

FinTech for Savings: Piloting a Way Forward for Low-Income Savers

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Today's Discussion

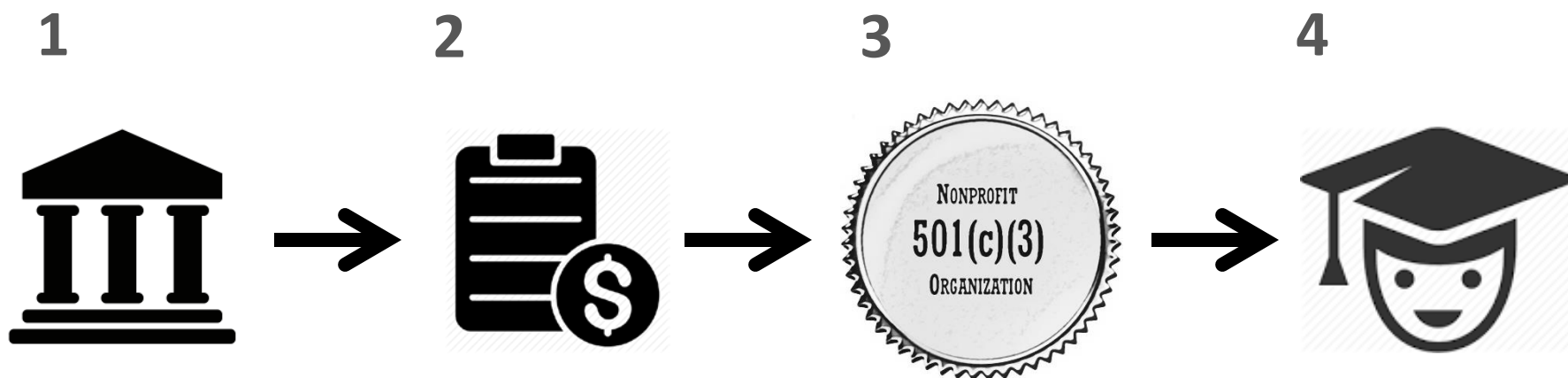
- Benefits of Individual Development Accounts (IDAs) as way of savings for low-income consumers
- Overview of IDA app
- Highlights of 2016 pilot project
- Value and opportunities for financial institutions

Individual Development Accounts (IDAs)

- An established intervention designed to help low-income people build assets by matched savings + financial education



Why an IDA app?



Why not an IDA app?

