in total savings
- Over 1,710 members have won more than \$233,000 in prizes

Building Assets through Save to Win

Save to Win has helped thousands of Michigan account holders save more than \$28 million dollars.

The families you serve can be next!

What we are currently doing

- Save to Win and VITA
 - + Financial Edge Community CU, Communicating Arts CU & ELGA CU
 - + Partnering with VITA free tax preparation sites as well as their own tax sites.
 - + Using portion of tax returns to deposit into Save to Win accounts.

What we are currently doing

- Save to Win as an alternative IDA
 - + No income limit or restrictions
 - + No need to raise “match-money”
 - + Can Save to Win accounts can be used as an alternative product to achieve the same outcomes seen with IDAs?

How you can leverage Save to Win

- Cross-Stream Marketing
 - + Give Save to Win and CU membership form to your clients
 - + Credit Unions provide information on your services to their members
- Referrals
 - + Educate your clients about Save to Win as part of your regular service offerings

How you can leverage Save to Win

– Incentives

- + Small monthly prizes for your clients who open a Save to Win account
- + Provide initial funds for membership (\$6), for the initial deposit or match savings

– Community Ambassadors

- + Trusted people in the community acting as liaison between your services and local CU

Participating Credit Unions

- AAC CU
- Alpena Alcona Area CU
- Auto Body CU
- CASE Credit Union
- Central Macomb Community Credit Union
- Christian Financial Credit Union
- Communicating Arts Credit Union
- Community Alliance CU
- Community Driven CU
- Community Financial Co-op Services CU
- CP Federal Credit Union Village Community CU
- EECU A Community Credit Union
- ELGA Credit Union
- Family Financial CU
- FinancialEdge Community CU
- First Community Federal Credit Union
- First General Credit Union
- Frankenmuth Credit Union
- Grand Rapids Family CU
- HarborLight Credit Union
- Ishpeming Community FCU
- KALSEE Credit Union
- Kellogg Community FCU
- Lake Trust Credit Union
- Limestone CU
- Muskegon Co-op Federal Credit Union
- North Central Area CU
- OUR Credit Union
- Peninsula FCU
- Peoples Trust Credit Union
- Portland FCU
- Public Service CU
- Saginaw County ECU
- Soo Co-Op CU
- South Central CU
- Sunrise Family Credit Union
- U.P. Catholic CU
- United Financial Credit Union

Save to Win Challenge

A Race to Memorial Day!

Leverage StW as Asset Building Tool

Begins April 1, 2011

Ends May 30, 2011

Three ways to win \$\$\$\$ for your organization

Save to Win Challenge

Save to Win Raffle

Win \$500

Open 25 New StW Accounts to Enter
Every New StW Account = 1 entry

Winning organization will be selected through a
random drawing after May 31st

Save to Win Challenge

Grand Prize \$1500

Open 100 StW Accounts to Become Eligible
Organization opening the most StW Accounts, **Wins!**

The grand prize winner is ineligible for the \$500 raffle
In event of tie, grand prize will be split

Save to Win Challenge

Save to Win Innovator Challenge

Win up to \$1000

We are looking to learn from you the innovative ways your organization leverage and promote Save to Win Accounts as an asset building tool for your clients

Entries will be based on short narratives.

Organizations must open 25 StW to be eligible.

Up to two Organizations will be selected.

Total Prizes will not exceed \$1000

The Race to Memorial Day

- Next Steps for Organizations that want to leverage Save to Win:
 - + Let us know today if interested.
 - + We will connect you with local StW CU
 - + Follow up phone calls within the next week.

– Questions/Comments/Concerns?

For More information

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