

The background of the slide is a blurred photograph of a large crowd of people, likely at a conference or event. The lighting is warm and golden, suggesting an indoor setting with bright lights. The people are out of focus, creating a sense of a busy, large-scale gathering.

commonwealth

Prize-linked Savings

CFA Financial Services Conference
December 1, 2017

We build solutions to make people financially secure.

Mission

Commonwealth strengthens the financial opportunity and security of financially vulnerable people by discovering ideas, piloting solutions and driving innovations to scale.

We build solutions to make people financially secure.



Prize-Linked Savings (PLS)

- People earn the chance to win prizes for saving money
- Transforms the stress and sacrifice of saving to immediate reward, possibility, and suspense
- Provides an incentive to save more
- No-lose proposition – no risk!
- In 20+ countries internationally



Current PLS Product Landscape

- Credit Unions

1. Save to Win
2. WINcentive
3. Neighborhood CU (TX)



- Banks

1. Blue Ridge Bank (VA)
2. First County Bank (CT)
3. Community Bank (OR)



- FinTech Start-Ups

1. Payperks
2. Long Game



- Prepaid

1. Prize Savings on the Walmart MoneyCard



Walmart MoneyCard Prize Savings

PRODUCT

- Prepaid card powered by Green Dot Bank
- Available for \$1 at 4,500 Walmart stores nationwide
- Savings pocket “The Vault” offered to all cardholders



WALMART MONEYCARD OBJECTIVES

- Address \$400 savings crisis for customers
- Use size and scale to take on issues affecting their customers in an innovative way
- Provide customers greater control of their money



Improving Savings Vault Usage

PRIZE SAVINGS FEATURES

- Launched nationally 8/1/16
- Leverages sweepstakes model
- \$1 saved (avg daily balance) = 1 raffle ticket
 - ✓ 500 tickets max each month
- 500 winners each month
 - ✓ 1 Grand Prize Winner (\$1000)
 - ✓ 499 additional \$25 winners



Prize Savings Impact

- Customers have moved over **\$600 million** into the Vault since the start of Prize Savings
 - Customers are setting aside money into the Vault **more frequently** than a year ago
 - MoneyCard savers are also **saving more money on average** than they were a year ago
 - The average customer Vault balance has continued to grow
- Direct Deposit activity is up significantly on the *MoneyCard* portfolio since the start of the Prize Savings program,
 - The presence of a free savings account may be encouraging more committed and long-term use of the MoneyCard
- Walmart and Green Dot have awarded over **\$188,650 in prizes to 7,000 lucky winners** across the county



THANK YOU

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