

# Online Personal Financial Measurement

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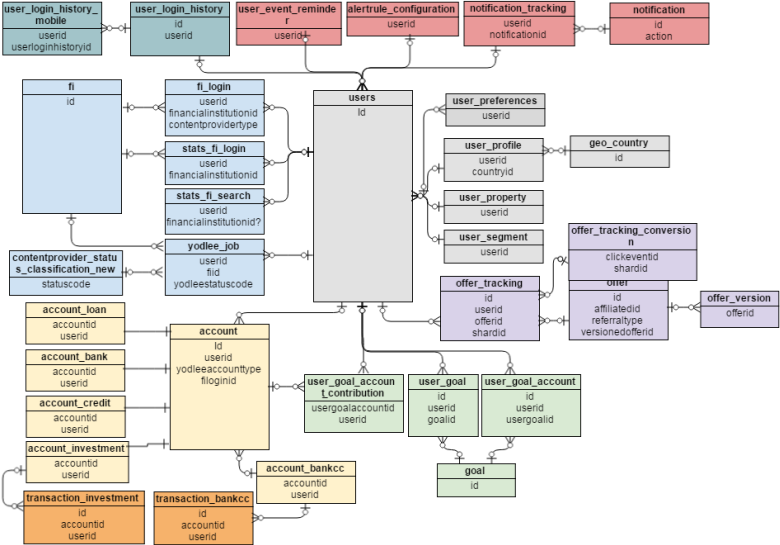
Kellogg School of Management  
Finance Department

Frontiers of Measuring Household Economic Behavior  
Boston Federal Reserve  
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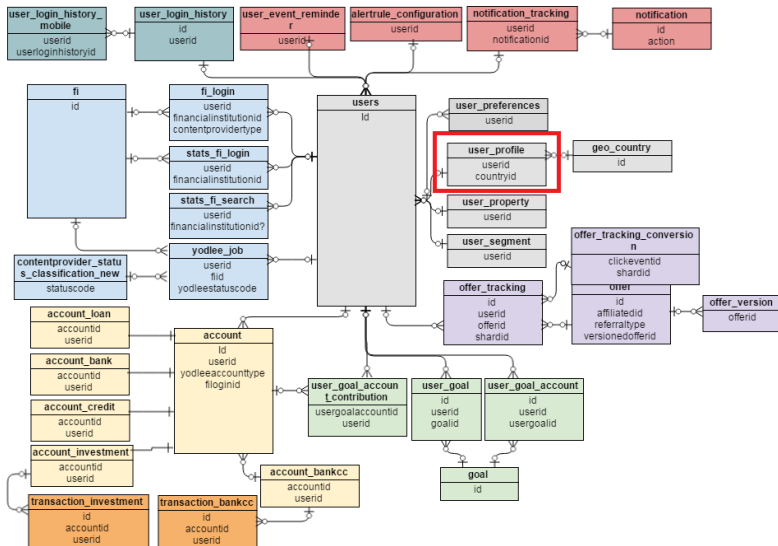
## Example of 'Big' Household Financial Data

- Free personal financial website designed to aid financial tracking and budgeting among households
- Over 4 million active users with 20 million accounts and 10 billion categorized transactions since 2008
- Self-reported demographics
- Automated financial data collection