Lending

Personal Finance

Payments

Retail Investments

FinTech

1,072 Companies

Contact info@venturescanner.com to see all companies

Institutional Investments

Equity Financing

Remittances

Business Tools

Crowd-funding

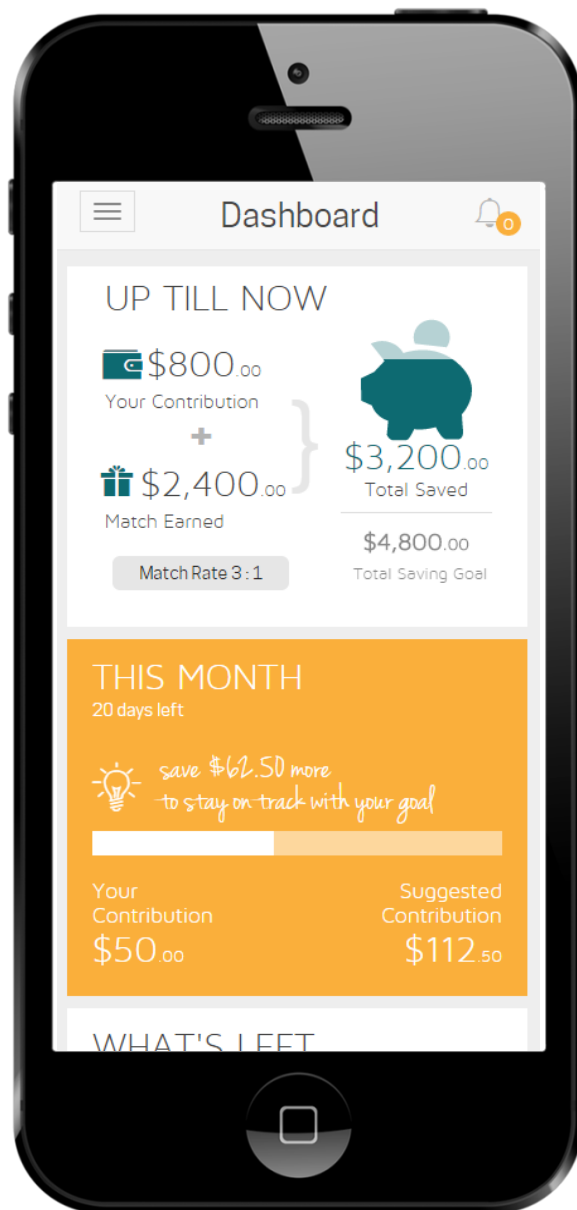
Consumer Banking

Financial Research

Banking Infrastructure

Venture Scanner

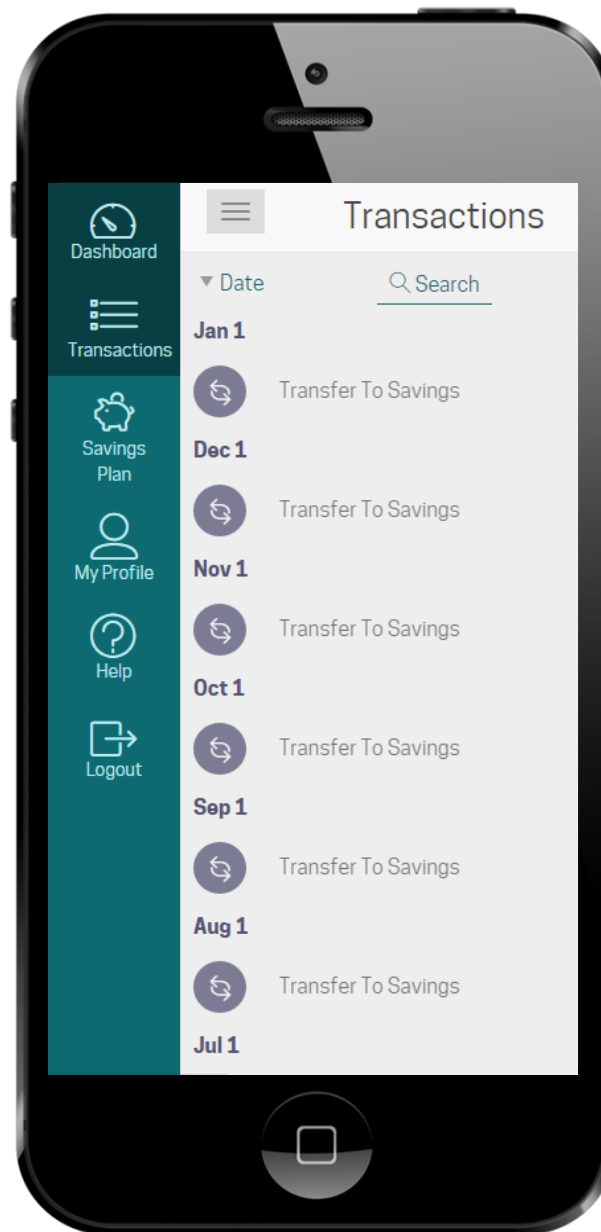
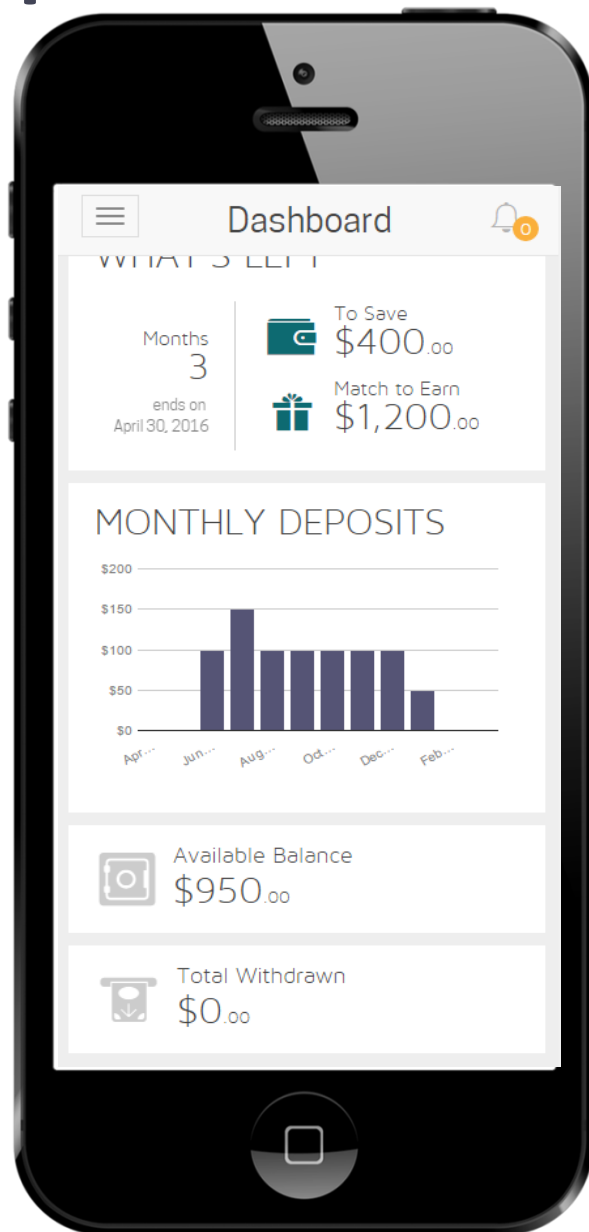
IDA App Features