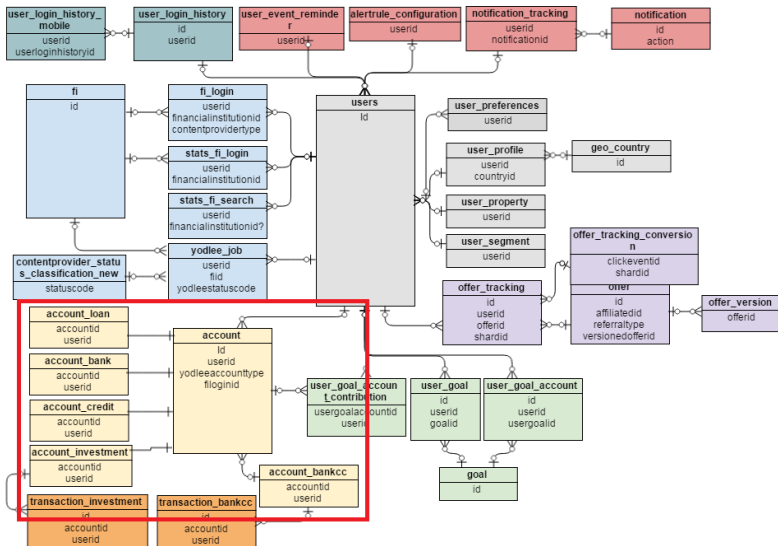
# Comprehensive Financial Information



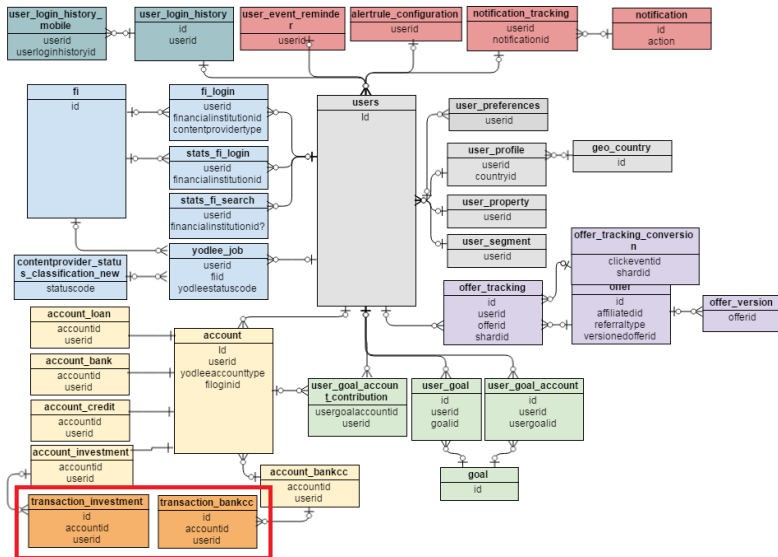
# Demographics and User Info



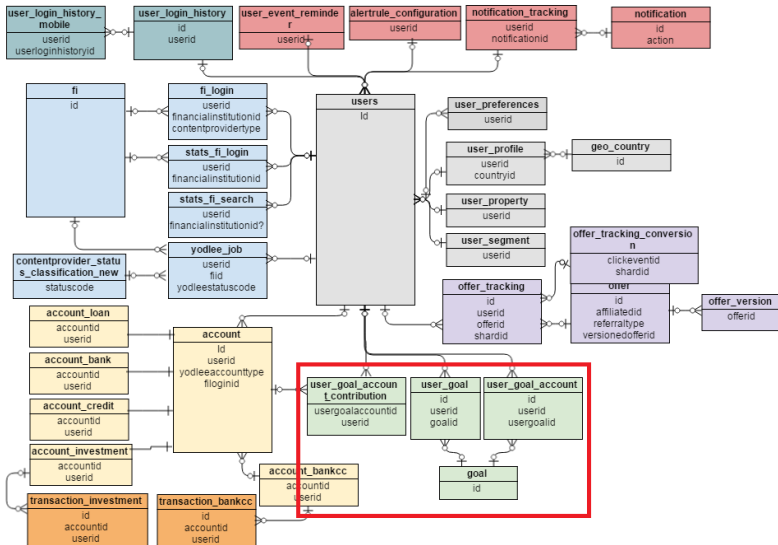
# All Financial Accounts



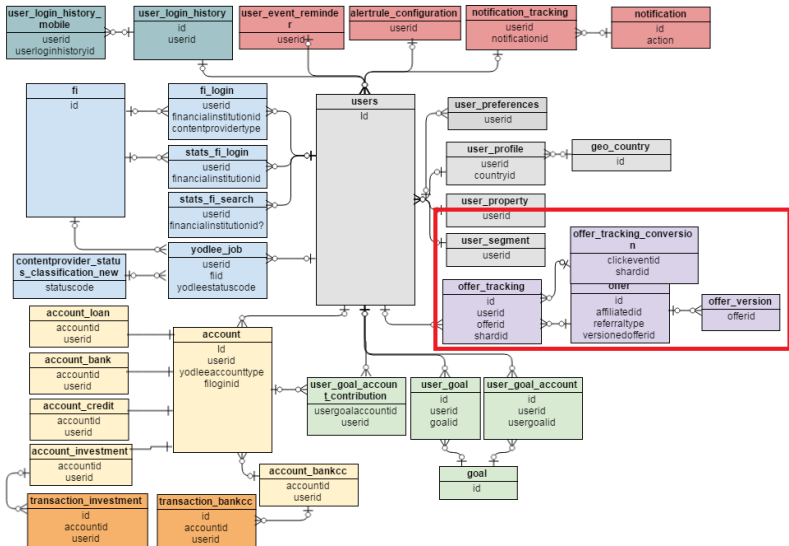
# Bank, CC, Investment Transactions



# Financial Goals and Budgets



# Financial Product Offers and Responses





## Benefits for Research?

- Comprehensive (all accounts, financial stocks and flows)
- Granular (households, continuous measures)
- Real-world behavior (non-survey)
- Real-time (possible for rapid policy analysis or pilots)
- Different (smaller?) error
- Potentially lower cost to researchers

## Cons

- Selection (into sample and in completeness of sample)
- More required interpretation and interpolation
- Qualitative data often unavailable
- New skills required for massive database usage
- Public access and availability
- Long-term commitment by firms

## Solutions?

- Best data practices (interpretation, aggregation, analysis)
- Supplement with surveys where possible
- More empirical and big data training
- Collaboration with firms to archive and maintain data