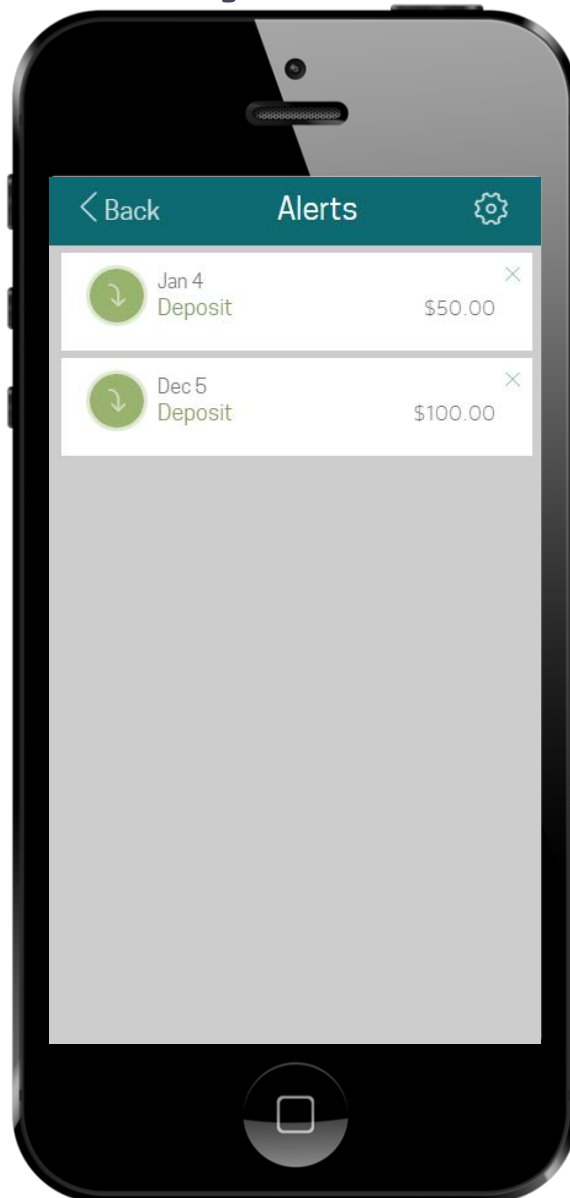
- Visualize savings with match
- Set and stay on track of program-specific savings goals
- Check IDA account balance in real time (custodial)
- Custom messaging based on real-time program activity



IDA App Features



Behaviorally-Informed Alerts



- Custom alerts based on:
 - Real-time account activity
 - IDA program goals
 - Behavioral economics research
- Savers receive email, text, and in-app messages:
 - Reminders for upcoming deposits
 - Missed deposit nudges
 - Deposit confirmations
 - Monthly summaries
 - Withdrawal confirmations

Plan for 2016 – Implementation & Testing

User Testing
& Focus
Groups

Phase 2:
National Pilot
Summer 2016

Phase 1:
Local Pilot
Spring 2016



Research Questions

- **How might technology help low-income people save?**
- Sample metrics:
 - Frequency of deposits
 - Average monthly net deposits
 - Number of missed deposits
 - Length of time to savings goal
 - Number of logins per month

Value to banks

- Improve how those new to saving perceive saving and your bank
- Deliver an intuitive user experience
 - “Design for how people think, not how banks work”
- Opportunity for future research:
 - Will these savers become broader bank customers?
 - How might apps and messaging help people save and stay engaged with their financial institution?

Future opportunities

- Optimization
 - Offer online banking access for IDA custodial accounts
 - Enable third-party data aggregation
- Pilot program partnerships
 - Simplify how to determine which FIs are technologically compatible with the IDA app
- Research
 - Will these savers become broader bank customers?
 - How might apps help people save?
 - How might custom messaging change savings behavior?

Questions?

Thank you

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